

1 KATSAROS: I promise not be as long as some of the prior
2 speeches. First off I would like to state that there is no collaboration between
3 the speakers and I am amazed at how some of my comments are going to echo
4 what was said before. My name is Basil Katsaros, K-A-T-S-A-R-O-S. I am a
5 Real Estate appraiser had been such since 1971. I was born and raised in
6 Edgewater, so I have been a long time resident of Jefferson County. As to
7 opening comments, I hope it's understood and this is where I echo previously
8 that value is considered to be people created the definition of value seeks what
9 a willing buyer will pay and what a willing seller will sell for property. The same
10 house and this also echoes what was said earlier, the same house for example
11 costing the same to construct will sell for more in one sub-market then in
12 another. In addition property values both residential and commercial may be
13 impacted by conditions outside of what maybe generally or typically considered.
14 The additional factors may include construction defects. Property
15 contamination, geophysical conditions due to weather and soils, crimes and
16 sickness. The topic of discussion here is what impact on residential value may a
17 communication tower impose. The principals I will discuss apply to all
18 (inaudible) that impact value. In essence do detrimental conditions cause a
19 denomination in value? For purposes of simplicity the appraisal body of
20 knowledge refers to such properties as DC properties. DC stands for
21 detrimental conditions. The appraisal industry has identified ten classifications
22 of detrimental conditions and I believe you have a hand out of those ten
23 conditions. Tonight's topic is considered to be a class five property which is an

1 imposed condition and specifically the cause of the imposed condition is a
2 neighboring issue. You can see in the asterisks the imposed neighboring
3 condition is synonymous with power plants, sewer plants, airports etc. In
4 estimating denomination and value typical valuation methodology begins with
5 current market value assuming no problems exist. When physical or functional
6 inadequacies are present, market value is adjusted downward by an estimated
7 cost to cure plus an incentive value plus a potential stigma value. Given the
8 topic of today, cost to cure is not applicable. The last component of
9 compensation is known as stigma. In essence the component compensates the
10 buyer for fear of a problem recurring in the future. There are many factors which
11 can be included in the calculation of stigma. Some of these factors are severity
12 of the damage\concern nature of the damage\concern, reputation of the
13 neighborhood after incidence\cure, consultation reports, news media, and news
14 media is a big factor, time since the incident\cure occurred etc. An additional
15 component would be at would stage has the cure occurred for example the
16 stigma factor would be higher for properties that are damaged and never cured
17 versus those that are cured and not tested. My company has conducted studies
18 of effected properties with bentonite soil problems and in such stigma in those
19 instances range from 10 to 20% of the uneffected home value. In some cases
20 stigma could range higher if there is evidence of lack of a proper cure. Such
21 may be the case where subject properties where bentonite cure has failed a
22 second time after an initial cure. An alternative term for stigma is market
23 resistance and market resistance is more in line with today's topics and there

1 are two components to market resistance. One is discounted value and the
2 second is an extended marketing time. An inclusive component of stigma is the
3 future attempts to sell or finance the properties. An appraiser would be required
4 to comment on the condition or status if it's known. Should the appraiser not
5 report the condition and there is evidence of a problem, an appraiser may have
6 liability. In addition should a realtor list the property disclosure of the condition
7 would be required. In comparison the issue of soils damage is only truly come
8 to light in the last ten years or so. Property owners, builders, appraisers, and
9 other experts are now more aware of the components of value and what issues
10 may impact value. Regardless of the testimony heard should the buying public
11 perceive a health problem, real or not, there will be an impact on value. On the
12 overhead and on the chart that was handed out to you is a diagram of what
13 happens to property values when a detrimental condition occurs. There is no
14 correlation between value on the left hand side and time on the bottom side.
15 Point A is the unaffected value, point B is where the assessment begins of what
16 the detrimental condition is. Point C is where we begin to repair, if repair is
17 necessary, and then we begin to look at any on going costs if there is any on
18 going monitoring remediation and then finally we come to any market resistance.
19 Should approval occur for the tower the assessment stage will continue to go
20 on. This is identified under a permanent condition a chart of a permanent
21 condition that you have on your handout where property values will drop and
22 declined and they may continue that decline position until there is no concern by
23 the public. Once that occurs or the assessment is finalized property values could

1 back to their unaffected value or they could go below the unaffected value. That
2 concludes my comments. Any questions?

3 HOLLOWAY: Bruce Debosky?

4 DEBOSKY: I am Bruce Debosky and I need to be sworn. I
5 wasn't here at the time.

6 CLERK: Do you solemnly swear the testimony you are about
7 to give is the truth the whole truth and nothing but the truth so help you God?

8 DEBOSKY: I do, thank you. My name is Bruce Debosky and I
9 am a Denver lawyer for the last 22 years, most of which with the law firm of
10 Silver and Debosky, located at 18th and York in Denver. I first heard of
11 electromagnetic radiation on Lookout Mountain when I was approached in the
12 mid 1980's by long time Lookout Mountain residents, Verle and Naoma Maine.
13 You may know or remember the Maines' as the owner of the Lighted Lantern
14 Square Dance Hall and Camp on Lookout Mountain Road. Verle Maine was
15 nationally known as one of the finest square dance callers our country ever
16 produced and at the age of 56 he contracted Hodgkins Lymphoma. When the
17 Maines' came to me in the middle '80's they came with a newspaper article from
18 the Denver Post which was describing hot spots of electromagnetic radiation on
19 Lookout Mountain and the one that was of particular interest to them was the
20 one from Jefferson Pilot Communication's, KYGO FM antenna which was very
21 near their residence and there were hot spots of electromagnetic radiation, radio
22 frequency radiation on their property. When Jefferson Pilot's Head Engineer at
23 KYGO was asked if he thought that the hot spots on the Maines' property posed