

# HERSKOWITZ, ROSEN, WALTON & GLASGOW

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JERRY McCARRON

**VIA EMAIL: [legran@att.net](mailto:legran@att.net)**

October 6, 2010

Bayshore Regional Sewerage Authority  
c/o Louis E. Granata, Esquire  
Granata, Wernik & Zaccardi  
210 Main Street  
Matawan, New Jersey 07747-3104

Re: Real Estate Research Services  
Impact of the Jersey-Atlantic Wind Farm on Market Values of Residences in the  
Venice Park/Lagoon Island Neighborhoods of Atlantic City, Atlantic County, New  
Jersey  
Our File No. 210095

Dear Mr. Granata:

In accordance with your request, this letter summarizes the results of our real estate research services.

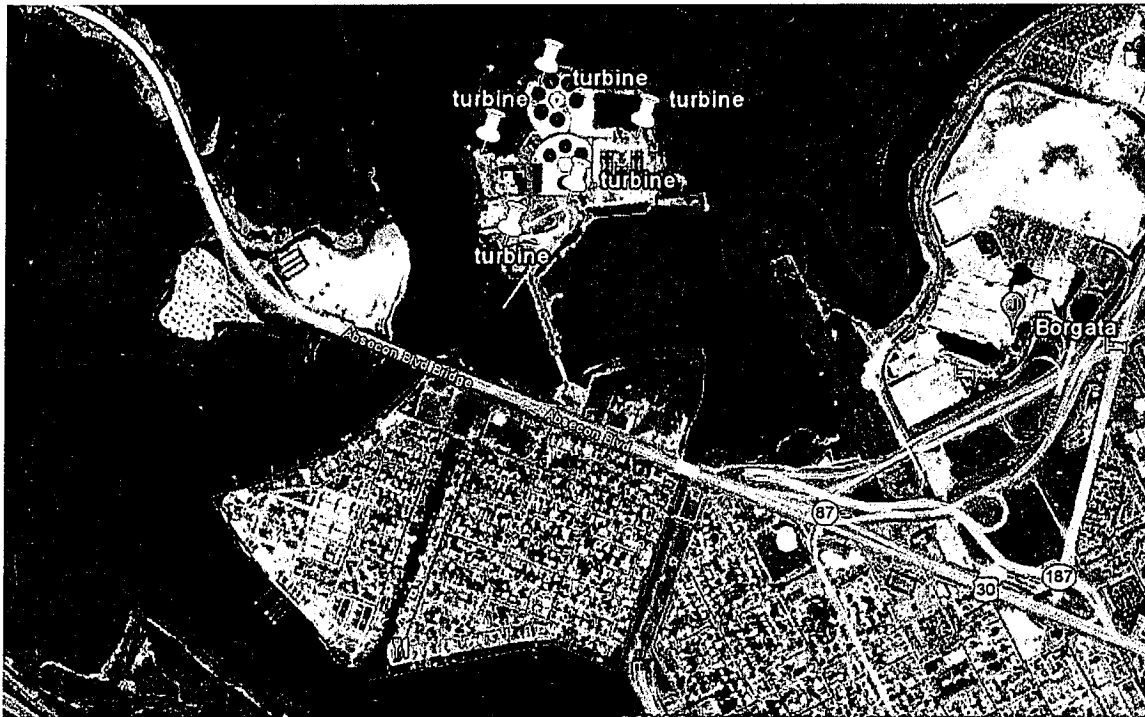
The purpose of our research was to analyze market sales data in an attempt to determine what, if any, impact the development and operation of the five (5) wind turbines located at the Jersey-Atlantic Wind Farm, located on the site of the Atlantic County Utilities Authority (ACUA) Wastewater Treatment Plant in Atlantic City, New Jersey, have had on the market values of residential properties located in the nearby Venice Park and Lagoon Island neighborhoods (hereafter referred to as the Venice neighborhood)

## **Turbine Description and Proximity to the Neighborhood**

Ground was broken for the wind farm in September 2005. The turbines were erected from October to December 2005. Their operation commenced in December 2005.

The five turbines and the Venice neighborhood are depicted on the aerial photo below. The closest distance between a turbine and a house in the neighborhood is approximately

500 yards (0.3 mile). The turbines are 397 feet tall to the tip of the blades. Each turbine drives a 1.5 MW generator.



The Venice neighborhood is outlined in red and the turbines are marked with yellow pins.

### Site Visits

Jerry McCarron of our office visited the neighborhood in September 2010 twice during daylight hours and once at night. The turbines were spinning during each visit. No noise from the turbines could be heard either in the Venice neighborhood or at the visitor welcome center between the Venice neighborhood and the turbines. Traffic noise from US 30 was modest during each of the visits.

### Data Sources

We analyzed the sales history of Atlantic City single family homes from January of 2004 through December 2006. The data used in the analysis is provided in the addenda. We gathered most data from the Paragon 4 Multiple Listing Service (MLS). We corrected obvious errors in the MLS database by cross referencing with WTG-SAMS (formerly known

as N.J. Parcel Map). The MLS database included more than 500 single family sales transactions during 2004-2006.

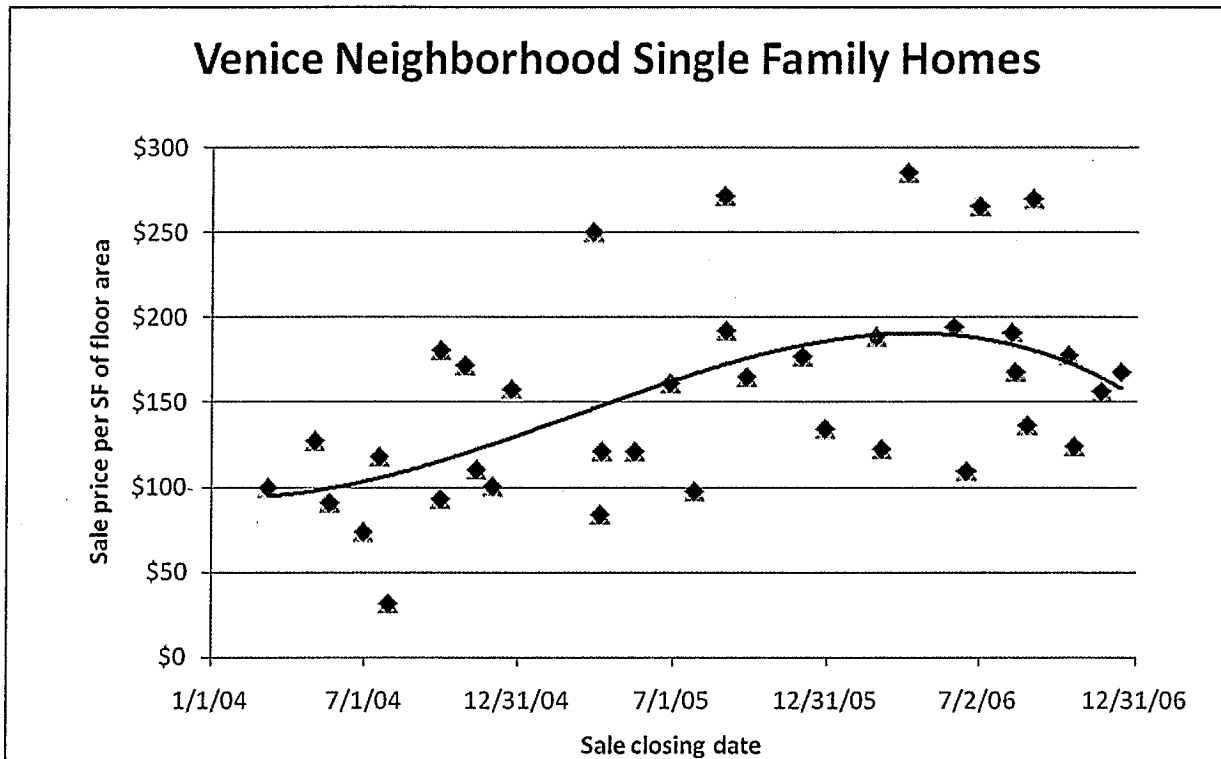
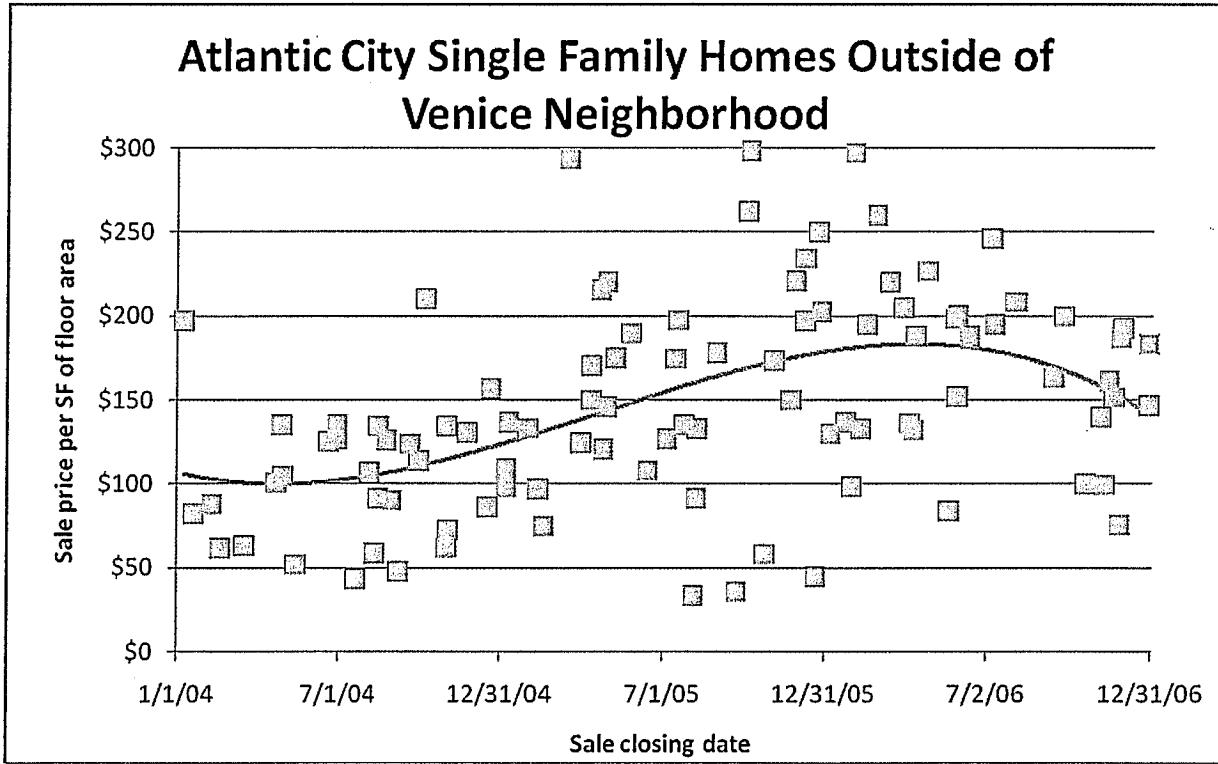
The most common method of comparing house values is to divide the sales price by the house square footage. We plotted the price per square foot over time to see the trend in values both inside and outside the Venice neighborhood. We excluded 5% of the sales because they sold in excess of \$300 per square foot, and these outliers would have distorted the trend lines.

The MLS reported house floor areas for roughly 20% of the sales. We obtained missing square footages for sales in the Venice neighborhood by consulting the New Jersey Association of County Tax Board (NJACTB.org) databases. We were able to find data for 37 usable transactions in the Venice neighborhood, which allows us to plot a credible trend line.

The MLS provided square footage information for 100 sales outside of the Venice neighborhood, which were enough data points to establish a credible trend line. Given the magnitude of data, we believe that it is unnecessary to confirm each of the 137 transactions, as errors on the high side tend to cancel errors on the low side.

### **Analysis**

We entered the data into a Microsoft Excel workbook, and then used Excel's analysis tools to plot the data and to compute trend lines. Excel calculated an order-3 polynomial line that best fits the data illustrated in the two following graphs.



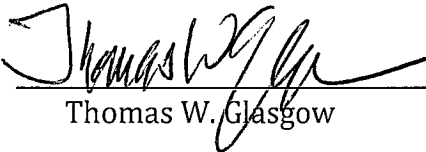
**Conclusion**

The preceding graphs show that the trend in single family property values for the Venice neighborhood closely matched the trend for Atlantic City single family properties outside of that neighborhood, both before and after the installation of the turbines. The trend lines for the two graphs are close enough that their differences are likely caused by random variations among houses, buyers, and sellers.

We conclude that installation and operation of the Jersey-Atlantic Wind Farm had no impact on property values in the Venice Park and Lagoon Island neighborhoods.

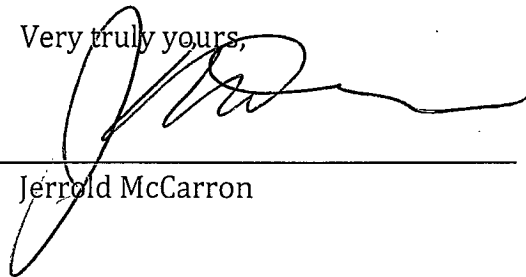
Please feel free to contact us if you have any questions about our research or our analysis. Our qualifications are provided in the addenda. Thank you for the opportunity to be of service in this matter.

Very truly yours,



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Thomas W. Glasgow



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Jerrold McCarron

**Addenda**

## 2004 Atlantic City single family sales outside of Venice Park neighborhood

MLS #	Address	Price	SF	Sale date	\$/SF	Block	lot
225315	134 S BARTRAM	\$ 592,000	3,000	1/9/04	\$ 197	8	8
237801	214 N Florida Ave	82,500	1,000	1/20/04	83	384	36
237521	2621 ARCTIC AVENUE	120,500	1,367	2/10/04	88	342	42
232656	32 S Bellevue	105,000	1,700	2/19/04	62	167	16
237003	611 N Arkansas Ave	46,000	728	3/18/04	63	481	2
240302	6 LIBERTY TERRACE	111,000	1,100	4/23/04	101	339	8
241477	1920 E RIVERSIDE	260,000	1,925	4/28/04	135	670	8
243024	1339 PENROSE AVENUE	167,900	1,600	4/30/04	105	674	1.02
238154	1931 mckinley	73,000	1,400	5/14/04	52	636	1
241931	700 N DR MARTIN LUTHER	150,000	1,200	6/21/04	125	612	5
237575	136 N Houston	165,000	1,300	6/30/04	127	116	7
242180	3 Spinnaker Way	211,500	1,567	6/30/04	135	105	1406
245493	1532 C. Morris Cain Place	40,000	925	7/21/04	43	402	4
243825	1200 N Ohio Avenue	160,000	1,500	8/6/04	107	665	7
246337	805 N INDIANA AVE	82,000	1,400	8/11/04	59	616	13
245014	121 N Montpelier Ave	165,000	1,800	8/16/04	92	348	30
241833	1 Fairmount Terrace	135,300	1,005	8/16/04	135	341	7
247113	130 N VIRGINIA AVENUE	176,500	1,400	8/25/04	126	314	1.01
244859	2 Victoria Place	108,500	1,200	8/31/04	90	343	21
244801	15 N Rhode Island Avenue	180,000	3,745	9/8/04	48	124	67
244041	232 Nevada Avenue	137,000	1,105	9/21/04	124	383	16
247388	726 INDIANA	91,000	800	10/1/04	114	618	3
246456	4712 Atlantic Avenue	715,000	3,400	10/8/04	210	2	1
250266	811 N Indiana Avenue	87,000	1,400	11/1/04	62	616	18
244622	30 N NEWTON	269,000	2,000	11/1/04	135	214	8
250592	624 Green Street	145,000	2,000	11/3/04	73	517	2
250510	440 N NORTH CAROLINA A'	195,600	1,500	11/24/04	130	537	1.1
250624	1103 S NEW ROAD	155,000	1,800	12/17/04	86	24	24
248901	4 SEXTANT DR	235,000	1,500	12/21/04	157	105	1102

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## 2005 Atlantic City single family sales outside of Venice Park neighborhood

MLS #	Address	Price	SF	Sale date	\$/SF	Block	lot
252746	2425 Trenwith Ter	127,308	1,300	1/7/05	98	164	16
251808	911 N Indiana Avenue	140,000	1,280	1/7/05	109	615	9
251979	44 N LIGHTHOUSE COURT	214,000	1,567	1/10/05	137	105	2304
253055	127 HOUSTON	240,000	1,800	1/31/05	133	117	37.02
247876	539 N TRENTON AVE	174,000	1,799	2/11/05	97	781	9
242073	122 OCEAN AVE	165,000	2,200	2/18/05	75	54	51
254526	505 Barrett Avenue	550,000	1,875	3/17/05	293	566	7
255582	16 brooklyn	112,000	900	3/31/05	124	401	20
254093	2807 Denny Street	180,000	1,200	4/11/05	150	345	41
255002	512 massachusetts	153,400	900	4/11/05	170	559	9
253215	23 1/2 N Stenton Place	265,000	1,230	4/22/05	215	271	30
250001	11 N Parker Avenue	132,500	1,100	4/25/05	120	230	19
253553	246 N Nevada Ave	161,000	1,105	4/29/05	146	383	9
249120	125 Sunrise Ave	440,000	2,000	4/29/05	220	91.01	2
251439	630 N CASPIAN AVENUE	279,900	1,600	5/9/05	175	547	1.04
259004	13 Clipper Ct	225,000	1,186	5/26/05	190	107	12
257218	1044 DREXEL	145,000	1,344	6/14/05	108	RS-59	20
256421	118 N FLORIDA	190,000	1,500	7/6/05	127	341	26
259356	136 Houston Ave.	227,000	1,300	7/15/05	175	116	7
259987	16 S Windsor Ave	395,000	2,000	7/18/05	198	201	4
260581	7 Siracusa Terrace	162,000	1,200	7/25/05	135	337	60
259983	610 N VIRGINIA AVENUE	160,000	4,834	8/5/05	33	591	7
262540	1309 Drexel Ave	55,000	600	8/8/05	92	452	27
257996	1530 C Morris Cain	123,000	925	8/9/05	133	402	5
263052	36 N Raleigh Ave	285,000	1,600	8/31/05	178	223	9
258463	112 N Tennessee Avenue	25,000	692	9/23/05	36	14	320
262333	514 HARBOR RD	118,000	450	10/5/05	262	776	10
248185	539 N New Jersey	775,000	2,600	10/7/05	298	33	556
268680	1706 Hummock Ave.	70,000	1,200	10/25/05	58	464	3
266394	44 N LaCledde Place	260,000	1,500	11/4/05	173	224	10
268150	2817 Denny St	195,000	1,300	11/23/05	150	345	35
263746	7 CARAVEL COURT	265,000	1,200	11/28/05	221	113	34
265365	3815 S boulevard	355,000	1,800	12/9/05	197	365	15
265869	130 N Maxwell Street	164,000	700	12/9/05	234	344	5
270350	1028 Mediterranean Ave.	45,000	1,000	12/21/05	45	410	4
265234	434 harrisburg	225,000	900	12/23/05	250	790	13
265083	13 Anchorage Court	304,000	1,500	12/27/05	203	105	1707

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## 2006 Atlantic City single family sales outside of Venice Park neighborhood

MLS #	Address	Price	SF	Sale date	\$/SF	Block	lot
268756	1821 Lincoln Ave	156,000	1,200	1/6/06	130	625	16
270863	903 N Indiana Ave	123,000	900	1/24/06	137	615	5
267218	1311 Drexel Avenue	74,900	761	1/31/06	98	452	28
255854	101 ADRIATIC AVE	545,000	1,835	2/2/06	297	98.06	4
260915	4714 Ventnor Ave	425,000	3,200	2/10/06	133	213	2
270540	105 N New Hampshire Ave	300,000	1,540	2/17/06	195	90	9
265122	424 N Annapolis Avenue	375,000	1,444	2/28/06	260	5,13,14	784
272488	1 Starboard Court	345,000	1,567	3/15/06	220	105	3101
275094	464 N HARBOR ROAD	266,000	1,300	3/31/06	205	787	3
271455	725 Indiana ave	150,000	1,100	4/7/06	136	617	20
273869	126 N Congress	185,250	1,400	4/12/06	132	308	6
268410	1129 Monroe Ave.	188,000	1,000	4/14/06	188	654	20
277076	336 N Annapolis Avenue	340,000	1,500	4/27/06	227	359	5
275497	30 N Iowa Ave	201,000	2,400	5/22/06	84	271	7
277323	22 Lighthouse Ct.	315,000	1,588	5/29/06	198	105	2607
271562	222 N morris ave	228,000	1,500	5/30/06	152	375	12
276472	124 FOLSOM AVE	330,000	1,650	5/31/06	200	120	8
279590	1129 Monroe Ave.	188,000	1,000	6/13/06	188	654	20
271420	44 N Raleigh Ave.	246,300	1,000	7/7/06	246	223	7
277929	14 Lighthouse Court	305,000	1,567	7/10/06	195	105	2808
268751	332 N Annapolis	250,000	1,200	8/1/06	208	7	359
278105	332 N Annapolis	250,000	1,200	8/4/06	208	7	359
284007	1128 N Ohio Ave	297,000	1,820	9/14/06	163	654	5
281092	225 N Morris Ave	225,000	1,126	9/25/06	200	377	48
283000	1737 GRANT AVENUE	86,500	867	10/20/06	100	616	9 & 15
284731	133 N Georgia	307,000	2,200	11/6/06	140	338	28
287051	208 N south carolina	199,000	2,000	11/10/06	100	405	11
283818	809 N michigan	161,000	1,000	11/15/06	161	640	12
288240	251 N texas ave	182,000	1,200	11/20/06	152	383	41
284366	546 N Harrisburg Avenue	218,000	2,880	11/27/06	76	16	778
288329	628 Caspian Ave.	289,900	1,550	11/28/06	187	547	1.05
281019	455 Warrena Road	231,000	1,200	11/30/06	193	790	31
287637	116 N Vermont Ave	220,000	1,500	12/29/06	147	118	6
290792	610 N DR MARTIN LUTHER	275,000	1,500	12/29/06	183	515	4

## 2004-2006 Atlantic City single family sales in the Venice Park neighborhood

MLS #	Address	Price	SF	Sale date	\$/SF	Block	lot
238199	1507 N OHIO AVE	107,000	1,075	3/9/04	100	679	16
239627	1501 N Ohio Ave.	140,000	1,100	5/3/04	127	679	13
242986	1648 N Arkansas	99,900	1,100	5/21/04	91	700	3
242369	1911 Emerson	140,000	1,900	6/30/04	74	724	5
241707	1501 N MISSOURI	139,900	1,186	7/19/04	118	691	9
244662	1563 N Arkansas Ave	129,900	4,125	7/30/04	31	687	22
245853	1426 N Madison	142,000	1,527	9/30/04	93	684	4
235698	1407 W RIVERSIDE DRIVE	205,000	1,134	9/30/04	181	692	8.01
249519	2003 MURRAY AVENUE	164,900	960	10/29/04	172	723	6
250229	1521 Beach Ave.	180,000	1,632	11/12/04	110	690	14
224475	2208 Murray Ave.	195,900	1,952	12/1/04	100	702	12
243218	1800 N Ohio Ave	169,500	1,075	12/23/04	158	727	5
252117	2101 Kuehnle Street	400,000	1,598	3/28/05	250	701	22
256690	1616 N OHIO	150,000	1,790	4/6/05	84	733	5
255224	1405 MADISON AVE	125,000	1,032	4/8/05	121	681	12
256860	1827 N michigan	130,100	1,075	5/17/05	121	726	12
256926	1521 Emerson Ave.	260,000	1,612	6/28/05	161	686	9
261199	1428 N OHIO AVE.	126,000	1,292	7/27/05	98	681	3
258319	2007 Kuehnle Avenue	425,000	1,564	8/31/05	272	729	8
259553	1500 Penrose Avenue	229,000	1,191	9/2/05	192	679	11, 12
264285	2101 E Riverside Drive	255,000	1,546	9/27/05	165	689	13
266206	1601 EMERSON	235,000	1,327	12/2/05	177	731	13
267780	1815 N Missouri Ave	159,900	1,190	12/29/05	134	707	8
258625	1518 MADISON AVENUE	289,900	1,536	2/28/06	189	683	7.02
260148	1605 Beach Avenue	167,000	1,364	3/7/06	122	700	11
276806	2002 W Riverside Dr.	729,894	2,556	4/7/06	286	714	2
275530	1648 N ARKANSAS	225,000	1,157	6/1/06	194	700	3
272739	1646 Beach	115,000	1,052	6/16/06	109	699	7
273718	2070 W Riverside Dr.	679,000	2,556	6/30/06	266	714	9
281626	1612 N Michigan Avenue	207,000	1,084	8/7/06	191	731	11
268007	1464 W riverside drive	325,000	1,936	8/11/06	168	694	11,12
273292	1525 N MICHIGAN AVE.	215,100	1,577	8/25/06	136	683	22&23
276227	1905 Kuehnle	378,000	1,400	8/31/06	270	729	17
287233	1646 Beach Avenue	187,000	1,052	10/12/06	178	699	7
281016	1411 N Michigan Ave	148,800	1,200	10/19/06	124	684	18 & 19
284246	1427 N MICHIGAN AVE	239,900	1,534	11/20/06	156	684	26
285811	2131 Murray Ave.	175,000	1,044	12/13/06	168	707	6

THOMAS W. GLASGOW

QUALIFICATIONS

EDUCATION

New York University, New York, NY  
Master of Science in Real Estate, 1990

Rutgers College, New Brunswick, NJ  
Bachelor of Arts Degree in Economics, 1981

Appraisal Institute  
Highest and Best Use and Market Analysis  
Rutgers University, March, 2002

Report Writing  
Edison, August 2000

Advanced Applications  
Penn State Great Valley, November 1994

Advanced Income Capitalization  
Penn State Great Valley, October, 1993

Basic Income Capitalization  
Penn State Great Valley, September, 1993

Basic Valuation Procedures  
Rutgers University, November, 1992

Real Estate Appraisal Principles  
Rutgers University, September, 1992

EXPERIENCE

Staff appraiser with Herskowitz, Rosen, Walton & Glasgow, Cherry Hill, New Jersey, since September, 1992. Firm specializes in real estate appraising and counseling services for all types of properties for a variety of purposes with a concentration in the southern New Jersey and Philadelphia Metropolitan areas.

**Qualifications of Thomas W. Glasgow (Page 2)**

**Prior Experience**

East Region Manager with SEACOR Division of Day & Zimmermann, Inc., Mt. Laurel, NJ. Manager for inventory and appraisal of RTC personal property in the Eastern United States.

Financial analyst for A.M. Churchill Assocs., Berlin, NJ.

**SCOPE OF APPRAISAL ACTIVITY**

Experience in real estate appraising and counseling has been intensive and varied since 1992. Assignments have included a variety of property types including industrial buildings, land, office buildings, residential developments, and various special purpose facilities including major petrochemical and oil refineries.

Reports prepared for a variety of purposes including ad valorem tax appeal, bankruptcy, consultation, equitable distribution, feasibility analysis, foreclosure, insurance litigation and mortgage financing. Appraisal and counseling assignments concentrated in the Southern New Jersey - Philadelphia Metropolitan area with assignments also completed in other portions of New Jersey.

**AFFILIATIONS**

Associate Member, Appraisal Institute

**MEMBERSHIPS**

CFA Institute

**PROFESSIONAL DESIGNATIONS**

CFA - Chartered Financial Analyst

**LICENSES**

New Jersey Certified General Appraiser (License #42RG0001454)  
Pennsylvania Certified General Appraiser (License #GA-001621-R)

**JERROLD McCARRON**  
**QUALIFICATIONS**

**EDUCATION**

Wharton School, University of Pennsylvania, Philadelphia PA

Master of Business Administration, Real Estate Finance 1974

Syracuse University, Syracuse New York

Bachelor of Science, Electrical Engineering, 1971

Appraisal Institute, courses taken in 2008 and 2009

- General Appraiser Income Approach, Parts 1 and 2
- General Appraiser Market Analysis and Highest & Best Use
- Advanced Sales Comparison & Cost Approaches
- General Appraiser Site Valuation & Cost Approach
- General Appraiser Sales Comparison Approach
- Report Writing and Valuation Analysis
- General Appraiser Report Writing and Case Studies
- National Uniform Standards of Professional Appraisal Practice
- Appraisal Procedures
- Appraisal Principles
- Subdivision Valuation
- Real Estate Finance, Statistics and Valuation Modeling
- The Appraiser as an Expert Witness: Preparation & Testimony

**EXPERIENCE**

Trainee appraiser with Herskowitz, Rosen, Walton & Glasgow, Cherry Hill, New Jersey, since October, 2008. Firm specializes in real estate appraising and counseling services for all types of properties for a variety of purposes with a concentration in the southern New Jersey and Philadelphia Metropolitan areas.

**Qualifications of Jerrold McCarron (Page 2)**

**Prior Experience**

Valuation, Land Development & Turnaround Specialist providing solutions for acquisitions, entitlements management, project repositioning, and asset disposal for Wilkinson Builders and other clients 1993-2008

Senior Executive for Toll Brothers, Inc. 1979-1993

**SCOPE OF VALUATION ACTIVITY**

Experience in real estate valuation and counseling has been complex and varied since 1979. Assignments have involved a variety of property types including large residential developments, mixed-use communities, golf courses, sewer systems, commercial properties, industrial buildings, office buildings, and large apartment communities.

Past and ongoing assignments include feasibility analysis, ad valorem tax appeal, estate settlement, consultation, equitable distribution, mortgage financing, construction, marketing, and strategic planning. Valuation and counseling assignments are concentrated in the Southern New Jersey, Southeastern Pennsylvania, and Northern Delaware.

**PROFESSIONAL AFFILIATIONS**

Associate Member, Appraisal Institute

**LICENSES**

New Jersey Trainee Appraiser (License #42RP00377600)

New Jersey Sales Associate (License #0900227)