September 3, 2021

Senator Paul Hornback
Chairman
Agriculture Committee
702 Capital Avenue
Frankfort, KY 40601-3415

Dear Senator Hornback:

My name is Mary McClinton Clay and I am a real estate appraiser from Paris, Kentucky specializing in eminent domain and environmental damage studies.

As requested, I am attaching a summary chart of examples of diminution in property value as a result of proximity to utility scale solar farms.

I have documented these case studies in a report entitled “A Summary of Solar Energy Generation Power Systems (Solar Farm) Damage Studies as of May 25, 2021,” which I prepared for the Clark Coalition for a hearing before the Clark County Planning Commission on May 25, 2021. The report summarizes peer review journal articles, professional appraiser’s reports, and solar developer’s neighbor agreements, as summarized on the attached chart.

I have also documented additional examples of value diminution in four recent reviews of Impact Studies prepared by appraisers for solar developers as part of their applications to the Kentucky Siting Board.

In addition to five previously published studies, indicating property decline of up to -20.0 percent, four case studies, prepared by my office, are included.

The North Branch, MN case study analyzes a developer buy-out of 7 abutting properties purchased by North Star Solar. The sale-resale analysis compares the sale prior to and after the purchase by the developer. The data indicates a property decline of -6.3 to -28.0 percent with an average and median decline of -17.0 percent.

The McBride Place solar farm case study from Midland N.C. includes the analysis of single family sale-resales indicating value declines ranging from -15.5 to -16.8 percent.

The Sunshine Farms case study analyzes 13 single family lots from a subdivision that abuts a solar farm in Grandy, N.C. The sales that adjoin the solar farm sold for -15.5 percent less than the lots that did not abut, despite a required 300.0 foot set back from the rear property line.
The Spotsylvania Solar case examines single family lot sales before and after the announcement of the 6,350 acre 617 MW solar facility. The adjoining sales sold for -30.00 percent less than those not abutting the solar farm.

Solar developers use “Neighbor Agreements” to limit local opposition to their solar farms. The Western Mustang Solar Agreement consists of a monetary offer of $17,000 to adjacent property owners to not oppose their solar farm.

The Lighthouse BP Neighbor Agreement offers $5,000 to $50,000 to adjacent property owners depending on proximity to the solar farm.

The Posey Solar, LLC agreement offer is equal to 10.0 percent of appraised value for neighbors within 300 feet of the solar field, plus an annual $1,000 payment, or $35,000 for the life of the project. Apparently, Posey Solar considers any property within 300.00 feet of a solar farm to be at risk of value decline.

These payments are significant because the developers’ own appraisers have determined that solar farms will have no adverse impact on adjacent property values. However, the payments can only be interpreted as a tacit admission of value impairment.

The evidence to date, indicates the need for a more robust and comprehensive analysis of the effect of utility scale solar farms on property values than that presented by solar developers; and prior to the approval of additional solar farms in Kentucky.

Sincerely,

Mary McClinton Clay, MAI
<table>
<thead>
<tr>
<th>DATE</th>
<th>STUDY</th>
<th>RESULT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>University of Texas</td>
<td>Assessor survey responses ranged from value impact of zero to estimation of negative impact associated with close distance between the homes and the facility, and impact increased with increased size of the solar plant.</td>
</tr>
<tr>
<td>2020</td>
<td>University of Rhode Island</td>
<td>Average decline within 3.0 mile radius was -1.7%, or $5,671. Average decline within 0.1 mile was -7.0%, or $23,682. The &quot;results suggest extremely large disamenities for properties in very close proximity.&quot;</td>
</tr>
<tr>
<td>2013</td>
<td>Fred H, Beck &amp; Associates, LLC</td>
<td>Strata Solar Case Study: Potential Purchasers cancel contract upon learning of the solar facility. Clay County Case Study: Lot sales stopped after announcement of solar plant. Clay County Board of Equalization reduced affected property assessments -30.0%. Non-residential Use View Impairment Study: Adjacent incompatible use adversely impacted nearby properties -10.7% to -25.1%, or an average of -15.2%. AM Best Solar Farm Study: No diminution in value due to pre-existing industrial zoning for solar farm.</td>
</tr>
<tr>
<td>2020</td>
<td>Mark W. Adams County, PA View Case Study</td>
<td>The loss of view results in a -15% to -20.0% loss in value.</td>
</tr>
<tr>
<td>2019</td>
<td>Madison County Indiana</td>
<td>Potential purchaser offered -16.43% less than appraised value upon learning of the proposed solar plant.</td>
</tr>
</tbody>
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### SUMMARY OF INDICATED VALUE DECLINE

<table>
<thead>
<tr>
<th>DATE</th>
<th>STUDY</th>
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<tbody>
<tr>
<td>2021</td>
<td>Mary McClinton, Clay, MAI</td>
<td>North Star Solar Case Study (MN): An Analysis of the 7 adjoining properties purchased by North Star PV, LLC. A sale-resale analysis of the sale prior to and subsequent to the purchase by the solar developer. The sale-resales indicate a range of diminution from -6.3% to -28.0% with a median decline of -16.9% and an average decline of -16.8%.</td>
</tr>
<tr>
<td>2021</td>
<td>Mary McClinton, Clay, MAI</td>
<td>McBride Place Solar Farm Case Study (NC): Analysis of 3 sale-resales and a comparison of the sale price and tax assessment. The sale-resales indicate -15.65%, -15.51% and -16.44 percent diminution in value. The sale price/tax assessment indicates a -16.81% loss of value.</td>
</tr>
<tr>
<td>2021</td>
<td>Mary McClinton, Clay, MAI</td>
<td>Sunshine Farms Case Study (NC): Analysis of 13 vacant single family lot sales from a subdivision that abuts a solar farm. The sales that adjoin the solar farm sold for -15.5% percent less than the lots that did not abutt the solar farm.</td>
</tr>
<tr>
<td>2021</td>
<td>Mary McClinton, Clay, MAI</td>
<td>Spotsylvania Solar Case Study (VA): Analysis of 5 vacant single family lot sales from a section of Fawn Lake Subdivision that is adjacent to the solar farm. The lots that adjoin the solar farm sold for -30.0% less than those that did not adjoin.</td>
</tr>
<tr>
<td>2020</td>
<td>Western Mustang Neighbor Agreement</td>
<td>Monetary offer of $17,000 to adjacent property owners to quel opposition to the proposed solar facility.</td>
</tr>
<tr>
<td>2020</td>
<td>Lighthouse BP Neighbor Agreement</td>
<td>Monetary offer of $5,000 to $50,000 to adjacent property owners depending on proximity to the solar facility to quel opposition.</td>
</tr>
<tr>
<td>2021</td>
<td>Posey Solar, LLC Neighbor Agreement</td>
<td>Monetary offer equal to 10% of appraised value for neighbors within 300 feet of the solar field, plus an annual $1,000 payment ($35,000 for project life).</td>
</tr>
</tbody>
</table>
MARY MCCLINTON CLAY
PROFESSIONAL QUALIFICATIONS

Mary McClinton Clay, MAI
218 Main Street, Paris, KY 40361
859-987-5698/Cell: 859-707-5575
mclayky@bellsouth.net

Market Area: Commonwealth of Kentucky

Primary Practice Focus: Litigation and zoning support with an emphasis on damage studies, including environmental and eminent domain.

Appraisal Experience:
1985 to Present: Self-employed - engaged in commercial, industrial and farm valuation.

Previous assignments include: Eastern State Hospital; Gateway Shopping Center; Lakeside Heights Nursing Home, N, KY; L&N Office Building, Louisville; Alltech Biotechnology Center, Nicholasville, Paris Stockyards; Conrad Chevrolet, Lexington; CSX Rail Yards in Mt. Sterling and Paris; First Baptist Church, Cold Spring; Lusk-McFarland Funeral Home, Paris; Feasibility Study of proposed Hamburg Place Office/Industrial Park, Lexington; Rent Analysis of IRS Service Center, Covington; Surtech Coating, Nicholasville; Clem Refrigerated Warehouse, Lexington; Bluegrass Manufacturing, Lexington; Finley Adhesives, Louisville; Central Manufacturing and Central Light Alloy, Paris; Review Appraisal of Rand McNally Plant, Versailles and timberland Distribution, Danville; Old Scott County Jail; Millspring Battlefield; Truck Terminals, Fast Food Restaurants, Retail Centers, Lumber Mills, Car Wash, Multi-Family Residential, Mobile Home Parks, Convenient Stores and Subdivision Analyses.

Thoroughbred Horse Farms including Pin Oak Farm, Bunker Hunt Farms, Pillar Stud Farms, Elmendorf Farm, Summer Wind Farm, Hadaway Farm, Stoner Creek Stud, Runnymede Farm, Wilshire Farm, Lynnwood Farms, Stonereath Farm, Idle Hour Farm, Canefield Farm, Elk Creek Farm, Lochness Farm, Stoneleigh Farm, Elizabeth Station Farm.


Rails to Trails: Rowan County, 2005; Montgomery County, 2009, Franklin County, 2014; Floyd County, 2016.
MARY MCCLINTON CLAY
PROFESSIONAL QUALIFICATIONS


Additional Damage Studies:
*Faulty Construction*: 172 Post Oak Road, Paris, KY; 152 Cross Creek Drive, Paris, KY; *Hartland Subdivision, Lexington, KY*
Flood Damage: 208 Cary Lane, Elizabethtown, KY
Blasting Damage: Chicken Farm, Tolesboro KY
Super Fund Sites: KY Wood Preserving, Inc., Winchester, KY; River Metals Recycling, Somerset, KY

Expert Witness: Circuit Courts of Bourbon, Carter, Fayette, Franklin, Hardin, Laurel and Woodford Counties

Court Testimony:
*Woodford County: Horn v. Horn*, 2009
*Carter County*: Condemnation for Commonwealth of KY Transportation Cabinet.
MARY MCCLINTON CLAY
PROFESSIONAL QUALIFICATIONS

Conservation and Wetland Easements: Bluegrass Heights Farm, Fayette County: Conservation and Preservation Easement; Wetland Easements in Pulaski, Lincoln, and Fulton Counties for NRCS.


Professional Organizations:
Appraisal Institute: MAI, 1985; SRPA, 1982; SRA, 1980

Appraisal Institute Education Certification:
The Appraisal Institute conducts a voluntary program of continuing education for its designated members. I am certified under this program through December 31, 2023.

Education: Hollins College, B.A., 1972


Attended numerous seminars covering a variety of topics including investment analysis, feasibility and market analysis, eminent domain and condemnation, valuation of lease interests, component depreciation, risk analysis, current issues in subdivision and zoning law, Yellow Book and appraiser as expert witness.