

FILE

FAX

January 24, 2011

PUCO Case # 10-176-EL-ATA  
Fax # 614-466-0313

From: Thomas and Janice Garvey  
1401 Erieview Dr  
Madison, OH 44057

To the PUCO

Attached is a letter we have received from our realtor in regards to our all electric home.  
We would like this filed in case #10-176-EL-ATA.

Thank you,

Thomas and Janice Garvey

PUCO

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January 17, 2011

Re: 1401 Erieview Drive in Madison, OH 44057

The economic impact of electrical service pricing

To Whom It May Concern:

I am a licensed real estate broker, own and operate a brokerage firm with 31 associates and actively work with buyers and sellers. My firm has averaged approximately 550 sales per year in recent years. I have personally produced at an average of 50 sales per year in recent years and have been a licensed real estate broker since 1984. I represented Thomas and Janice Garvey in the purchase of their home (as referenced above) back in 2000.

When considering a purchase of the above referenced home, Mr. & Mrs. Garvey expressed concern about the electric heating system and requested a history of billing from the seller. Based upon said history and the understanding that all of the homes on Erieview Drive benefitted from discounted electrical service pricing from The Illuminating Company, Mr. & Mrs. Garvey concluded that their housing budget was comfortable and proceeded with the purchase. It is my understanding that The Illuminating Company had recently decided to terminate the long term, discounted, electrical service pricing on Erieview Drive. Mr. & Mrs. Garvey are not only concerned about the significant increase on their overall housing budget but also the economic impact that this increased pricing will have on the value of their home.

Please note that the Garvey's home does not have a basement yet a slab foundation, the home does not have ductwork or a furnace yet electric baseboard heating and that the discounted electrical service rates were carefully considered when the builder designed and constructed the subject property. Natural gas service is not available on Erieview Drive. If Mr. & Mrs. Garvey were to place their current home on the market, prospective buyers would raise concern about the energy efficiency and costs associated with the electric heating. Mr. & Mrs. Garvey raised the same concern when they were considering the home in 2000 but they may no longer be able to promote the discounted electrical service rate. Clearly, the increased electrical service pricing adversely affects the overall cost of housing on Erieview Drive and therefore, the appeal and value of the subject property. Based upon a few projections on increased electrical service pricing assumptions and current interest rates, I have summarized the economic impact on the *Fair Market Value of their home* – see page 2.

RE/MAX Results  
9954 Johnnycake Ridge Road  
Concord Township, Ohio 44077  
Office: (440) 354-3334  
Fax: (440) 354-6654  
Website: [www.remax-results-concord-ohio.com](http://www.remax-results-concord-ohio.com)



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***Assumption #1: increased electrical service pricing equivalent to \$200 per month***

*\$200 / 5.37 (factor for 5%, 30 year amortization) = \$37,000. This means that a \$200/M increase to the housing budget is equivalent to borrowing \$37,000 at 5% interest rate with a 30 year amortization.*

***Assumption #2: increased electrical service pricing equivalent to \$300 per month***

*\$300 / 5.37 (factor for 5%, 30 year amortization) = \$56,000. This means that a \$300/M increase to the housing budget is equivalent to borrowing \$56,000 at 5% interest rate with a 30 year amortization.*

*Summation: Buyers carefully consider the overall costs of housing and energy efficiency is a large component of their budgeting. The proposed increase in electrical service costs for the subject property will make it significantly less attractive than competitive listings that offer greater energy efficiency. Arguably, a buyer could purchase a significantly more expensive home yet have the same overall housing costs or budget per month. The elimination of the long term, discounted electrical service rate will not only result in greater costs for the homeowners but will adversely affect or decrease the property values on Erieview Drive.*

*Respectfully submitted,*



*Dennis Falvey, Broker*

*RE/MAX Results*

## Property Detail Report

## Subject Property

**1401 Erieview Dr  
Madison, OH 44057-1523  
Madison Twp - Lake County**



## Owner Info:

Owner Name : <b>Garvey Thomas A</b>	Tax Billing Zip : <b>44057</b>
Owner Name 2 : <b>Garvey Janice M</b>	Tax Billing Zip+4 : <b>1523</b>
Tax Billing Address : <b>1401 Erieview Dr (no mail)</b>	State Use : <b>Single Family Resid</b>
Tax Billing City & State : <b>Madison OH</b>	Universal Land Use : <b>SFR</b>

## Location Info:

School District : <b>Madison Local</b>	Census Tract : <b>2060.00</b>
Subdivision : <b>Erieview Estates</b>	Zoning : <b>R-2</b>

## Tax Info:

Tax ID : <b>01-A-090-B-00-022-0</b>	Total Assessment : <b>\$120,900</b>
Tax Year : <b>2009</b>	% Improv : <b>81%</b>
Annual Tax : <b>\$1,683</b>	Tax Area : <b>01</b>
Homestead : <b>Homestead</b>	Tax Appraisal Area : <b>01</b>
Assessment Year : <b>2009</b>	Legal Description : <b>L 22 A Erieview Estates</b>
	<b>91.41</b>
Land Assessment : <b>\$23,420</b>	Lot Number : <b>22</b>
Improved Assessment : <b>\$97,480</b>	

## Characteristics:

Lot Frontage : <b>90</b>	Lot Depth : <b>145</b>
Porch : <b>Open Concrete/Masonry Porch</b>	Lot Acres : <b>.2996</b>
Patio Type : <b>Concrete/Masonry Patio</b>	Lot Shape : <b>IRREGULAR</b>
Garage Type : <b>Garage</b>	Garage Sq Ft : <b>528</b>
Roof Type : <b>Gable</b>	Style : <b>Ranch</b>
Roof Material : <b>Asphalt</b>	Approximate Finished SqFt : <b>1,272</b>
Roof Shape : <b>Gable</b>	Stories : <b>1</b>
Condition : <b>Good</b>	Exterior : <b>Aluminum/Vinyl</b>
Total Units : <b>1</b>	Foundation : <b>Slab</b>
Total Rooms : <b>5</b>	Bedrooms : <b>3</b>
Full Baths : <b>2</b>	Year Built : <b>1993</b>
Topography : <b>Flat/Level</b>	Heat Type : <b>Heated</b>
Other Rooms : <b>Family Room</b>	Water : <b>Public</b>
# of Buildings : <b>1</b>	Sewer : <b>Public Service</b>

## Last Market Sale:

Recording Date : <b>01/12/2000</b>	Owner Name : <b>Garvey Thomas A</b>
Settle Date : <b>01/11/2000</b>	Owner Name 2 : <b>Garvey Janice M</b>
Sale Price : <b>\$112,000</b>	Seller : <b>Horn Brian E &amp; Jennifer H</b>
Document No : <b>1389</b>	Price Per Sq Ft : <b>\$88.05</b>
Deed Type : <b>Warranty Deed</b>	

## Sales History:

Recording Date : <b>01/12/2000</b>	<b>01/12/2000</b>	<b>07/12/1995</b>	<b>09/15/1993</b>
Sale Price : <b>\$112,000</b>	<b>\$112,000</b>	<b>\$95,000</b>	<b>\$88,500</b>
Buyer Name : <b>Carvey Thomas A &amp; Janice M</b>	<b>Garvey Thomas A</b>	<b>Horn Brian E &amp; Jennifer H</b>	

[More History](#)

Buyer Name 2 : <b>Garvey Janice M</b>	<b>Garvey Janice M</b>	<b>Horn Jennifer H</b>	
Seller Name : <b>Horn Brian E &amp; Jennifer H</b>	<b>Brian E Horn</b>	<b>Menmuir Todd L</b>	<b>David &amp; Sons Inc</b>
Document No : <b>1389</b>		<b>1135-148</b>	<b>906-1232</b>
Document Type : <b>Warranty Deed</b>	<b>Joint</b>	<b>Grant Deed</b>	<b>Grant Deed</b>
	<b>Survivorship/Right Of</b>		

**Mortgage History:**

Mortgage Date : <b>04/07/2000</b>	<b>01/12/2000</b>	<b>09/29/1999</b>	<b>01/27/1998</b>
Mortgage Amt : <b>\$90,000</b>		<b>\$17,000</b>	<b>\$92,218</b>
Mortgage Lender : <b>Fifth Third Bk/Nc Oh</b>	<b>Lender Unknown</b>	<b>Metropolitan Bk&amp;Tr</b>	<b>Countrywide Hm Lns Inc</b>
Mortgage Type : <b>Conventional</b>		<b>Conventional</b>	<b>Fha</b>
Borrower 1 : <b>Garvey Thomas A &amp; Janice M</b>		<b>Horn Brian E &amp; Jennifer H</b>	<b>Horn Brian E &amp; Jennifer H</b>

**Features:****Extra Features**

Description	Sq Ft	Number	Width	Depth	Extra Fea Yr Bk	Value
Frame Garage :	<b>528</b>					
Open Masonry Porch :	<b>112</b>					
Enclosed Frame Porch :	<b>120</b>					
Conc/Mas Patio :	<b>100</b>					
Stoop :	<b>16</b>					

Courtesy of Dennis Falvey  
NEOHREX

The data within this report is compiled by CoreLogic from public and private sources. If desired, the accuracy of the data contained herein can be independently verified by the recipient of this report with the applicable county or municipality.