

Agents don't think Cotter has affected real estate sales

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CACON CITY - Area real estate sales have slowed a bit this year and the time that properties are on the market is getting longer, but area real estate professionals don't believe controversy over the Cotter Corp.'s existing Superfund site cleanup or its plan to bring in contaminated soil from another Superfund site in New Jersey is responsible.

"It's been a slow market all summer long," according to Jan Steers, executive officer of the Royal Gorge Association of Realtors. "Sluggish, sleepy, all those words. Lots of people are waiting for something. I really believe it has more to do with the economy."

She said the market conditions came up in discussion at a recent meeting of the Association of Realtors.

Interest rates are low and the stock market is volatile, so many who sell real estate think now is the time people would be more interested in buying property, and they're wondering why the market hasn't gotten hot, Steers said.

There are more properties on the market right now than usual, she added.

Realtors had feared last June's Iron Mountain fire might slow sales, but they stayed level then, Steers said. And when the publicity about Cotter started, it slowed, but also leveled off again, she added.

Properties currently available in the area are diverse, ranging in price from around \$60,000 to \$350,000.

"We're still selling homes up here and they're still selling for a lot of money," according to Preston Troutman, president of the Association of Realtors.

He said a few Realtors have told him they lost sales in the month after Cotter's plan to bring in more contaminated soil was made public, although he hasn't experienced it himself.

"I've been waiting for that, but it hasn't affected me personally," Troutman said.

He thinks some of those lost sales could be because of simple buyer's remorse. A few years ago, laws became more liberal in allowing buyers to back out of sales during the inspection phase.

But another Realtor in Troutman's ReMax office, Susan Olrich, said she has lost two sales in the Lincoln Park area, both involving people from out of town who read about the Cotter Corp. plan.

In one case, the buyers had put a property under contract, but

backed out, she said. In the other, the prospective buyers liked a house in Lincoln Park but decided not to make an offer because of their concern about the soil proposal. They eventually ended up not buying any property in the area, she said.

Olrich said she knows sales are taking place in Lincoln Park, but she hasn't sold any homes there this year.

Another longtime area Realtor, Dave Strom of Coldwell Banker Strom and Associates, said he hasn't lost any sales, but has noticed some hesitation among buyers

"It's had some effect since all of the to-do started. We kind of got around it when (the mill) was shut down," Strom said.

He added that he has heard about some property owners in Dawson Ranch and Lincoln Park being worried about the resale value of their properties.

When the Cotter mill and Lincoln Park neighborhood first became a Superfund site in the early 1980s, sales also were affected, Strom recalled.

"You don't want to be known as the place where they bring everything that's bad," Strom said.

Sales level, prices up

Data show that although the pace of sales may be slowing slightly in Cacon City, home prices haven't decreased.

Multiple Listing Service sales handled by members of the Association of Realtors show there were 490 residential sales in the area in 2001. In the first half of 2002, sales were just off that pace, at 226.

The figures include only those sales in which a Realtor was involved. Private party sales are not counted in the association's figures.

Average listing price and average sales price rose in the first half of 2002, but time on the market did too. Last year, the average listing price was \$118,830 and sellers received an average of 97.6 percent of what they asked. Average sales price was \$115,589.

In the first half of 2002, average listing price was \$126,101 and sellers have been paid an average of \$121,039, or 95.9 percent of what they sought.

Average time on the market was 132 days in the first half of 2002, compared with 123 days last year.

Real estate sales in Pueblo, Cacon City's neighbor to the east, have followed a similar trajectory; they are slightly off last year's pace, according to figures provided by the Pueblo Association of Realtors.

And in El Paso County, the Pikes Peak Association of

Realtors reported a similar trend.

Lincoln Park, Dawson Ranch

Asked about specific areas south of town near the Cotter property, Troutman said he doesn't think prices are decreasing in either Lincoln Park or Dawson Ranch.

"If it's going to happen, you're going to see it in a period of two to three years," he said.

Dawson Ranch is an area of newly built homes. Although some houses there are on the market, the community's newness means not many of them have been resold yet.

Tony Greer, who has been selling lots and homes in Dawson Ranch since the 600-home development started about two-and-a-half years ago, said Cotter's impact on the upscale development has been minimal.

"It hasn't caused the problem we thought it would have," he said.

Greer said he has sold eight houses and 46 lots in Dawson Ranch this year.

Currently, 190 homes have been built and another 150 lots are vacant and on the market, he said. The remaining 260 lots are platted but haven't yet been developed or offered for sale.

Lots ranging in size from a half-acre to two acres sell for \$25,000 to \$72,000. Home prices there range from \$150,000 to \$600,000, Greer said.

Denny Moore, who estimated he does 99 percent of his sales in Dawson Ranch, said everyone seems to be aware of the Cotter situation, but it hasn't caused him any problems in selling homes. Oakwood Development Co., his firm, is currently building more than a dozen new homes there.

Moore said he tells buyers about the Superfund site, sometimes using a disclosure form from the Association of Realtors and sometimes giving them his own statement. "We disclose it to them first thing," he said.

Moore said he feels the scare about Cotter was blown out of proportion, but now people are calming down and the real estate market will continue to do well.

"I very much believe in Cacon City and the real estate market and I think it's going to remain strong," he said.

Superfund disclosure

The Association of Realtors advises its members to tell clients about the existence of Cotter Corp. and the Superfund site. Different agents handle the disclosure in different ways, Troutman said.

He said he likes to give clients an immediate disclosure about

the Lincoln Park site when they begin looking for property.

"We just tell them it's there," he said. Then he refers them to the Cacon City Public Library for more information.

Troutman said many buyers tell him they already know about Cotter, but he still asks them to read about it. If they have concerns, he said he tells them they may want to concentrate their home searches in other areas of town.

Troutman said he prefers to give potential buyers the disclosure up front, rather than waiting until they've made an offer or gone to closing, and he advises other real estate agents to handle it that way, too.

Assessor's numbers rise

Fremont County Assessor Jim Deatherage said he hasn't seen any drop in real estate prices. In fact, he recently certified valuations for next year's tax assessments in the county, and the total assessed valuation in the Fremont County, \$297.4 million, was 6 percent higher than for 2002.

Deatherage now is starting to work on assessments for properties that individual residents will receive in 2003 and said those could contain some "sticker shock."

The Taxpayer's Bill of Rights, a 1993 amendment to the state constitution that limits the ability of governmental bodies to collect tax monies, also requires annual property valuations to be based solely on market values.

Lincoln Park is a large enough area to determine market price trends, and Deatherage said he hasn't documented any drop in home values there.

Superfund super problem

Troutman noted that there are Superfund sites across the country in communities besides Cacon City, and he thinks the government is creating a huge problem in the way it manages the sites.

If the technology is available, toxic waste should be treated where it is, rather than being shipped across the country, he said, mentioning the irony of plans to ship waste from Rocky Flats for disposal in South Carolina while Cotter is proposing to bring in waste from New Jersey.

"It just doesn't make sense," Troutman said.

The controversy spawned by plans such as Cotter's, Troutman said, "tears a small town apart."

Troutman said he fears the fight over the hazardous waste has turned into a contest that both sides think they have to win - but won't.

"We're all going to lose," he said.

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