

MINUTES

Board of Equalization and Review

May 28, 2015

Board Members Present: Jennifer Marsh – Chair
Pamela Davis
Patricia Roberts

Staff Members Present: Roger Gunn, Chief Appraiser
Steve Hensley, Appraiser
Scherri McCray, Recording Secretary

The meeting was called to order at 2:00PM on Thursday May 28, 2015 by Chair, Ms. Marsh.

SEXTON

PIN# 9850939251

Ms. Janel Sexton appeared before the Board to appeal the valuation of her property located at 224 WHIRLAWAY LANE, CHAPEL HILL. The current Orange County assessed value is \$1,215,700. The appellant is requesting that the Board adjust that value to \$1,075,000 citing that her 10.2 acre lot has only a 1.88% allocation for impervious surface. She is completely restricted in her ability to build anything else on her property. The appellant claims that properties in her area of Chapel Hill (University Lake Watershed) are generally entitled to develop 6% of the land but her impervious allocation is approximately 8,200 square feet. Additionally, the County has over estimated the value of her property. The appellant purchased the house in March 2010 for \$1,001,000. An independent appraisal of the property at the time of purchase indicated a value of \$1,100,000. The appellant added that during 2008 and 2009 the property was on the market for \$1,200,000. She claims that it did not sell for two years due to the sale price and an undesirable floor plan.

The property value previously had been adjusted by the County from \$1,309,593 to \$1,215,700 but the appellant felt that the value was not reasonable or comparable to what the sales prices had been for the six months prior to 2009. The appellant then appealed the adjusted valuation to the Property Tax Commission (PTC) but stated that the PTC would not consider the appraisal that she submitted to support her claim because the appraiser who conducted the appraisal was not present to defend the appraisal. She stated that the PTC never informed her that the appraiser needed to be present.

Ms. Marsh explained to the appellant that the values are set for a property as if that property existed in its current configuration in 2009 and not what the property's configuration actually was in 2009.

The County reviewed the appellant's property and the property record card and noticed that there was a secondary wall and a construction modifier that needed to be removed from the property

record card which would adjust the value from \$1,215,700 to \$1,211,200. This adjusted value takes into account the current floor plan of the subject.

At this time, Ms. Davis recused herself stating that she provided appraisal information to the County for its former case at the PTC against the appellant.

The Board reviewed all documents and information provided by the appellant and the County. After deliberation and review, Ms. Marsh made a motion to accept the County's recommendations to adjust the property record card to reflect the correct layout of the subject. No other changes shall be made based on the fact that the comparable sales in the appellant's appraisal and a comparable sale supplied by the County support the current value. Ms. Roberts seconded the motion and the motion carried.

Yes: 2
Noes:0

DISSER

PIN# 9779817774

Mr. Andrew Disser & Ms. Carrie Kaylos appeared before the Board to appeal the value of their property located at 109 CARDIFF PLACE, CHAPEL HILL. The current assessed value of the property is \$519,300. The appellants are requesting that the value be adjusted to \$425,000 based on a 2014 property appraisal. The property was purchased in August of 2014 for \$400,000 and the August 2014 appraisal indicated that the property was worth \$423,000. The appellant submitted the appraisal that listed a number of comparable sales for the Board to review. The appraisal contained active listings as of August 2014 and comparable sales from 2013 and 2014. The appellant noted that there is a substantial discrepancy in what was paid for the property versus the assessed value.

Ms. Marsh explained to the appellant that the appraisal needed to contain comparable sales from prior to January 1, 2009 and the Board would not be able to consider sales after January 1, 2009. Furthermore, Ms. Marsh explained that the schedule of values was adopted for January 1, 2009 and the County analyzed sales from 2007 and 2008 to value the properties. Ms. Marsh went on to explain that we are in an atypical market where prices have declined after the revaluation date. Ms. Marsh mentioned that in the past, tax value would typically be lower than what one paid for a house but market conditions have changed since the revaluation as is reflected in the discrepancy between assessed value and current market values for some properties.

The appellants stated they were not aware of this requirement that comparable sales predate the revaluation, and they were not able to provide relevant comparable sales information to support their appeal. The County offered relevant comparable sales as evidence to the Board and to the appellants for review and explained the revaluation process to the appellants.

The County stated that from a physical characteristics standpoint, the square footage and physical components seem to match closely with the physical component section of the appraisal provided by the appellants. The County noted there was a slight discrepancy in square footage but the difference is negligible as the appellants' appraisal states finished area at 3,670 square

feet whereas county records states the finished area as 3,663 square feet, which is well within a 5% variance in measurement by accepted appraisal standards.

The Board inquired as to why the value increased in 2014-2015 to which the County replied that it was due to the completion of a finished basement not on record. The appellant stated that the basement had always been finished but never reported to the County Tax Office, so when the appellants purchased the property, they immediately reported the finished basement to the Tax Office so that the property record would be correct.

The Board reviewed all documents and information provided by the appellant and the County. After deliberation and review, Ms. Roberts made a motion that no change be made to current assessed value due to the appellant's evidence of value not being from the relevant time frame of prior to January 1, 2009. Ms. Marsh seconded the motion and the motion carried.

Yes: 3
Noes: 0

UPTON

PIN# 9890605507.031

Amanda Upton elected not to appear before the Board but wishes for her documentation to serve as her appeal. She is appealing the valuation of her property located at 323 PROVIDENCE GLEN DR, CHAPEL HILL. The current Orange County assessed value is \$ 213,965. The appellant feels that value should be \$185,000 to \$190,000 citing a 2011 appraisal that valued the property at \$194,000 as well as comparable sales data that the appellant obtained from Triangle MLS as of May 2015 indicating sales of very similar properties to the subject selling from \$181,000 to \$190,000.

The County provided sales in Providence Glen from 2008 to support the current assessed value of the subject.

The Board reviewed all documents and information provided by the appellant and the County. After deliberation and review, Ms. Davis made a motion to not change the valuation as the appraisal and comparable sales provided by the appellant occurred after the revaluation and the sales provided by the County support the current assessed value. Ms. Marsh seconded the motion and the motion carried.

Yes: 3
Noes: 0

MOYE

PIN# 9799647337

Joseph Moyer elected not to appear before the Board but wishes for his documentation to serve as his appeal. He is appealing the valuation of his property located at 1603 EPHEMUS CHURCH RD, CHAPEL HILL. The current Orange County assessed value is \$ 258,827. The appellant

wrote in a letter that his property is on the market for sale and that he had an interested buyer but the buyer notified the appellant that there was an addition on the house in which a permit had not been issued. The appellant claims that he is requesting a "Backward Permit." Mr. Moye hopes to have a more accurate tax assessment on his property reflecting the addition.

The County reviewed the property and recommended that an open porch be changed to an attached addition with a slab foundation, that an attached addition on a masonry foundation be changed to a storage area, and that a secondary wall and construction modifier be removed from the property record card. These recommendations will adjust the property value to \$262,400.

The Board reviewed all documents and information provided by the appellant and the County. After deliberation and review, Ms. Marsh made a motion to accept the County's recommendations and change the value to \$262,400. Ms. Davis seconded the motion and the motion carried.

Yes: 3
Noes: 0

SILLER

PIN# 9488800121

This appeal was triggered by a discovery of an addition to the property owned by Carol Siller. Appraisal staff conducted a site visit to the property after Roger Gunn, Chief Appraiser received notification from a real estate agent that there was a rear addition to the home that was not recorded on the appellant's property record card. This addition was discovered to have been on the property since 2009.

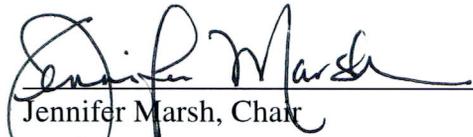
As a result of the notification and site visit, the County did a discovery for the addition for tax years 2010-2015. The 2015 value of the property was \$148,200 before the addition. The discovery resulted in an increase in value to the property to \$209,300, which the appellant feels is excessive. The appellant stated that she added one "no-frills family room, with no bathroom or appliances, and a small deck". The appellant wrote that she did not consider the new valuation a fair and equitable assessment.

The County stated that with the new addition, physical depreciation was also reduced from 43% to 35%.

The Board reviewed all documents and information provided by the appellant and the County. After deliberation and review, Ms. Marsh made a motion to not change the valuation of the property stating that the value appears to have been valued consistent with the current schedule of values and because no evidence was submitted by the appellant to prove that the County's new assessed valuation was incorrect. Ms. Roberts seconded the motion and the motion carried.

Yes: 3
Noes: 0

Having heard all of the appeals scheduled on this date, Ms. Marsh made a motion to adjourn the 2015 regular meetings. Ms. Davis seconded the motion and this meeting was adjourned at 3:25 PM.


Jennifer Marsh, Chair


Scherri McCray, Recording Secretary