

MINUTES
Board of Equalization and Review
August 2, 2012

Board Members Present:

Chair: Karen Morrisette
Barbara Levine
Jennifer Marsh

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

Clode

PIN # 9779054437

Karin Clode appeared before the Board to appeal the value of her property located in 307 SUNSET CREEK CIRCLE, CHAPEL HILL, NC. The current assessed value by Orange County is \$ 507,000. She is requesting that her value be reduced to \$ 440,000 citing that the County's assessed valuation of her home is disproportionately high compared to similar properties purchased at the same time within the her neighborhood. The appellant provided some sales and noted the percentage difference between these sales assessed values and the assessed value of her property. She also stated that the house was on the market for nine months and the highest offer that she received was for \$ 415,000. The appellant verified she had a fourth bedroom added to the home since the last revaluation. This had increased the assessed value of the property from \$ 481,721 to \$ 507,000. Ms. Clode questioned if the fourth bedroom was not already included in the prior square footage measurement. There is a finished area over the garage. The County has the square footage as 3182 square feet. The appellant states that the square footage before the addition of the fourth bedroom was 2862 square feet.

The County noted that there was a discrepancy with the structure's layout and the square footage. The County noted that there was an added deck on the home but not detailed on the property card and to add the deck and correct the square footage would decrease the value to \$ 496,100.

Mrs. Morrisette motioned that the Board not take action on this matter till the next session meeting to make a ruling allowing the appellant to provide more information if needed. If no information is provided, the Board will rule accordingly.

Pfotenhauer

PIN # 9788135897

Scott and Jody Pfotenhauer elected not to appear before the Board and requested to allow the appeal form and all supporting documentation to serve as their appeal. Their

property is located at 427 BROOKSIDE DRIVE, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is \$ 522,603. In a letter to the Board, Mr. Pfothenauer stated the he purchased this house in December 2011 for \$ 440,000 and that the assessments are based on the values as of January 1, 2009. He submitted sales of property that sold during 2008 with similar characteristics and within the same area as his property.

During deliberations, the Board considered all information presented by the appellant and the County. The sales of comparable properties provided by both the appellant and the County were also considered. After deliberation, Mrs. Marsh made a motion that no change be made to the current assessed value citing that the evidence provided by the taxpayer did not have any information to prove that the current assessment was incorrect. All of the sales provided by the County had an average sales price per square foot within a couple of dollars from the assessed value per square foot of the subject. The taxpayer's sales at 416 Smith Road had a square footage value similar to the subject's value. Mrs. Morrissette seconded the motion and the motion carried.

Ayes: 3

Noes: 0

Gupta***PIN #9880711616***

Dhruv Gupta appeared before the Board to appeal the value of his property located at 671 BROOKVIEW DRIVE, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is \$ 595,719. The appeal request is based on sales data that he obtained from the Value Appeal website that suggested a lower assessment of \$481,074. He stated that he had difficulty finding similar properties for the relevant time of January 1, 2009. He presented sales information that he was able to obtain from the Value Appeal site and went over the details of the sales with the Board.

County staff reviewed the property and discovered a discrepancy with the sketch on the appellant's property record card. The County recommended that the removal of the decking from the sketch and add 5% functional obsolescence. This will reduce the value to \$ 567,800, bringing this property in line with the values of other properties in the subdivision.

During deliberations, the Board considered all information presented by the appellant and the County. The sales of comparable properties were also considered. After deliberation, Mrs. Morrissette made a motion to accept the County's recommendation that functional obsolescence be added due to super adequacy and remove a yard item, which was already included in the value. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3

Noes: 0

Stewart***PIN # 9788164814.016***

Mrs. Levine recused herself as she owns property within the subject project.

Nancy Stewart elected not to appear before the Board and requested to allow the appeal form and all supporting documentation to serve as her appeal. Her property is located at 400 W. ROSEMARY STREET, UNIT 202, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is \$ 389,924. In a letter to the Board, Ms. Stewart stated that this appeal is based on the difficulty she encountered while trying to sell her property. She noted that the appraised value is higher than the appraised value when the unit was purchased and the property will not appraise for the assessed amount. The appellant also notes that some consideration should be made for the decreasing values in the market, stating that residents should not be paying taxes on values higher than for what they can sell their properties. Ms. Stewart submitted listings from 2011 claiming that there were no sales in 2008.

During deliberations, the Board considered all information presented by the appellant and the County. The sales of comparable properties from 2007 were also considered. After deliberation, Mrs. Morrissette made a motion that no change be made to the value citing that the taxpayer did not provide sales and only provided listings from 2011. These listings were not relevant to the January 1, 2009 revaluation. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 2

Noes: 0

Ross***PIN # 9788066395.044***

Timothy Ross elected not to appear before the Board and requested to allow the appeal form and all supporting documentation to serve as his appeal. He is appealing the value of his property located at 601 W. ROSEMARY STREET, UNIT 319, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is \$ 374,200. This property was purchased for \$ 384,000 in December 2009. The appellant is requesting a reduction of value to \$ 312,000 citing the unique circumstances surrounding the Greenbridge condominium project, those being cessation of sales and foreclosure on the developer, having rendered the original assessment significantly higher than what it actually should be. He provided an appraisal that contained 2011 sales but stated that these sales represented the values as of January 1, 2009.

During deliberations, the Board considered all information presented by the appellant and the County. After deliberation, Mrs. Morrissette made a motion that no change be made to the value citing that the only information provided by the taxpayer is an appraisal from February 2012. She stated that certain contractual matters between buyers and contractors could not be considered as an indication that the value is incorrect. She noted that the conditions that were mentioned were of economic nature and cannot be adjusted in the tax value. The contractual agreement between seller and taxpayer has no bearing on the County's schedule of values. Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

McCafferty

PIN # 9890126401

Jennifer and Dewey McCafferty elected not to appear before the Board and requested to allow the appeal form and all supporting documentation to serve as their appeal. They are appealing the value of their property located at 208 CHESLEY LANE, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is \$ 943,000. They are requesting a reduction in value to \$ 870,000 based on an appraisal and sales comparison data. They presented the Board with an appraisal from 2011. The appellants purchased this property May 2006 for \$ 885,000.

Upon inspection, the County staff recommended changing the description of the property to a finished half story which will increase the square footage to 4502 and will approximate square footage in the taxpayer's appraisal. The County also recommended changing the grade from A+65 to A+55. These changes reduce the value of the property to \$ 891,600. It makes the assessed value approximately \$ 198 per square foot, which is similar to the 2008 home sales prices in the Chesley subdivision.

During deliberations, the Board considered all information presented by the appellant and the County. The sales of comparable properties and an appraisal were also considered. After deliberation, Mrs. Morrisette made a motion to accept the recommended changes proposed by the County. Mrs. Levine seconded the motion and the motion carried

Ayes: 3
Noes: 0

**Multi PIN # 9769244740, 9769352207, 9769340526,
9769344684**

Mrs. Teresa Moore, Orange County Tax Appraiser, appeared before the Board to request the Board accept and approve the following late Farm Use applications. These are contiguous properties located at 701 Tilley's Branch Road.

The Board reviewed all documentation presented by Mrs. Moore. Mrs. Morrisette made a motion to accept the late Farm Use applications. Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Porter

PIN # 9787351698

Tommy and Laura Porter are requesting the Board waive the penalties that were charged for that property located at 111 FOUNDERS RIDGE DRIVE, CHAPEL HILL, NC. The penalties associated with this property were due to a discovery made by the Tax Assessor's Office. The Porters had improvements on their property in 2010 that were not listed on the tax rolls. They were unaware that it was their responsibility to report any changes made to the property. The appellants state that they will pay all the taxes associated with this 2012 tax year discovery, but request that the Board waive the penalties.

Mrs. Morrissette made a motion to waive the penalties on this 2012 tax year discovery based on the fact that the appellant did not receive an abstract in which to notify the County that there were changes made to the property. Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Grizzle/DeCosta

PIN # 9799641743

This appeal was first presented to the Board on June 27, 2012 and was tabled until a field review was conducted by County staff at the Board's request. This appeal is being brought back to the Board at this time for motioning.

At the Board's direction Orange County staff inspected the subject property and discovered that an open porch had been converted to an enclosed porch with a small deck and a detached storage building with sheds also existed. Staff listed and applied these changes to the subject property record with the resulting value being increased to \$250,600.

The Board reviewed all the information presented by the County. Mrs. Morrissette made a motion to accept the changes made by the County to the taxpayer's property record and the subsequent value increase to \$ 250,600. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

O'Brien

PIN # 9779799881

Richard and Sarah O'Brien appeared before the Board to appeal the value of their property located at 2012 LINK ROAD, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is \$ 372,900. They are requesting that the Board decrease the value of their property to \$ 330,000 citing a Freddie Mac home pricing index that was applied to the appraisal that has the property value significantly less than the assessed value. The appellants submitted a graph chart illustrating the index adjusted line and the relevant historical fluctuation of the property sales around the

Chapel Hill area. They also claimed that the prior owner had an addition added to the property that was not properly permitted and thus required the current homeowners to perform repairs that would have otherwise been unnecessary had the addition be correctly constructed. The appellant also noted that this is an "L" shaped lot that has a septic system and Link Road encumbers this property. Mr. O'Brien stated that he did not know if there was an easement granted for the road that runs through their property. The land value is \$ 137,300.

The County reviewed the appellant's property and recommended that there be a reduction to the taxpayer's land value with an additional 10% adjustment for the right of way easement. This will reduce the value to \$ 359,100.

During deliberations, the Board considered all information presented by the appellant and the County. The Board reviewed all submitted documents. Mrs. Morrissette made a motion to accept the recommendation of the County to add a 10% land adjustment for right of way easement and to accept the reduced value of \$ 359,100. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Palacios

PIN # 9799789238

Michelle Palacios appeared before the Board to appeal the value of her property located at 340 STANDISH DRIVE, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is \$ 145,795. The appellant is requesting that the Board reduce her value to \$ 115,000 based on an appraisal that she submitted to the Board for review. Ms. Palacios stated that she was not able to submit a market analysis due to the structure being a one bedroom unit. She could not find true representations for her property and claims that the comparables that are relevant are on Smith Level Road. The subject is a 988 square foot, one bedroom townhouse with a loft and 1 ½ bathrooms. It was built in 1995. It is located in the Standish Townhome subdivision.

The County presented comparables that were of two bedroom townhomes that sold for higher than the appellant's property value. The County also noted to the Board that there was already a functional depreciation adjustment to account for the lack of bedrooms.

During deliberations, the Board considered all information presented by the appellant and the County. They reviewed all submitted documents. Mrs. Levine made a motion that a 10% market adjustment be applied to the entire property value, decreasing the value to \$131,300. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Robinson

PIN # 9757885189

Franklin Robinson elected not to appear before the Board and requested to allow the appeal form and all supporting documentation to serve as his appeal. He is appealing the value of his property located at 720 BOWEN ROAD, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is \$ 64,700. He is requesting a reduction to \$ 45,000 based on the property's sales price in May 2011. Mr. Robinson doesn't believe that the assessed value is either reasonable or fair.

During deliberations, the Board considered all information presented by the appellant and the County. They reviewed all submitted documents. Mrs. Marsh made a motion that no change be made to the current value citing that the taxpayer presented no evidence to support his claim that the assessed value was incorrect. Mrs. Morrissette seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Kilaru***PIN # 9851975615***

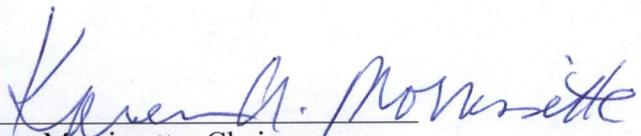
This appeal was addressed by the Board on August 1, 2012 and the Board instructed the County to conduct a field review and to bring the findings back to the Board for deliberation and motion.

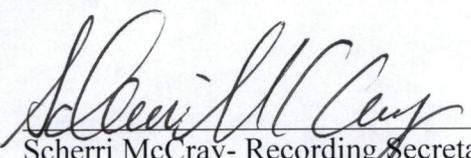
The County returned with corrections to the square footage of the property, garage and the deck. The attic was also determined to be unfinished. They presented these corrections to the Board for review. These corrections will adjust the value from \$ 702,560 to \$ 674,100.

The Board considered all information presented by the appellant and the County. The appraisals of the property were reviewed and considered. The sales presented by the Taxpayer indicated a wide range in values. Mrs. Morrissette made a motion to accept the County's correct description of the property based on the field review and on the Staff's conclusion that the attic is unfinished. She went on to state that the new value of \$ 674,100 placed the property value within the range of adjusted values from the sales provided by the taxpayer in 2009. Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Having heard all the appeals scheduled on this date, Karen Morrissette made a motion to adjourn this meeting. Jennifer Marsh seconded the motion and the meeting was adjourned at 4:56 pm.


Karen Morrisette- Chair


Scherri McCray- Recording Secretary