MINUTES

Board of Equalization and Review
August 15, 2012

Board Members Present:
Chair: Karen Morrissette
Barbara Levine
Jennifer Marsh

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

Fuller *PIN #9788781421*

This appeal was first heard by the Board on August 8, 2012. The Board voted to table this matter upon the request of the appellant. The appellant wished to provide more relevant sales documentation that would substantiate his appeal. Mr. Fuller submitted sales from 2007 and 2008. The subject property is on the historical registry.

The County reviewed the property and noted that the subject was not very well renovated. The tax record has a construction grade of A+90. The County would like to recommend lowering the grade due to the age of the structure and add 10% depreciation.

During deliberation the Board reviewed all the new documentation and information presented by the taxpayer and the County. After deliberation, the County recommended lowering the grade to A+60 and to increase the County's recommended 10 % depreciation to 20% depreciation thus reducing the overall value to $ 1,621,400. Mrs. Morrissette made a motion to accept the changed recommended by the County in view of the property and the solely internal renovation that had occurred. Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Handler *PIN # 9798653536*

Douglas Handler appeared before the Board to appeal the value of his property located at 302 CIRCLE PARK PLACE, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is $ 1,016,612. The appellant is requesting that the Board adjust the valuation of this property to $ 778,242 based on comparable sales that he obtained from the Value Appeal website. This property is a townhome. The appellant

presented the Board with an appraisal from May 2010. The appraisal stated that this was a bank owned property valued at $ 734,900. It was new in December 2006 and originally sold for $ 1,048,000. The appellant claims that there was only one sale of a townhome in the subdivision and that was in Oval Park Place in July 2008, so he looked for sales within the area of single family homes and used a dollar per square foot to calculate the value. He still thinks that the current value is a bit high given comparable sales and the market values in 2007-2009 for the comparable that he presented.

Upon review by the County, the taxpayer's appraisal has the square footage as 3591 while the County has 3662 as the square footage. The County noted that this is less than a 5 % difference and acceptable.

During deliberations, the Board considered all information presented by the appellant and the County. The County provided sales for the Board to review. These sales were for properties that were in the appellant's neighborhood and were within the appropriate time frame. After deliberation, the Board determined that the appellant presented no evidence that the Orange County value was incorrect. The Board also noted that the purchase price in 2010 could not be used as evidence of depreciation as of 2009. It was explained to the appellant that physical deterioration does have a factor in the value but economic depreciation does not. Mrs. Morrissette made a motion that, due to the 2008 comparable sales for townhomes in the appellant subdivision that indicated that the assessed value was correct, no change be made to the current value. Mrs. Marsh seconded that motion and the motion carried.

Ayes: 3
Noes: 0

Kim ***Pin # 9799431830***

Hyung Suk and Shin-Ja Kim appeared before the Board to appeal the value of their property located at 1197 CYPRESS ROAD, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is $ 291,200. The appellant is requesting that the Board adjust the valuation of this property to $ 244,056 due to current market values. They have owned this property since 1989. They claim that it is a small house and that there were renovations done in 2010 but these were only to update the 60 year old parts of the house. They renovated the kitchen, installed hardwood floors and repainted. Mr. Kim submitted an analysis report conducted by a Realtor of the market values in 2012. He does not feel that the renovations done to the property increased the value that much.

The Board explained to the appellant the process by which a revaluation is conducted and how the mass appraisal is applied. They noted that the rules of revaluation are not based on the current market values.

Upon review, the County found a discrepancy with an item on the record and requested that the Board allow them to remove a storage shed. This would reduce the value to $ 252,200

Upon deliberation, Mrs. Levine made a motion to accept the County's recommendation to lower the property value to be more acceptable with other split level properties in the subdivision and to remove the storage shed. She also noted that the taxpayer's comparables were not in the relevant time frame. The realtor provided sales from 2009, after the relevant valuation date of January 1, 2009. The sales that were submitted by the County were in 2008. They had the average value per square foot for the subdivision at $153 per square foot. The Appellant's value per square foot is $ 162.00. Mrs. Morrissette seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Protzman ***PIN # 9788066395.060***

James Protzman appeared before the Board appeal the value of his property located at 601 WEST ROSEMARY STREET, UNIT 418, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is $ 535,900.This is a unit in the Greenbridge Condominium complex. The appellant claimed that the contractor was a friend of his and that this contractor requested that the appellant close before the building was finished. The appellant did close on the property and shortly thereafter the remaining project was foreclosed. Mr. Protzman stated that he knew that the property was not worth what he had spent on it. He also feels that the property was never worth what the County has value assessed and that it was never appraised properly. He is requesting that Board reduce the value of his property to $ 400,000.

During deliberations, the Board considered all information and documentation 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. This is a contractual agreement between the seller and taxpayer because the matters mentioned by taxpayer are punch list repairs that are contractual issues and have no bearing on the County's schedule of values. These are all economic in nature and they all occurred after the valuation date. The physical maintenance matters stated by taxpayer do not affect the habitability or value of the condo. Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Jaffe ***PIN # 9851630520***
PIN # 9851621939
PIN # 9851520708

Lynne Jaffe appeared before the Board to appeal the values on the following three properties:

Pin # 9851630520-3228 WOOD DUCK LANE (Lot 8R), HILLSBOROUGH, NC. The current tax value assigned to the property by Orange County is $ 749,489. The appellant is requesting a reduction to $ 615,000.

Pin # 9851621939- 3224 WOOD DUCK LANE (Lot 7), HILLSBOROUGH, NC. The current tax value assigned to the property by Orange County is $ 241,231. The appellant is requesting a reduction to $ 185,000.

Pin # 9851520708- 3600 PASTURE ROAD (Lot 4), HILLSBOROUGH, NC. The current tax value assigned to the property by Orange County is $ 243,100. The appellant is requesting a reduction to $ 200,000.

The appellant states that two of the properties, 3228 and 3224 Wood Duck Lane are parcels that are contiguous. 3600 Pasture Road belongs to her husband's estate. When asked by the Board if she was the executor of her husband's estate, she replied that she was not. Mrs. Jaffe stated that she believed that her late husband would have appealed the property value, which is why she is going forward with this appeal. She went on to note that 3328 Duck Wood is on a 17 acre lot with a land value of $ 316,000 and the house is valued at $ 433,000. She did submit an appraisal with sales from the relevant time frame of January 1, 2009 for the Board to review. The house was built in 1994 and has 3400 square feet of heated space.

During deliberations, the Board considered all information and documentation presented by the appellant and the County. The comparable sales presented by the appellant were in the relevant time period. The Board focused on PIN # 9851630528- 3228 Wood Duck Lane. They noted that the residence was not located in the Chapel Hill School District and that the lot size was 14 acres prior to 2009. It also has a large attached garage and decking on the front porch. The Board then reviewed Lot 7 and Lot 4. Both of these lots are 10 acre parcels. The Board noted that there were some discrepancies with evidence presented. Mrs. Morrissette made a motion on 3228 Wood Duck Lane that the County staff conducts a field review to determine whether there are additional structures on the property. Upon completion of the field review, the Board requested that the County apply the schedule of values to correct the description of the property based on the findings. Mrs. Morrissette added that no further changes will be made to the value. The sales presented by the County were in the range of the assessed values in the area. Mrs. Marsh seconded the motion and the motion carried. With regards to the vacant lots, Mrs. Marsh made a motion to adjust the land value of both parcels to $ 21,257 per acre so that they reflect the values indicated by the sales provided by the taxpayer and the County. Mrs. Morrissette seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Waterhouse ***PIN # 9860151902***

Benjamin Waterhouse appeared before the Board to appeal the value of his property located at 7707 STILL CROSSING ROAD, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is $ 700,100. The appellant is requesting that the Board reduce the value to $ 575,000 based on a 2011 appraisal that had the property valued at $ 570,000. He purchased this property in 2011. Mr. Waterhouse states that in January 2009 the property was listed for $700,000. The house had been on the market for 2 years and had not received any offers above $ 500,000. The appellant claimed that since the house would not sell for the listed amount in 2009 that it really wasn't worth that price and that the assessed value was incorrect. He conducted a reverse extrapolation of the listing prices around his area to see if he could calculate what the property was worth and that is how he arrived at the value amount.

During deliberations, the Board considered all information and documentation 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 taxpayer provided an appraisal from 2011which did not contain time relevant information or comparable sales. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Tammi ***PIN # 9768838440***

Stacy Tammi appeared before the Board to appeal the value of her property located at 103 STURBRIDGE LANE, CHAPEL HILL, NC. The current tax value assigned to the property by Orange County is $ 645,300. The appellant is requesting the assessment be reduced to $ 565,000 based on its fair market value. She purchased this property in 2004 for $ 565,000 and doesn't feel that its value should have increased that substantially. She claims that the neighborhood is not favorable and that the property backs up to OWSA. Mrs. Tammi submitted as evidence a 2010 appraisal that valued the property at $ 576,000, along with a Case-Shiller index, and an article written by a UNC professor.

During deliberations, the Board considered all information and documentation presented by the appellant and the County. After deliberation, Mrs. Morrissette made a motion that no change be made to the value since the taxpayer only provided a 2010 appraisal, an article and a summary graph, all of which have no bearing on the fair market value as of January 1, 2009. Ms. Levine seconded that motion and the motion carried.

Ayes: 3
Noes: 0

Wright ***# 9880659249***

This appeal was first heard on August 9, 2012 and was tabled by the Board pending a field review by the County. The County had found discrepancies in the sketch and upon

completion of the field review, made the necessary corrections to the garage, and enclosed porch and added a patio. This changed the living area of the subject to 4534 square feet thus reducing the property value from $1,047,000 to $ 997,480.

After hearing and reviewing all the documentations presented by the County, Mrs. Morrissette made a motion to accept the changes made to the sketch of the appellant's property based on the site visit and to accept the new value resulting from these changes. Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Martineau ***PIN # 9799433894***

Thomas Martineau failed to appear before the board for his scheduled appointment.

Mrs. Morrissette made a motion to dismiss this appeal due to the non-appearance of the appellant at his scheduled appointment time. Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Satterwhite ***PIN # 9874908031***

James Satterwhite elected not to appear before the Board and requested to allow the appeal form and all supporting documentation to serve as his appeal. This property is located at 1806 ADAMS PLACE, HILLSBOROUGH, NC. The current tax value assigned to the property by Orange County is $ 140,100. The appellant is requesting a reduction of his value to $ 105,000. Mr. Satterwhite received a valuation notice that indicated that there was construction done on this property. He assumes that the value change was a result of repairs that he completed on his property not new construction. He feels that the appraised value does not represent the true market value.

During deliberations, the Board considered all information and documentation presented by the appellant and the County. After deliberation, the Board noted that the increase in the value reflects the addition of a deck to the subject and that a previously built addition had not been reflected in the property's assessment. Mrs. Morrissette made a motion that no change be made to the value as the subject was listed correctly by the County and the taxpayer did not submit any sales for the relevant revaluation period of January 1, 2009. Mrs. Marsh 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 5:00 pm.

Karen Morrissette- Chair

Scherri McCray- Recording Secretary