

MINUTES
Board of Equalization and Review
August 30, 2012

Board Members Present:

Chair: Karen Morrissette
Barbara Levine
Jennifer Marsh

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

Karen Morrissette called the meeting to order at 2:30pm.

Kern

PIN 9798760421

Eric Kern appeared before the Board to appeal the value of his property located at 114 PARKRIDGE AVENUE, CHAPEL HILL. The current Orange County assessed value is \$725,800. The appellant is requesting that the Board adjust the valuation of this property to \$620,000 based on several factors. The appellant submitted an appraisal that was completed in 2012. The home was built in 2004, but he recently finished the basement, which increased the value from \$684,837 in 2011 to \$725,800 for 2012. Mr. Kern submitted recent comparable sales from 2012. He pointed out that the County is valuing his basement as a full finished basement, but he says that it is not fully finished. The assessed square footage is 4492. Mr. Kern also pointed out that his lot size is less than his neighbor's lot, but Mr. Kern's value is higher. Mr. Kern's lot is 0.17 acre compared to the neighbor's 0.25 acre. He states that the neighbor's assessed value is lower than his property value. In addition, Mr. Kern's appraisal reflects a square footage of 4180.63, which is less than the County's assessed square footage. The Realtor's website, Zillo, shows a 2009 value of \$637,000. The subject property is located in the Meadowmont subdivision.

Mrs. Marsh made a motion for County to correct the square footage of the basement to 4171 square feet based on the appraisal provided, reducing the value to \$709,100. In addition, an adjustment should be made to reflect that the basement is only 75% finished. She explained that the appraisal presented included 2012 comparables and therefore the appraisal is not relevant because it should include comparables prior to 2009 since the last revaluation was done effective for 2009. The sales of homes in the neighborhood indicate prices per square foot ranging from \$170.76 to \$202.90. Mr. Kern's new value per square foot is supported by these sales. Mrs. Morrissette seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Nickeleit***PIN 9788066395.106***

Mr. Volker Nickeleit did not appear before the Board, although he indicated on his appeal form that he would like to personally present to the Board. All attempts by the County to reach Mr. Nickeleit were unsuccessful as all calls made to Mr. Nickeleit went unreturned. Therefore all forms and documents were presented as evidence. The property is located at 601 WEST ROSEMARY STREET, CHAPEL HILL, UNIT 902, of the Greenbridge Condominium Complex. The current Orange County assessed value is \$1,272,500. The appellant is requesting that the Board adjust the valuation of this property to \$1,035,000.

After reviewing the evidence presented, Mrs. Morrissette made a motion for no change to be made to the value. She referred to information provided by Mr. Nickeleit stating that his concerns are a contractual matter and do not affect the 2009 value. The taxpayer purchased the property in 2010 for over \$1.3 million, and the 2009 assessed value is lower than his purchase price. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Ripp***PIN 9799152686***

Ms. Elizabeth Ripp appeared before the Board to appeal the value of her property located at 103 OLD FRANKLIN GROVE DRIVE, CHAPEL HILL. The current Orange County assessed value is \$589,533. The appellant is requesting that the Board adjust the valuation of this property to \$515,000 based on the appraisal that she presented. The taxpayer stated that there are very few sales in the neighborhood, and that many homeowners who are unable to sell their properties are choosing to rent their properties. Ms. Ripp stated that banks are loaning based on values that are lower than the County's values; that the mortgages are falling below assessment. She feels that the property value in 2009 is not correct. There is no trash or recycling service provided to the project. Taxpayer states that she is required to pay homeowners association dues.

Mrs. Marsh stated that the comparables provided with the appraisal are detached houses in the surrounding area, and that the taxpayer is appealing the value of a townhome. This makes the comparables irrelevant.

Mrs. Marsh made a motion for no change to be made to the value based on the fact that the comparables presented are not relevant to the value of the subject property. Mrs. Morrissette seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Voss***PIN 9789937960.022***

Mr. Paul Voss appeared before the Board to appeal the value of his property located at 1513 EAST FRANKLIN STREET, UNIT 132C, CHAPEL HILL. The current Orange County assessed value is \$160,038. The appellant is requesting that the Board adjust the valuation of this property to an amount between \$120,000 and \$130,000. The property was purchased in 2008 for \$160,000.

Mr. Voss presented as evidence the fact that the apartment complex was located in an urban wooded area. However, the urban wooded area has been replaced by a parking lot just outside their door. Because of the parking lot, Mr. Voss believes the property is worth \$30,000-\$40,000k less than its assessment. Mr. Voss did not know the value of the property in 2008-2009, and he did not know that there were plans to remove the trees and put in a parking lot. He has complained to the Town of Chapel Hill. Mr. Voss submitted a supplementary statement as evidence. He also stated that the parking lot will be available to the public to use for the library, and this will cause his property to lose its security. The property for the parking lot was taken by eminent domain by the Town of Chapel Hill. The property was built in 1983. Mr. Voss stated that he would not have purchased the unit if he had known this was going to happen. He stated that this is now a distressed property as many of the units are owned by investor, and there are only six individual units. Mr. Voss provided information on a few recent sales. He feels that the property has a permanent economic liability.

Mrs. Morrissette made a motion for no change to be made to the value as there was no evidence presented to show the effect which the adjacent parking lot has on the valuation of the property. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3

Noes: 0

Leibel***PIN 9798655722***

Mr. Kevin Leibel appeared before the Board to appeal the value of his property located at 316 CIRCLE PARK AVENUE, CHAPEL HILL. The current Orange County assessed value is \$1,253,293. The appellant is requesting that the Board adjust the valuation of this property to \$1,062,500.

Mr. Leibel purchased this property in 2012 for \$800,000. He thought that there was going to be a revaluation of the property in 2013, and that is one reason why he purchased it with its current tax value. He commented that there was nothing on the Tax Administration's website that stated that the revaluation was postponed. Mr. Leibel quoted the Machinery Act on the revaluation process. He stated that there was a 34 % increase in value from 2008 to 2009. Mr. Leibel read minutes from prior Board of Equalization and Review minutes. He presented comparables as sales evidence from 2008, but there were no sales dates on these comparables. Mr. Leibel stated that his sales were prior to the revaluation. There were no verifiable sales prices on these sales. He

feels that his property value is not equitable with other homes in the subdivision. His property is 5,697 square feet, and is valued at 219.99 per square foot. He feels that the value per square foot is excessive. The property sold previously for \$1,406,500 in 2007. The taxpayer reiterated that he feels property is overvalued for today's market and that he would not have purchased the property if he had known there was not going to be a revaluation in 2013. Mr. Leibel asked the Board members what he could bring to help them determine the correct value.

The Board asked the sizes of the taxpayer's comparables. Mr. Leibel stated that 323 Circle Park was 4,285 square feet and sold for \$1,039,000. Also, 307 Circle Park is 3,361 square feet and sold in 2008 or 2009 for \$865,000 but the tax value is \$909,000.

Mrs. Morrissette made a motion for no change to be made to the value based on the fact that the taxpayer did not provide evidence that the County's valuation was incorrect. The Board looked at the square footage of the two properties highlighted by the taxpayer, but it was determined that both properties were significantly smaller than the subject property. The MLS square footages for these properties are consistent with their estimated square footage by the County. Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Wilder

PIN 9778421060

Ms. Donna Wilder did not appear before the Board, although she requested to personally present to the Board. The current Orange County assessed value is \$323,295. The appellant is requesting that the Board adjust the valuation of this property to \$295,000.

Mrs. Morrissette motioned to dismiss the appeal because the taxpayer requested to present her appeal but she did not show. Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Stuart

PIN 9880659676

Mr. Nigel Stuart appeared before the Board to appeal the value of his property located at 100 CROSS CREEK DRIVE, CHAPEL HILL. The current Orange County assessed value is \$759,108. The appellant is requesting that the Board adjust the valuation of this property to \$653,000.

Mr. Stuart submitted comparable sales from 2008. He revised his appeal and presented the revision to the Board. He requested that the Board disregard all previous submissions. His 2009 appeal went before the North Carolina Property Tax Commission. Mr. Stuart

contacted with a company that performed his original appraisal and had the appraiser revise the appraisal to include comparables that sold prior to 2009. These comparables indicated a higher value than what was originally indicated in his 2012 appeal. The square footage for Mr. Stuart's home according to his appraisal is 2,520 plus 919 for his finished basement. The value per square foot is \$278, and that is including the portion of the basement that is unfinished. Mr. Stuart suggested to the Board that they take an average of the appraisals to get the value that he feels is correct.

He stated that his comparables are in the relevant time frame. His property is adjacent to Weaver Dairy Road. County counsel stated that there was a 33% discount for lot price, and that was inclusive of the fact that this property was in proximity to Weaver Dairy Road. Mr. Stuart obtained tax cards for all properties in the area. His property appears to be valued without taking into consideration the discount for its close proximity to Weaver Dairy Road. It only appears to take into account the size of the lot although it had been on the market for quite some time. Mr. Stuart paid \$835,000 for the property in 2007. He knew that it was overpriced at the time.

The County listed 480 square feet for the finished basement, at 25% finished. The County requested a small adjustment due to the close proximity to Weaver Dairy Road and noted that there is a small portion of the site in in a flood zone. A 10% reduction to the land value would reduce the overall value to \$726,600.

Mrs. Levine motioned to adjust the land value down by 10% for flood zone and proximity to Weaver Dairy Road, adjusting the value to \$726,600, which is within 4% of the appraisal value that the taxpayer presented. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Burton

PIN # 9878656554

Mr. James Burton appeared before the Board to appeal the value of his property located at 532 BIRDSONG LANE, HURDLE MILLS. The current Orange County assessed value is \$320,800. The appellant is requesting that the Board adjust the valuation of this property based on incorrect square footage.

The taxpayer submitted evidence to show that the value is incorrect because he is being taxed for the incorrect square footage of 2,739. Mr. Burton stated that the total square footage of his home is 2,223 square feet.

The County agreed that square footage indicated on the property record card is incorrect at 2,739. Based on a field review the actual square footage is 2,585. A correction would change the value to \$311,000.

Mrs. Morrissette motioned to accept the County recommendation, and Mrs. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Martineau

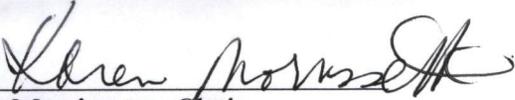
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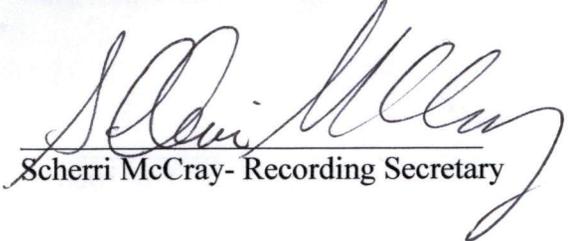
Mr. Martineau submitted additional information from his appeal meeting on August 29, 2012. He sent a copy of the engineer's letter, which noted that the house is settling.

Ms. Morrissette made a motion for no change because the taxpayer's concern was with the value of the recent renovation. The engineer's report did not provide sufficient evidence to warrant a decrease in value. Ms. 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. Barbara Levine seconded the motion and the meeting was adjourned at 5:00 pm.


Karen Morrissette- Chair


Scherri McCray- Recording Secretary