MINUTES

2014 Board of Equalization and Review
June 17, 2014

Board Members Present: Jane Sparks, Chair
Bronwyn Merritt, Regular
Jennifer Marsh, Regular

Staff Members Present: Roger Gunn, Chief Appraiser
Steve Hensley, Appraiser
Nancy Freeman, Recording Secretary

The meeting was called to order at 2:00PM on June 17, 2014 by Ms. Sparks.

HOOVER ***PIN #9799425348***

Ms. Pamela Hoover appeared before the Board to appeal the valuation of property located at 1202 WILLOW DRIVE, CHAPEL HILL. The current tax value assigned to the property by Orange County is $442,200. The appellant is requesting that the Board lower her 2014 valuation to $382,865-400,000 citing the fact that the assessment value is too high. The original value was $482,865 and was revised after the January 1, 2014 appeal to $442,200.

Ms. Hoover obtained the assistance of her realtor with the comps that she provided. She stated that there was a miscalculation in the basement, and once the Tax Office corrected the sq. ft., the Tax Office dropped the price $40,000, but she still thought it was too high. Ms. Hoover stated that her realtor went through the house with her, and looked at the appraisal that was done when Ms. Hoover purchased the home. Ms. Hoover stated that her realtor thought the value should be in $380,000 range and that the appellant should appeal to the Tax Office.

Ms. Hoover remarked that the outside of her home looks really nice, and yard looks really nice, but the interior is very old. The appellant pointed out that the home still has the original counter tops, original bathrooms, and that she has some floors refinished, but some are in very bad shape. Ms. Hoover stated that her basement leaks and floods, and she must have work done to repair it. There is damage to one of the bathrooms, and the estimate for repairing it is $4,000. The appellant stated that the cost to complete all repairs in the home is $20,000. In 2006 there was some work done to the outside of the home: the addition of a bay window in the front, 300 square feet was added above the front porch, and a walkway was also added. Currently the walkway is in need of being repaired. Ms. Hoover stated that she has lived in the home since October 1990.

Ms. Marsh asked when her appraisal was done. Ms. Hoover responded that the appraisal was done when she refinanced last year. The appellant stated that the home essentially is three stories. Ms. Sparks asked if basement was finished. Ms. Hoover responded that it is partially finished. It has a concrete floor and it did have walls, but they were partially removed when HVAC was added and they have not been replaced. The appellant said that there were two shops in the basement that are not finished at all.

Ms. Hoover stated that she had taken pictures to show the interior of her home. Ms. Marsh asked for copies of the pictures that Ms. Hoover took to show the interior of her home, but she does not have copies to provide as the pictures are on her phone.

Mr. Gunn stated that the homes with comparable prices are smaller. Mr. Gunn asked how many baths were in the home. Ms. Hoover responded that there are 4.5 baths. Mr. Hensley stated that he has not been inside of the home. Ms. Hoover offered to send the pictures that she has taken and Ms. Sparks declined saying that it would probably not help that much.

Mr. Gunn recommended that there are some changes to be made, including changing the fixture count to 11 and the number of baths to 4.5. Mr. Gunn stated that the damage that the appellant has from flooding would warrant changing the depreciation from 19% to 22%, but an appraiser has not been inside to verify the condition of the home. Mr. Hensley stated that given the age and described condition, the depreciation could be as high as 24%, and he would make a visit.

Ms. Marsh asked if the house was overbuilt for the neighborhood. Mr. Gunn said no, but there have been very few sales in the area, and Mr. Hensley stated that the reason is that many of the homes just down the road from the appellant's home are in a flood zone. Mr. Hensley stated that he visited the property after a hard rain to verify the measurements. He was only able to get the front and one side of the home measured because of the extensive mud. Mr. Gunn asked Mr. Hensley if the back of the house was framed, but Mr. Hensley was not able to get to the back.

Ms. Merritt asked how the price would be affected if the depreciation was changed to 24% and the fixture count was changed to 11. Mr. Hensley calculated that the value would drop to $437,000. Mr. Gunn reminded the board members that during the informal appeal the value was lowered from $485,862 to $442,200.

The Board reviewed all documentations presented by the appellant and the County. After review and deliberation, Ms. Merritt motioned to accept the changes recommended by the County: change to 11 fixtures, increase depreciation to 24%, and remove the construction modifier to lower the value to $437,000. Ms. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

WARREN ***PIN #9845490173***

Mr. Jeremy Warren did not appear before the Board to appeal the valuation of property located at 4510 HIGH ROCK ROAD, EFLAND. The current tax value assigned to the property by Orange County is $360,800. The appellant is requesting that the Board lower his 2014 valuation to $329,000 citing the fact that Orange County's appraisal is inaccurate and that a provided appraisal, house plans, and comparable listings would prove it.

Mr. Gunn stated that the home has an oversized basement garage, and that the unfinished basement accounts for the difference in the County's square footage versus the information provided by the appellant. Mr. Gunn stated that Mr. Warren's appraisal is dated August 2012, which provides no time relevant information. In addition, Mr. Gunn pointed out that two of the comps on the appellant's appraisal are located in Alamance County and therefore cannot be considered.

Mr. Hensley stated that he was not able to measure or to visit the interior of the home. He presented a few pictures of the exterior of the home, but could not get closer due to a locked gate at the front of home. Mr. Hensley stated that the property includes a full finished basement and a basement garage. Mr. Hensley recommended that the grade of the home be changed from A+05 to B+15 because it appears that the home has siding. Ms. Sparks asked Mr. Hensley if the value of the basement was in line or was it possibly too high, and asked if he could clarify that the home is on a sloping lot. Mr. Hensley stated that although he was not able to view that back of the home, which the lot must be sloping because the basement includes a garage that would need ground level access.

The Board reviewed all documentations presented by the appellant and the County. After review and deliberation, Ms. Sparks motioned to accept the changes recommended by the County: change the grade to B+15 to lower the value to $325,000. Ms. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

KANE ***PIN #9825535552***

Mr. Leland Kane appeared before the Board to appeal the valuation of property located at 124 BOBWHITE WAY, MEBANE. The current tax value assigned to the property by Orange County is $238,200. The appellant is requesting that the Board lower his 2014 valuation citing the fact that the home was not built until 2013 and homes in his neighborhood with the same floor plan were valued $21,300 lower than his home.

Mr. Kane provided a list of comps and stated that the comps prove his house is valued $20,000 to $30,000 over similar homes. He pointed out that the neighboring homes include items such as sun rooms, screened in porches, finished attics, fenced yards, but his property has none of those so his home is overvalued. The appellant stated that the comps that he chose are based on the same floor plan as his home, and all are valued less than his property when they actually have more amenities. Mr. Kane offered to provide a copy of the floor plan. The appellant stated that the overall size of the home is 28.9 X 58.8 feet which includes the garage.

Mr. Gunn stated that development that Mr. Kane's home is located in was a project that started out doing very well, and homes were selling well in 2007 and 2008, but soon after the project "went belly up". Currently there is some recovery, and the developer is now building again in the development, but selling at much lower prices than they were in 2009. Mr. Gunn reminded Mr. Kane that the County had to use the values prior to 2009 for this value. Mr. Gunn pointed out that the four sales the appellant provided as comps are all new sales in 2013 and 2014. Mr. Kane stated that he used the Orange County site to find the sales. Ms. Merritt asked if the County's total square footage is in line with what the appellant provided. Mr. Hensley stated that he would recommend correcting the sketch to 1906 square feet and making a few more changes: change the area over garage from an LQ area to a finished attic, enlarge the patio area, and change number of floors from 1.75 to 1.5, and remove a design factor. These changes would lower the value to $234,700.

After consideration of the all evidence presented and deliberation, Ms. Marsh made a motion to lower the value to $234,700 and accept county's recommendations which include correcting the sketch to 1906 square feet and making a few more changes: change the area over garage from an LQ area to a finished

attic, enlarge the patio area, and change number of floors from 1.75 to 1.5, and remove a design factor. Ms. Sparks seconded the motion and the motion carried. Ms. Marsh noted that the tax values in this area are equitable amounts in similar properties.

Ayes: 3
Noes: 0

BAZEMORE BIRDSONG ***PIN #9787050568.005***

Ms. Laurie Bazemore Birdsong appeared before the Board to appeal the valuation of property located at 621 COPPERLINE DRIVE, CHAPEL HILL. The current tax values assigned to the property by Orange County is $316,412. The appellant is requesting that the Board lower her 2014 valuation to $289,000, citing the fact that comps in Southern Village do not support her valuation.

Ms. Bazemore presented three comparable sales to prove that her valuation was too high. The appellant presented 902 Edgewater circle, with a sale date of June 6, 2008 and amount of $289,000. The second comp presented was 404 Aberdeen Drive, with a sale price of $279,000 and a sale date of June 19, 2009. The third comp presented was 934 Edgewater Circle with a sale price of $290,000 and a sale date of August 5, 2009. Ms. Sparks clarified that the comps must be prior to January 1, 2009 to be considered.

Mr. Hensley visited the property and verified that the measurements that the County has on file are correct. Ms. Marsh asked if the one of the comps provided was correct. Mr. Gunn stated that one of the comps provided by Ms. Bazemore was a townhouse as opposed to a condo. Mr. Gunn stated that the County would recommend removing a construction modifier on the property and correct the number of fixtures to 6 which would lower the value to $304,500. Ms. Sparks asked Mr. Gunn to verify that the construction grade was correct, to which Mr. Gunn responded that it was correct.

After consideration of all evidence and deliberation, Ms. Sparks made a motion to accept the changes recommended by the County: remove a construction modifier and correct the number of fixtures to 6, and lower the value to $304,500. Ms. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

VARGAS ***PIN #9870344571***

Ms. Lucila Vargas appeared before the Board to appeal the valuation of her property located at 1121 TALLYHO TRAIL, CHAPEL HILL. The current tax value assigned to the property by Orange County is $271,700. The appellant is requesting that the Board lower her 2014 valuation to $230,000 citing the fact that her appraisal shows a lower value.

Ms. Sparks explained that the appraisal is based on 2012 sales and therefore value cannot be considered but can be used to compare sizes and measurements. Ms. Vargas does not understand because the property was revalued due to addition of deck, interior wall, and interior door. Mss. Marsh explained that her appraisal would need to be based on 2009 and prior sales.

Ms. Vargas asked what can she do or provide now since her appraisal cannot be considered. Ms. Marsh pointed out that the improvements increased the value of her home based on the 2009 schedule of values. Ms. Vargas stated that the improvements should not increase the value that much because she did not pay that much for them. Mr. Gunn mentioned that a carport was also added with the additions. Ms. Vargas stated that there was no carport added. She explained that the deck was positioned at the top of her home (high deck), but that no carport was added. Ms. Marsh pointed out that the additions would have cost her more in 2008 than it cost her currently, which basically means that the value of the improvements may have increased her value more than the actual costs of the improvements.

Mr. Gunn verified that there are 2 bedrooms and a study in the home and Ms. Vargas agreed. Ms. Sparks asked to verify that there are 2.5 baths, Ms. Vargas again agreed. Ms. Vargas asked if she could provide an appraisal for 2009. Mr. Gunn suggested that she would need to appeal to the North Carolina Property Tax Commission if she is not happy with the decision of the Board of Equalization and Review, and she could provide a timely appraisal at that time.

Mr. Gunn recommended that the carport be removed and a 10% reduction should be added due to functional obsolesce because the home has only 2 bedrooms. The value would change to $242,200.

The Board reviewed all documentations presented by the appellant and the County. After review and deliberation, Ms. Marsh motioned to accept the changes recommended by the County: remove carport and add a 10% reduction for functional obsolesce, and lower the value to $242,200. Ms. Merritt seconded and the motion carried.

Ayes: 3
Noes: 0

KUHLMAN ***PIN #9870239822***

Mr. Brian A. Kuhlman did not appear before the Board to appeal the valuation of property located at 1009 TALLYHO TRAIL, CHAPEL HILL. The current tax value assigned to the property by Orange County is $339,900. The appellant is requesting that the Board lower his 2014 valuation to $297,840 citing the fact that it is not accurate as comparable homes from neighborhood are selling for less.

Ms. Marsh pointed out that comps provided by Mr. Kuhlman are out of date range and therefore not relevant evidence. Mr. Gunn stated that county has no changes to offer, that the property is correctly valued.

The Board reviewed all documentations presented by the appellant and the County. After review and deliberation, Ms. Sparks motioned no changes based on the fact that the property is properly valued and no time relevant evidence was presented by the appellant. Ms. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

ESKENDRI ***PIN #9799780029***

Nasser Eskendri did not appear before the Board to appeal the valuation of property located at 1819 LEGION ROAD, CHAPEL HILL. The current tax value assigned to the property by Orange County is $94,000. The appellant is requesting that the Board lower the 2014 valuation to $51,000 because the building burned.

Mr. Hensley stated that the County depreciated the value by 90% due to the building having burned. Upon a site visit Mr. Hensley noted that the County records list the home as 1 story, but it is 1.5 stories. In addition, there is a utility building and an open shed that the County did not have assessed and these will need to be added. Mr. Hensley recommends adding the two out buildings, change from 1 story to 1.5, and leave the depreciation percentage as is. Mr. Gunn also stated that an appraiser would need to revisit the property at the beginning of the next year. Mr. Hensley stated that the changes would increase the value to $97,000.

The Board reviewed all documentations presented by the appellant and the County. After review and deliberation, Ms. Sparks motioned to accept the changes recommended by the County: add the two buildings and change to 1.5 stories, and correct the value to $97,000. Ms. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

OAKLEY *PIN# 9940239647*

Mr. Henry Oakley did not appear before the Board to appeal the valuation of property located at LOT 2, NC HWY 49, PROSPECT HILL. The current tax value assigned to the property by Orange County is $155,300. The appellant is requesting that the Board lower his 2014 valuation to $52,000 because the property is in farm use and similar properties are valued lower.

Ms. Marsh asked if Mr. Oakley is currently in the farm use program. Mr. Gunn stated it is currently not in farm use but the Board would need to look at the fair market value. Mr. Gunn stated that the property is 26 acres. Ms. Sparks asked about the value provide by the appellant for a couple of properties on McCullough Road. Mr. Hensley verified that the two properties were sold at absolute auction five months after the last revaluation so they cannot be considered as comps.

Ms. Marsh asks how Mr. Oakley would obtain farms use status on this property, and considers that Mr. Oakley believes that he is requesting to be in the farm use program by appealing his value with the Board of Equalization and Review. Mr. Gunn stated his values are within range of what properties sold for prior to revaluation. Ms. Merritt stated she does not see anything that would cause a change. Ms. Marsh and Ms. Sparks agree that no evidence has been presented that would cause them to change the value.

The Board reviewed all documentations presented by the appellant and the County. After review and deliberation, Ms. Sparks motioned to make no changes because there is no evidence presented for a reason to change the 2009 value. Ms. Merritt seconded the motion and the motion carried.

Ayes: 3
Noes: 0

MCCULLOCK ***PIN# 9825555968***

Note: Mr. Gunn presented the Board members with an appeal that was hand delivered by Mr. Tony Wayne McCullock on June 11, 2014. Mr. McCullock was sent a decision noticed on May 6, 2014, which gave him a 30-day deadline of June 5, 2014 to submit an appeal to the Board of Equalization and Review by postmark or in person. Mr. McCullock explained that he did not get the decision notice in a timely manner and asked if the Board would allow him to appeal since his submission was only a few days late. Ms. Marsh motioned that the Board adhere to the deadline and not hear the appeal for this year. Ms. Sparks seconded the motion and the motion carried. Ayes: 3, Noes: 0.

Having heard all of the appeals scheduled on this date, Ms. Sparks made a motion to adjourn this meeting at 3:32PM until tomorrow.

Jane L Sparks

Ms. Sparks, Chair

Nancy Freeman

Nancy Freeman, Recording Secretary