

**MINUTES**  
**Board of Equalization and Review**  
**December 1, 2009**

Board Members Present: Jane Sparks, Chair  
Tim Kepley  
Paul Snow

Staff Members Present: John Smith, Assessor  
Roger Gunn, Staff Appraiser  
Brad Allison, Staff Appraiser

Mrs. Sparks called the meeting to order at 2:10 p.m. on Tuesday, December 1, 2009.

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Chapel Hill Foundation of Real Estate Holdings Inc. 754378

Represented By:  
Samuel Oliver, Attorney  
Mike Medford  
Gorden Merklein  
Patricia Crawford

Per representatives the University of Chapel Hill Foundation Inc recently acquired this property, for \$45,750,000. Seller did not receive any tax benefit as a result of this acquisition. The representatives informed the Board that in their opinion this property qualifies for tax exemption but has not applied for it in order to leave it on the Orange County tax rolls. The 2009 tax value is \$60,596,667. The Board was also supplied a recent appraisal. Representatives reviewed documentation and different approaches to value, including capitalization rate, occupancy, and income information.

During deliberations the Board considered all information presented by the appellant. The Board reviewed the income and expense information and all documentation presented. Tim Kepley made a motion to make a market adjustment to generate an adjusted value of \$45,500,000±. Paul Snow seconded the motion and the motion carried.

Ayes: 3  
Noes: 0

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Aanika Hotels LLC 733353  
Wanda Lanning Representing

Per the representative this property has a 2009 tax value of \$7,991,101, is a 22 year old hotel with 79 rentable units, and much deferred maintenance. The representative also noted that this is a stand alone hotel meaning it is not affiliated with any franchised and that the new owner is trying to franchise. Ms. Lanning presented operations statements spanning from 2006-2008 and discussed the income approach to value which she believes supports a value not to exceed \$3,600,000.00. This property sold in 2009 for \$6,305,000

During deliberations the Board considered all information presented by the appellant. The Board reviewed the income and expense information and all documentation presented. Tim Keypley made a motion of no change. Paul Snow seconded the motion and the motion carried.

Ayes: 3  
Noes: 0

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Chapel Hill Retail Assoc LLC 761858  
Wanda Lanning Representing

Per Ms Lanning this is a restaurant facility valued by the county for \$907,987, but worth only \$600,000. The representative presented an operation statement and discussed the income approach to value.

During deliberations the Board considered all information presented by the appellant. Tim Keypley made a motion of no change. Paul Snow seconded the motion and the motion carried.

Ayes: 3  
Noes: 0

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Chapel Hill Retail Assoc LLC 761859  
Wanda Lanning Representing

Per Ms Lanning this is an office facility valued by the county for \$684,046, but worth only \$475,000. The representative presented an operation statement and discussed the income approach to value.

During deliberations the Board considered all information presented by the appellant. Tim Keypley made a motion of no change. Paul Snow seconded the motion and the motion carried.

Ayes: 3  
Noes: 0

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Chapel Hill Retail Assoc LLC 761860

Wanda Lanning Representing

Per Ms Lanning this is a restaurant facility valued by the county for \$1,192,509, but worth only \$860,000. The representative presented an operation statement and discussed the income approach to value.

During deliberations the Board considered all information presented by the appellant. Tim Kepley made a motion of no change. Paul Snow seconded the motion and the motion carried.

Ayes: 3

Noes: 0

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Samuel Longiotti 731177

Wanda Lanning Representing

Per Ms Lanning this is a home in The Oaks subdivision valued by the county for \$1,653,701 but worth only \$1,424,000. Ms. Lanning provided comparable sales.

During deliberations the Board considered all information presented by the appellant. Tim Kepley made a motion of no change. Paul Snow seconded the motion and the motion carried.

Ayes: 3

Noes: 0

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Whitted Forest Limited 430125

Represented by Charles Mercer.

Mr. Mercer appeared by phone and focused on the new LIHTC law, the 40% vacancy rate, multiple problems, age of the property, and the condition of the property. Mr. Mercer supplied the Board with income and expense information. Per the representative the property is worth no more than \$650,000. When asked by the Board for evidence that this is a tax credit property that the new law applies to Mr. Mercer indicated that he would supply that evidence by 2:00 pm on Wednesday, December 2.

Tim Kepley motioned to table the Boards review and decision until Wednesday, December 2, 2009. Jane Sparks seconded and the motion passed.

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Main Street Properties 754797,706337,771798,704269,704184,701786,705201,771795  
Kevin Benedict (Rep)  
Laura Van Sant (Rep)

Per Mr. Benedict all tracts should be considered to relate to one central issue, the overarching value placed on the land. The representatives presented a spreadsheet comparing other properties land values in the same area. Per the representatives the owners had applied for a conditional use permit which was approved but not finalized as of 01/01/2009. Due to this the representatives say a large value was placed on the land, after 01/01/09, which they think is excessive. Per the representatives 754797 was not part of the CUP.

During deliberations the Board considered all information presented by the appellants. Tim Kepley made a motion to adjust all the values, land and buildings, back to the 01/01/2009 values. Paul Snow seconded the motion and the motion carried.

Ayes: 3  
Noes: 0

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Birgel Family Partnership Three 743093

The appellant listed above failed to appear before the Board. Since the appellant presented no evidence, Jane Sparks made a motion that no change be made to the value at this time. Should the property owners request to reschedule, prior to Board adjournment, the case can be reconsidered at that time. Paul Snow seconded the motion and the motion carried.

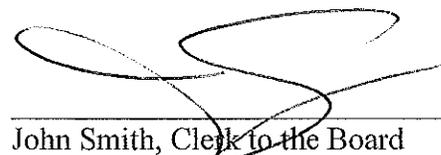
Ayes: 3  
Noes: 0

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Having heard all the appeals scheduled on this date, Paul Snow made a motion to adjourn this meeting. Tim Kepley seconded the motion and the meeting was adjourned at 4:30 pm.

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Jane Sparks, Chair

  
John Smith, Clerk to the Board