

**MINUTES OF THE MEETING
BOARD OF CIVIL AUTHORITY
JULY 5, 2016**

Present: Jean Strong Linda Tucker Doris Eddy
 Terri Gurdak-Carter Alice Nitka John Boehrer
 Margot Martel-Lister Terry Thayne-Lister Mark Gauthier-Lister
 Ulla Cook-Town Clerk

The meeting was called to order by Chair Jean Strong at 5:00PM.

The oath was administered to Listers, BCA members and appellants.

Marion Burch appeal was rescheduled for August 8 per request of the appellant.

Jeremy and Jessica Lavallee – 89 North Shore Drive – 200324.000

Mark Gauthier represented the listers stating this parcel sits on .31 acres classified as residential I with a conventional building built about 1985 having primarily wood exterior and 1222 square feet single family, 2 baths, 3 bedrooms with 5 total rooms. This property has an assessed value of \$478,400.

Comparables are: 49 Northshore Drive a 600 square foot camp style home which is less than ½ the size of the subject house and sold for \$340,000. This was a motivated seller according to a MLS sheet; 135 Lake Pauline Road sold for \$330,000. Lake Pauline is a different neighborhood which is assessed at a lower rate than Lake Rescue; 1287 Route 100 North is on Lake Rescue and sold for \$475,000. This sale was the result of a divorce, therefore is not in the sales analysis we will be submitting, since it is not an "Arms-Length Sale". Also, it is not in the RLV neighborhood.

Abutting homes on Northshore Drive are 83 and 102 which are assessed at \$422,300 and \$427,200. Adjustments are made to square footage, grade and age.

He also presented a analysis if qualified sales in the RLV neighborhood for the past three years with data cards of 3 samples. This 3 year analysis report of sales in the RLV neighborhood show a median of 1.003 which is equivalent to a perfect CLA of 100.

The subject property is not in this analysis because it sold after 4/1/2106 nor will it be in future analyses due to the special financing package indicated in the deed.

Jessica Lavallee stated that the listers office failed to equalize the value so that the listed-value-to market value corresponds to the listed value to fair market value of comparable properties. She stated that Terry Thayne indicated that the listers did not put a market value on our property because we feel it is in line with the other lake home assessments. This is an inaccurate statement because 4 of our neighbors have double lots, therefore land value should reflect this and the assessments do not, the recent sale value of homes on North Shore Drive with comparable square footage and lake frontage were not taken into consideration as well as the recent sale of our home when calculating the equalized value.

This past year out of the 20 homes on North Shore Drive, four homes besides ours sold for a total of 5:

51 North Shore finished square feet on record is 2061, 140 feet lake frontage

49 North Shore finished square feet 1200 includes lower level there is no basement on the lister card, it has brand new septic, paid for by sellers at closing "special financing", new well, .23 acre, 120 feet of lake frontage assessed at \$387,400 which is \$100,000 less than ours

1286 Route 100 North at the edge of the cove sold for \$465,000 assessed at \$269,400, square footage 1368, lake frontage 133 feet.

9 North Shore assessed for \$537,100, sold for \$431,000, lake frontage of 117 and square footage of 1638

89 North Shore (our house) sold for \$315,000, square footage 1222, 100 feet lake frontage, assessed for \$478,400.

There was no analysis of sales data given to us when we were denied at grievance. We feel the property was not assessed on a uniform basis due to the fact that the listers office is not including the recent sale of the property in the state survey and town assessments. The listers office fails to consider all elements of the property including functional deficiencies and all other elements including age and condition which give the property market value. Our house was originally built in 1974 but burned in 1985 and rebuilt on the same foundation. Therefore, the structure and condition of the property is still over 30 years old. There has been no updates since, just maintenance by the owners.

The listers office did not consider the recent sale price of the property in question as one element in determining market value. We have a mortgage loan with the previous owners for 12 years, there is no special financing, I am questioning what that is. We were told by the listers it is because we are giving the owners a week a year as part of the agreement.

The listers office did not inform the property owners of the approaches that they used in determining fair market value (cost or market approach). The listers also are failing to update town records on recent sale of the property. They also failed to inform property owners in writing why they denied the grievance in question.

We have documentation including letters, emails and information backing up all these claims ready to send to the Vermont Secretary of State. We will be asking them to further look into the unfairness of the denial for tax grievances and the discrepancies seen within property value on the lake as well as properties that have not been updated in town records even though they recently sold for significantly less than assessed value. In looking at the town records, there seems to be a large discrepancy between out of state second home owner property values and Vermont second home owners on Lake Rescue.

Another thing to look at is the portional contribution clause in the State of Vermont. If you take the square footage and the sale price on the 5 properties on North Shore Drive. The range is from on assessed value, ours is the highest yet it is one of the smaller homes.

Margot Martel, Lister stated there are several ways to assess property, cost, market and income (used on businesses). We do not value property based on the amount of lake frontage, if they have access there is a frontage indicator. We do hire an appraiser to help us and use a state of the art program that will give us comparable properties.

Mark Gauthier wanted to point out that sales after April 1 cannot be used.

He also addressed the special financing whereby the sellers are allowed to use the property for one week a year. This is a concession.

Margot Martell stated all sales go to the state to be analyzed and they do a sales study which affects our CLA driving it up or down which affects the property taxes. If there is any ambiguity at all in a deed, we discount is in the sales study and so does the state when we show them the deeds.

Mark Gauthier stated that it appears the appellant thinks every time there is a sale the property gets reassessed. That is not the case. We cannot reassess properties once they sell based on the sale price. It is against the law.

Inspection committee to Doris Eddy, Chair, Jean Strong and Terri Carter-Gurdak.

Jeremy Lavallee stated that the McWarrens on their right side and the Braggs on their left, both homes have double lots and both are assessed well under ours. The Warrens have a garage on their other lot that is not assessed.

Mark Gauthier stated the land values are the same in size and value and the garage is assessed.

Hearing recessed.

Ingeborg Perndorfer – Kettle Brook Unit A-7- 030608.007

Mark Gauthier presented for listers. This is a condominium on common land built about 1984 currently assessed at \$289,600. We adjusted the value by \$72,000 at grievance. The enclosed data will show that the 2 bedroom units at Kettlebrook, current assessments though only 3 valid sales, might seem out of line. We are going to look at the Kettlebrook units and possibly adjust them for the 2017 Grand List. We will be instituting an inspection process of this development later this summer and (with permission from PVR) will make necessary adjustments. We feel that unit A7 will need no further adjusting.

Unit G5 is similar to unit A7 in that it is a 2 bedroom, end, upper unit and it sold for \$265,000. The G,E, and F buildings have a 10% reduction for all units due to the fact there is no parking right at the building but at a designated spot down the walkway. We made adjustments for the 10% parking and arrived at the current assessment of \$289,600.

Considering Unit E4, inner, lower unit in building E, this also has the 10% location factor. Considering Unit B4, inner, lower unit in building B, the owner had this unit for 24 years and never did any upgrades. He just wanted to sell.

Unit C4 sold 5/8/15 for \$195,000, owner stated it was in bad shape. Also C building is not trailside. It is now 80% complete remodel and the \$232,000 assessment reflects that.

It would appear that when the next appraisal is done at the Kettlebrook Development, we would give value adjustments to outer and inner units and upper and lower units. Although there are not a lot of sales, there is an indication that it is an issue. We feel that the current assessment of \$289,600 is fair.

Attorney Facey represented the appellant. He presented a list of comparable sales ranging in price of \$195,000 to \$380,000 for a 3 bedroom and the highest 2 bedroom at \$265,000. While the reduction the lister granted was certainly appreciated and is much closer to reality but it still does not come down to the level that the market is saying these units are valued at. The average sale price for a two bedroom is more in the range of \$235,000. That is where his client thinks it would sell at that price.

Terry Thayne stated that the unit that sold for \$195,000 was like a college dorm, trashed and the unit that sold for \$380,00 you literally fall onto the trail.

Committee to consist of John Boehrer, Chair, Linda Tucker and Alice Nitka

Hearing recessed.

Stu France – Ledgewood Unit A4 – 030240.004

Mark Gauthier presented for the listers stating this is classified as a Condo built about 1991 with 1340 square feet. Mr. France's appeal is based on the condo market in general and of course the one sale of a unit like his. There have been 241 condo sales in Ludlow during the past three years of which 7 are sales at Ledgewood. The South Face Development has only 14 units that are built and all sold and are ready for closing this fall. Interestingly, the fact that the last ¼ sales of all condo units (1/18/16-3/7/16) has the most price increase. It could possibly be that the pricing at South Face of \$460,000 for one bedroom has influenced buyers to pay up for larger units, though they may not be new, they are perceived to be in a better location and better value. This is worth considering.

Comparable properties Unit A3 (3 bedroom) is assessed for \$472,000 sold for \$360,000 and Unit C1 (4 bedroom) is assessed for \$571,000 and sold for \$745,000

C1 is the most recent sale and we have no intention of considering raising the unit assessments based on one higher sale

Stu France the owner was not present but in his letter he stated that his unit is identical to the ski condo directly across the hall from him and recently sold for \$360,000 and the town still considers his unit worth 30% more. He asked that the listers quickly adjust the value of his unit A-4 (\$464,000) to A-3 (472,000). He stated the local realtors confirm that value of \$360,000 and concur that the present market remains flat and inform them that the market has been this way for quite some time.

Inspection committee Terri Gurdak Carter, Jean Strong and Doris Eddy.

Hearing recessed.

There being no other business, the meeting adjourned at 6:30PM

Respectfully Submitted,

Ulla P. Cook
Clerk