

BOARD OF ASSESSORS MINUTES
June 24, 2021
CITY HALL – CONFERENCE ROOM 200B
5:30 P.M.

CALL TO ORDER: Board chair L. Miner called the meeting to order at 5:30 pm.

RECORDING SECRETARY: Tara Baker

SALUTE TO THE FLAG

ROLL CALL: Present were, board members Lenny Miner, member Robin Mooney and alternate member Jim Rice. A quorum was met.

STAFF IN ATTENDANCE: Tara Baker and Stephan Hamilton

ACCEPTANCE OF MINUTES OF PREVIOUS MEETING(S): With no questions or concerns, the board accepted the minutes from the May 20, 2021, meeting.

PUBLIC HEARINGS: None

OLD BUSINESS: None

NEW BUSINESS:

Srilata & Srinivas Bollimpalli, 116-479-5.37: The property owners filed an abatement request on their single-family home at 14 Yachtsmans Ridge. The property was purchased on 8/5/2020 for \$595,000. The 2020 assessed value is \$747,700. The abatement application included sales from properties around the City but did not include the property across the street that sold 10/21/2019 for \$855,000. There are differences to the properties, but they both have the same amenities being part of Meredith Bay. The other properties ranged from South Down to properties within the Summit at Four Seasons.

On June 11, 2021, Tara Baker did an exterior measure of the property. The owners were not available for an interior inspection, instead a review of the property listing was done. The quality of construction was listed as Good +20, but the property did not reflect that same quality. There are many small windows in the front area, the kitchen is open to the cathedral area in the back but has a drop beam, the finished basement area has columns for support throughout, with several other factors impacting the quality. The quality rating should be Good, as a better representation of the building and consistency within the city. The sketch of the property, with other data elements such as exterior siding and cooling system also needed to be updated. With these changes, the assessed value for 2020 would be \$662,900. An abatement of \$84,800 of assessed value is recommended, bringing the 2020 value from \$747,700 to \$662,900. The board voted to grant the abatement of \$84,800 on a motion by J. Rice seconded by R.

Mooney. The motion carried unanimously.

Mark & Susan Perreault, 227-333-4: The property owners filed an abatement request on their single-family home at 36 Teddington Wy. They purchased the property 9/9/2020 for \$1,150,000 and the 2020 assessed value is \$1,252,500. The abatement application includes five additional sales and the difference between assessed value and sales price. One of the sales occurred in 2014 and is not valid in reviewing how assessments perform against sales prices. Three of the four remaining sales have assessed values lower than sales prices, and the assessed value of the last sale included was nearly identical to the sales price. There were no sales included that had assessed values above the sales price, as is the case with their property and other properties within the City. The process of mass appraisal includes using sales leading up to a given date to understand what a reasonable expectation of the market would bear for all properties. This particular sale was not included in the 2020 valuation as it occurred after the assessment date. Also, it is important to note that a range of values is expected with any appraisal. In consideration of the above information, the board voted the abatement be denied. L. Miner made the motion to deny, seconded by J. Rice.

Frarie & Beaudette, 251-275-14: The property owners filed an abatement request on their single-family dwelling at 310 Davidson Drive. The .47-acre lot is improved with a modern/contemporary home containing 9 rooms including 4 bedrooms, five full bathrooms, with 4,353 square feet of living area built in 1987. The property is located in the South Down community. The assessed value of the property for 2020 was \$888,200.

The property had been listed on the market for over a year and a half beginning in April 2019 and ended with the sale of the property on 11/10/2020 for a consideration of \$676,000. The original price of the property was \$799,000.

The abatement application included an appraisal report completed for the financing of the property, however the appraiser declined using the report for the abatement process. S. Hamilton conducted a careful review of the Multiple Listing Service Records and completed a telephone interview with one of the owners on June 8, 2021.

The overall condition of the property is not typical. The property has approximately 14 large skylights that are not currently in serviceable condition. There has been no replacement or maintenance of flooring. The kitchen cabinets and appliances are original and need replacement. The exterior needs extensive painting and repairs. There are areas of interior drywall that required repair and repainting from actively leaking skylights.

In reviewing the assessing records there are two areas of concern with our description and valuation: the overall quality of construction is rated as Good +20; and the condition rating is good. Both of these ratings lead to a very high valuation for the property. S. Hamilton believes that the quality rating is not reflective of the materials and design of the house and requires a downward adjustment. The extensive repairs and renovations required is best adjusted for by applying an under-construction depreciation. Applying the under-construction depreciation technique will have us revisit the property on an annual basis to check progress and valuation. It is recommended to change the quality of construction from Good +20 to Good, and applying a total under construction depreciation of 75%, which would result in an abatement of \$213,500 to an assessed value of \$674,700. J. Rice made a motion that the abatement be granted for 2020

based on the recommendations made. The motion was seconded by R. Mooney and the motion carried.

Rosemarie Titlebaum Rev. Trust, 228-356-10.0019: The property owner filed an abatement request on their condominium at 29 Pride's Point Wy. The unit is detached with 4 bedrooms, 3 and a half baths, with 2,065 square feet of living area built in 2007. The property is located in the Long Bay community. The assessed value of the unit for 2020 was \$787,900.

The abatement application included a Comparative Market Analysis prepared by a local realtor. The closest sale represented in the analysis is within the same complex at 155 Long Bay Dr on 7/17/2020 for \$689,000. The unit is slightly older than the subject but has 2,227 square feet of living area with 4 bedrooms and 3 and a half baths. The assessed value of 155 Long Bay Dr is \$709,600.

In looking at similar units within the Pride's Point condominium complex, there is some discrepancy between the quality of construction for each unit. The subject, 29 Pride's Point, is listed as Good quality, while most others, including the sale property at 155 Long Bay Dr, are listed in Average +20. There are other units in varying quality, and those will be reviewed for tax year 2021. It is recommended to change the quality of construction from Good to Average +20, which would result in an abatement of \$70,200 to an assessed value of \$717,700. R. Mooney made a motion that an abatement of \$70,200 be granted. The motion was seconded by J. Rice and the motion passed unanimously.

Carl & Nicole Swahn, 228-356-10.008: The property owner filed an abatement request on their condominium at 22 Pride's Point Wy. The unit is detached with 4 bedrooms, 3 baths, with 3,130 square feet of living area built in 2009. The property is located in the Long Bay community. The assessed value of the unit for 2020 was \$707,000.

The owners purchased their unit 6/29/2020 for \$585,000. This property had been on the market since 2017, which is highly unusual for this market. The property had been complete for a while, but the previous owners never resided there. They had personal and emotional reasons for wanting to sell the house and continued to list the price lower each year to be able to sell. The previous owners had filed an abatement on the 2019 value and the information regarding the property was looked at thoroughly before granting an abatement. The 2020 value reflects the changes that we made due to the abatement, however the market continued to appreciate through 2020.

The previous owners of the property were acting under duress when they listed and sold the property which excludes it from being considered an arms-length transaction. The sale of a similar condo unit at 155 Long Bay Dr, within the same complex in the Long Bay community, was for \$689,000 on 7/17/2020 and supports the assessed value of the unit under appeal. It is recommended to deny the abatement based on the previous review of the property and a sale of similar property within a reasonable range of the subject. In consideration of the above information, the board voted the abatement be denied. L. Miner made the motion to deny, seconded by R. Mooney.

Leah Britton, 433-186-77.003: The property owner filed an abatement request on their condominium at 147 Pleasant St #3. It is a garden style studio condo on the main level, with 0 bedrooms and 1 full bathroom. The unit was purchased on 6/14/2019 for \$40,000. The 2020 assessed value is \$67,400. As part of the abatement process, the applicant put together a matrix of units in the same or similar complex as a comparison.

The condo was listed for 2020 in Very Good condition, built in 1900. An inspection of the interior was conducted on 5/24/2021 to review the overall condition of the unit. The condo unit was listed in very good condition. The unit is closer to good condition with a kitchen that was last renovated in the 1990's, the bathroom could use updating, a large crack in the plaster in the living room ceiling, and some other minor problems. The condition is closer to good, than very good and would be consistent with similar units in the complex.

The unit size itself is very small at 286 square feet. The size adjustments made in CAMA are typically reviewed and based upon sales of smaller units. Unfortunately, most condo units that sell of that size are converted motel rooms or detached cottages with some kind of water access. In reviewing the sales price and the assessed value, it seems appropriate for an adjustment due to the small size and limited market of such a small unit in an area closer to downtown. An adjustment of 10% is recommended.

The last very restricting factor of the property is that there are no bedrooms. The small size in conjunction with no separate bedroom, adds to the limited marketability. It is recommended to apply an additional 5% adjustment to account for the studio space.

There are a few other small data changes that were discovered during the inspection including flooring changes and heat type/fuel. With these changes applied, the assessed value would be \$49,800. It is recommended to abate the assessed value from \$67,400 to \$49,800. J. Rice made a motion to grant an abatement of \$17,600, seconded by L. Miner. The motion carried unanimously.

36 & 38 Cross Street LLC, 433-58-21.001 & 21.002: The property owner filed an abatement request on these two individual condominium units that are detached single-family dwellings located at 36 and 38 Cross Street. These units are the only two units on a .55-acre lot that is declared as the Cross Street Condominium.

36 Cross Street is a unit that contains 6 rooms, including 3 bedrooms, one full bathroom, with 1,194 square feet of living area built in 1900. The unit had been assessed in 2020 for \$133,200 based on the physical descriptive information that included a determination that unit was in average condition.

38 Cross Street is a unit that contains 6 rooms, including 3 bedrooms, one full bathroom, with 1,194 square feet of living area built in 1900. The unit had been assessed in 2020 for \$132,800 based on the physical descriptive information that included a determination that unit was in average condition.

The property (both units combined) had been listed on the market for a year beginning in February 2018 for \$210,000. The listing expired and was removed from the market. The property again was placed on the market in August of 2020 for \$135,000 and ended with the sale of the property on 8/28/2020 for a consideration of \$145,000 (both units combined). Both of the listings were on Multiple Listing Service and made clear that the properties were in need of total

rehabilitation.

S. Hamilton conducted an exterior inspection of the property on 6/8/2021, a review of the Multiple Listing Service Records and completed a telephone interview with the owner on 6/9/2021. The overall condition of the properties is not typical. The units are not habitable, a condition that is typically described in our records and calculation as poor. The extensive repairs and renovations required is best adjusted for by applying an under-construction depreciation. Applying the under-construction depreciation technique will have us revisit the property on an annual basis to check progress and valuation.

It is recommended to change the assessment by applying a total under construction depreciation of 40% to each unit, which would result in an abatement of \$49,700 to an assessed value of \$83,500 for 36 Cross Street, and an abatement of \$49,500 to an assessed value of \$83,300 for 38 Cross Street. J. Rice made a motion to grant an abatement based on the recommendations, seconded by L. Miner. The motion carried unanimously.

Clearview Realty Ventures LLC, 367-495-6: The property owners filed an abatement request through a representative on their property at 56-126 Doris Ray Ct; a restaurant, spa, conference center, and a commercial building.

The abatement application includes language regarding NH RSA 76:21; Prorated Assessments for Damaged Buildings. The application states that the novel coronavirus is a natural disaster that rendered the building unusable for its intended use.

RSA 76:21 reads:

I. Whenever a taxable building is damaged due to unintended fire or natural disaster to the extent that it renders the building not able to be used for its intended use, the assessing officials shall prorate the assessment for the building for the current tax year. For purposes of this paragraph, an unintended fire means a fire which does not arise out of any act committed by or at the direction of the property owner with the intent to cause a loss.

The State of Emergency declared by the Governor on March 13, 2020 (Executive Order 2020-04) did not damage the building. The law is worded such that it is specific to damage to a building and would only impact the buildings assessed value. It is therefore not applicable to the property at 56-126 Doris Ray Ct.

The representative included an income statement and analysis for 2020. They did not include any local, state, or federal pandemic related assistance. The application also did not include whether or not any insurance money was received for lost income as a result of the pandemic.

In consideration of the above information, L. Miner made a motion to deny the request for abatement, seconded by R. Mooney.

Beacon Mill Inc, 441-74-22: The property owners filed an abatement request on their property at 171 Fair St. The property contains a health club and 1.6 acres of land. The abatement application has limited information presented and is focused on the percent change from 2018 assessed value to 2020 assessed values.

The property owner provided no evidence of market value in the application. The application contends that the assessment of their property increased at an excessive rate, 20% from 2018 to 2020. The market is constantly changing, which is why assessments in Laconia are updated on

an annual basis. The application did not provide any support as to why the assessed value of 2018 is still an appropriate value for tax year 2020. For these reasons, R. Mooney made a motion, seconded by J. Rice to deny the abatement request.

NON-PUBLIC:

OTHER

Real Estate Tax warrant and abatement slips were signed.

ADJOURNMENT: L. Miner made a motion to adjourn, seconded by J. Rice. The meeting was adjourned at 6:10 p.m.

Submitted by: 
Tara Baker, BOA Clerk