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I live in Cotswold, an old Charlotte neighborhood, now changing dramatically. Due to its rapid growth, inequities exist between the newly assessed values of older, smaller homes on original lots and new, much larger homes on divided lots.

I am here tonight to shine a light on the real possibility that, after living in Charlotte for over 50 years, teaching at UNCC for 38 years, and paying off a 30-year mortgage on my Cotswold home, for the first time, I am being faced with a limited time- frame of how much longer I will be able to afford to live in that home.

I'm not asking for sympathy, defined in Webster's as "to feel sorry for". I am asking for empathy for myself and many of my neighbors who after working for decades to afford their homes, face the same consequences if these new, much higher tax assessments on older homes are not adjusted. We are asking for empathy, and respect.

Thank You

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Our neighborhood is south of the big curve on Wendover.

In 1924 the subdivision east of Melchor was created. All lots were $\frac{1}{4}$ acre with 50-foot street frontage.

In 1941 the subdivision west of Melchor was created. All lots were $\frac{1}{2}$ acre with 100-foot street frontage.

Then came the 50's, and people wanted to move to the suburbs. Everyone seemed to favor $\frac{1}{2}$ acre lots, with room for kids to play.

People buying East of Melchor, bought two lots, and built a house in the middle. This gave them what the people across the street were getting.

It's reasonable to assume, the two lots cost the same as the one across the street.

Today the zoning board requires 60-foot street frontage to build a house, but because the lots East of Melchor were never re-platted, they are exempt from the 60-foot rule.

So, the two lots our forefathers combined into one, can be reclaimed.

Nowadays, some people don't care much about a yard. As a result, developers buy the original two lots with the old house and build two new houses. In doing so, our forefathers two lots are reclaimed

If the land was appraised at 280,000, you would think the two reclaimed original lots, would now be appraised at 140,000 each. Think again, the County appraises them both at 280,000.

This magic is overstating, and inflating Land Values.

Next, we have "**One Size Fits All**". Here they assume a base Land Value for "mid-size" lots and apply it to all lots, without regard for size.

We all know a 20-dollar bill, can be changed into FOUR fives. Think of a quarter acre lot as a 5. Then a half, would be 10, a three-quarter 15, and one acre, 20 dollars.

No magic here, just common sense.

Instead of this logical approach, the appraiser says all lots are 10, and what was 20, magically becomes 40 dollars.

This magic is also overstating, and inflating Land Values.

Because there are no "Land Only" lots being sold, there is a problem determining Land Values.

There are two methods, **one NOT in the rule book**, "Demo Sales", and **one that is**.

"The Abstraction Method". Let's review how each works.

First Demo Sales: Assume a ½ acre lot, total value 450,000, land value 300,000 building value 150,000. When it sells for 500,000, the house is demolished, and the land value becomes 500,000.

Here building value disappears and morphs into land value that magically becomes 500,000.

Once again, this magic is overstating, and inflating Land Values.

Now Using the Abstract Method: Assume the same ½ acre lot. When it sells for 500,000, the new land value appropriately remains 300,000 dollars.

No magic here, just a rule book evaluation, with no overstating, or inflation.

My personal analysis of both methods shows, Demo Sales overstates Land Values by 120,000 dollars or 43%.

In spite of the rules, the assessor's office thinks when a house is demolished, there is no reason to reduce the sales price to arrive at a new land value.

Logic says otherwise.

Most people still buy houses to live in them. When they do, does their Land Value automatically increase? Does it increase if they demolish the house and build a new one? Of course not.

Why is it different for Investors and Developers? Why should they get a big bump, that increases their profits?

Investors and developers bought these lots, because they realized they could build a McMansion on them, and make a pretty penny.

If they lose the old house and pay for demolition, **that is a business decision.**

Investors and developers buying to make big profits, is Not an Arms-Length Transaction, and it is Not Fair Market Value.

In 2003, the Base Land Value was, 75,000. In 2011, 170,000. Today it is, 400,000 dollars. That's a 433% increase in 16 years or 135% increase in the last 8 years.

Why? Because the balloon is being unfairly inflated each revaluation, by overstated Land Values.

One of my biggest fears is what happens when the bubble pops?

To quote a writer from the Observer, "we need to be very careful about unintended consequences. There's risk adverse and there's risk oblivious. I fear the latter the most."

The best way to fix the mess is, to stop using "Demo Sales" and use the "The Abstract Method."

Use a base land value but, add for larger lots and subtract for smaller lots.

Lastly, while lots appear to be split, they're NOT. They are only reclaimed to their original configuration. Therefore, the land value should be applied equally between the two reclaimed lots.

The bottom line is, the current base value of \$400,000 is unfair, and it is Not Fair Market Value.

Recently, the online values for land and buildings have been fluctuating all over the place.

The assessment we got in the mail is totally different from the recent assessments online.

Because It is impossible to make an appeal against a moving target, an official extension of the deadlines needs to be considered and made known to the public ASAP

If my recommendations were adopted, building values rechecked, and other obvious errors corrected, that would make the revaluation FAIR for our neighborhood.

I would still be concerned about the fairness to all the other neighborhoods in the County.

If the other neighborhoods are like ours, they need to be corrected too.

Anything less would be unfair and dishonest.

Perhaps it's time for the Mecklenburg County to call a time out, and re-evaluate the entire revaluation, before it is too late.

Thank you

.Using the Abstraction Method this is what I believe are fair values:

Base Land Value \$280,000

Fair Land Values based on lot size are as follows:

Lots 0.30 ac or less \$140,000

Lots greater than 0.30 ac and less than 0.70 ac \$280,000.

Lots greater than 0.7 acres and less than 1.0 ac \$420,000

Lots greater than 1.0 ac and less than 1.5 ac \$560,000.