Richard T. Sokolow and John P. Thompson,
Trustees of the Woodland Road Realty Trust
Docket No.: 8888-90 and 12102-91PT

Richard T. Sokolow
Docket No.: 8885-90

John P. Thompson, Jr.
Docket No.: 8886-90 and 12101-91PT

John P. Thompson, Sr.
Docket No.: 8887-90

David C. Wyckoff
Docket No.: 8889-90

v.

Town of Conway

DECISION

These appeals were consolidated for hearing, and because they involve common issues, a single decision is being issued for all appeals.

The "Taxpayers" appeal, pursuant to RSA 76:16-a, the following assessments.

Taxpayer	Tax Map and Lot	Assessment	Year(s) Under Appeal
Sokolow	15/36-4A	$ 125,000	1990
Thomspon, Jr.	15/36-8A	$ 125,000	1990 and 1991
Thompson, Sr.	15/36-2A	$ 125,000	1990
Woodland Road	15/36 (land only)	$ 114,000	1990 and 1991
	15/36-9A	$ 125,000	1990 and 1991
	15/36-10A	$ 125,000	1990 and 1991
	15/36-11A	$ 125,000	1990 and 1991
Wyckoff	15/36-6A	$ 129,000	1990

For the reasons stated below, the appeals for abatement are granted.

The Taxpayers have the burden of showing the assessments were disproportionately high or unlawful, resulting in the Taxpayers paying an unfair and disproportionate share of taxes. See RSA 76:16-a; Tax 203.09(a); Appeal of Town of Sunapee, 126 N.H. 214, 217 (1985). While the Taxpayers' evidence on valuation failed to meet this burden, we find abatements are warranted given the facts and the sales information the Town submitted.

At the hearing, the parties agreed Map 15, Lot 36 should be assessed at $57,000. The remainder of this decision addresses the other seven units.

The facts are somewhat complicated and uncontroverted. The Taxpayers own seven units in a condominium. While the Taxpayers owned seven units, the Town, in 1990 and 1991, would only issue four certificates of occupancy (CO's) because of planning, zoning, and building issues.

The Taxpayers argued the assessments were excessive because:

(1) the lack of CO's affected value;

(2) the issue concerning building code compliance affected value;

(3) the various litigations affected value; and

(4) an income approach indicated the units should be assessed at $41,000.

The Town argued the assessments were proper because:

(1) the Taxpayers could have obtained all but three CO's at minimal expense ($8,300);

(2) they were supported by the sales in the development, including the arm's length sales and the bank sales when adjusted; and

(3) the lack of CO's did not affect value.

Board's Rulings

Based on the evidence, the board finds abatements are warranted as discussed below. The board found the bank sales of units within the development but without CO's to be the best evidence of value when those values are properly adjusted for time and because they were bank sales. Our analysis is presented on the next page. NOTE: The sales within this development were not presented in the earlier (1989) appeal.

Sales without certificates of occupancy

Unit	Price	Date
2	$62,000	10/2/91
4	$59,000	9/25/91
6	$56,476	9/5/91

Mean = $59,460
Median = $59,900
SELECT $60,000

1991

$60,000 ÷ .65 (bank-sales factor) = $92,300
(This is the 1991 adjusted bank-sales value for units without certificates of occupancy.)

1990

$92,300 x 1.165 (time adjustment based on ratio) = $107,530
(This is the 1990 time-adjusted and bank-sale adjusted value for units without certificates of occupancy.)

Comparison

	Ass.	EV*	Adj. Bank Sale	Revised Ass.
1990	$125,000	$121,360	$107,530	$110,760
1991	$125,000	$104,170	$ 92,300	$110,760

* Assessment ÷ equalization ratio

NOTE: Unit 6 add 3% exterior = $114,090

Based on the above analysis, we find the assessments were excessive and order revised assessments of $110,760 on all units except unit 6, which is to be assessed at $114,090.

There was insufficient data and analysis to draw any certain conclusion about whether the CO issue affected value or whether the units were simply overassessed. We have, however, used the bank sales without CO's. We also conclude the risk concerning the lack of CO's would have been considered by the

purchasers from the bank. While foreclosure purchases will often buy without sufficient knowledge, the purchasers from the bank would have considered the lack of CO's because those sales were not forced to occur on a certain day and because the bank would be subject to consumer protection actions and thus, presumably, informed the buyers of the risks.

The board agrees with the Town that the bank sales needed to be adjusted to reflect market value, but the board concludes the bank sales represented 65% of market value, and not the 60% selected by the Town. This decision was based on the board's conclusion that Lincoln was a more appropriate comparison to the Town than Hopkinton was.

Concerning the Taxpayer's income approach, the board finds that approach meritless because it did not include any factoring for the so-called present worth of future benefits. The Taxpayer admitted that once the CO's were issued, the units could be sold for fair market value, i.e., near the assessed value. However, his income approach did not include any factor for that future benefit. Given the sales evidence, the Taxpayers' evidence could not be accepted because the sales obviously indicated, even before making adjustments, that there was a value above and beyond the income value.

If the taxes have been paid, the amount paid on the values in excess of the values itemized below shall be refunded with interest at six percent per annum from date paid to refund date. RSA 76:17-a. For the 1991 appeals, pursuant to RSA 76:17-c and board rule Tax 203.05, the Town shall also refund any overpayment for 1992, and until the Town undergoes a general reassessment, the Town shall use the ordered assessment for subsequent years with good-faith

adjustments under RSA 75:8. Such adjustments would include an adjustment once the CO's were issued. The ordered assessments are itemized as follows:

Taxpayer	Tax Map and Lot	Ordered Assessment	Year(s) Under Appeal
Sokolow	15/36-4A	$ 110,760	1990
Thomspon, Jr.	15/36-8A	$ 110,760	1990 and 1991
Thompson, Sr.	15/36-2A	$ 110,760	1990
Woodland Road	15/36 (land only)	$ 57,000	1990 and 1991
	15/36-9A	$ 110,760	1990 and 1991
	15/36-10A	$ 110,760	1990 and 1991
	15/36-11A	$ 110,760	1990 and 1991
Wyckoff	15/36-6A	$ 114,090	1990

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

Ignatius MacLellan, Esq., Member

Michele E. LeBrun, Member

CERTIFICATION

I hereby certify a copy of the foregoing decision has been mailed this date, postage prepaid, to Richard T. Sokolow, individually as Taxpayer and as Agent for John P. Thompson, Jr., John P. Thompson, Sr., and David C. Wyckoff, Taxpayers; and Peter Hastings, Esq., Attorney for Town of Conway.

Dated: October 19, 1993

Valerie B. Lanigan, Clerk

0005

TO: Board Of Tax and Land Appeals

FROM: Scott Bartlett, Board's Review Appraiser

DATE: December 13, 1993

RE: Initial Investigation and Analysis of property tax consolidated appeals of Artist Brook Condominiums v. Town of Conway for the tax year of 1990 and 1991.

Dear Board:

According to your request, I have conducted an investigation and analysis of the 1990 and 1991 assessments of the Artist Brook Condominiums owned by Woodland Road Realty Trust, Richard Sokolow, John Thompson, Sr., John Thompson, Jr. and David Wyckoff, located in the town of Conway.

The purpose of the report is to estimate a fair and equitable assessed value as defined by RSA 75:1 as of April 1, 1990 and 1991. The assessed value is defined as "market value or some legally authorized fraction thereof."(IAAO 4) The property rights considered are fee simple.

An exterior inspection of the property was made on December 2, 1993. I obtained property record cards of the properties involved, as well as the property record cards of five additional units which were not under appeal and a copy of the site plan from the assessors office. Prior to writing this report, I wrote a report on the 1989 appeal, which was based solely on the information presented at the 1989 hearing, my inspection of the property and a review of the property record cards as they appeared in 1989. I did not attempt to contact any of the parties of this appeal but instead relied on the transcript and the exhibits of the 1989 appeal for any additional information. Interior information and measurements were taken from the property record cards. Once the 1989 report was completed, I listened to the tape of the hearing for the 1990/1991 appeal and reviewed the files. Information was presented that was contrary to some of ny assumptions in the 1989 report; however, since none of this new information changes my opinions of value, the 1989 report has not been altered.

The DRA's equalization ratios of 1.03 for 1990 and 1.20 for 1991 is assumed to be representative of the level of assessment in the Town of Conway.

After considering all factors contained in this report, the Board's file on this appeal and furthermore, based upon my experience as a real estate appraiser, it is my opinion that the fair assessed value of the fee simple rights in the subject properties as of April 1, 1989 are as follows:

OWNER'S NAME	**DOCKET#**	**UNIT#**	**1990/1991 ASSESSMENT**	**RECOMMENDED ASSESSMENT(1000's) 1990**	**1991**
Thompson, Sr	8887-90	2	$125,000	$113.8	$111.1
Sokolow	8885-90	4	$125,000	$113.8	$111.1
Wyckoff	8889-90	6	$129,000	$117.9	$115.2
Thompson, Jr	8886-90 12101-91	8	$125,000[1]	$113.8	$111.1
WRRT	8888-90 12102-91	9	$125,000	$106.7	$103.8
WRRT	8888-90 12102-91	10	$125,000	$106.7	$103.8
WRRT	8888-90 12102-91	11	$125,000	$106.7	$103.8
WRRT	8888-90 12102-91	Land	$114,000	$0	$0

I hereby submit the following report.

Sincerely,

Scott W. Bartlett

[1] As adjusted by the BTLA in its' decision dated December 16, 1991.

SUMMARY OF FACTS

Purpose of Report: The purpose of this report is to estimate a fair and equitable assessment of the fee simple rights, in the subject property as defined by RSA 75:1 as of April 1, 1990 and April 1, 1991.

Location: The subject property is located off of Woodland Road, Conway, New Hampshire. Woodland Road is off of Artist Falls Road, which is off of Route 16 / Route 302, near the Conway and North Conway border. Cranmore Mountain is located 1± mile northeast of the property and can be viewed from the site.

Site: The site consists of 7.5± acres. The current access to the site is off of Woodland Road across a bridge which spans Artist Falls Brook. The lot is bounded by the Artist Falls Brook on the south side, by lot #15-28-28 on the east, lots #15-44B and #15-44-1 on the north and Woodland Road on the west.

According to the plot plan, job no. 730, Addendum A, the lot has 188± feet of frontage on Woodland Road. This frontage provides a possible second access; however, because of the irregular shape of the lot, the access is crossed by the Artist Falls Brook and is 37± feet wide at its narrowest point. Also, the Town of Conway planning board required that a second access be to a road other than Woodland Road. The proposed access is across lot #15-44B to a road which runs past Cranmore Mountain. Approval for the 5 potential units is contingent on a second access. Approval for 3 of the existing units was also contingent on the second access in 1989; however, after April 1, 1989, the planning board changed its ordinance to require a second access for 30 units or more instead of 9. Mr. Sokolow was told that he would most likely not receive approval for the total 17 units, even with this new ordinance. No formal application was ever submitted. No opinion was ever given on the possibility of receiving approval for the 3 existing units. Through testimony, it is my opinion that approval would have been given for the 3 existing units (once the deck footings were repaired) if an application had been submitted.

Improvements: The Artist Brook Condominiums consist of 2-2½ story, frame buildings with 6 condominium units each. The buildings were built in 1987, have a concrete foundation, double sided walls, and a gable style roof with asphalt shingles. The units are townhouse style, contain 1,715 square feet of gross livable area, 2 full bathrooms, a wood stove and a full unfinished basement. 7 of these units are under appeal. The other 5 sold; 4 of these units had received certificates of occupancy; unit #3 sold to Aranson without a certificate. The developer was sued by the Aranson's, who received a "healthy" decision against the developer.

Other improvements include a driveway, bridge and parking area which appear adequate for access to and parking for the current units and a small pool with a shed and surrounding fence.

Highest and Best Use: The highest and best use of 4 of the condominium units is use as residential dwellings. At the time of the hearing, these units had not received certificates of occupancy; however, the only requirement was that the footings of the wood decks be brought up to standards and attorney's fees in the amount of $2,300 be paid in lieu of a fine. This would have to be completed prior to sale; however, it is the opinion of this appraiser that the repair of the decks was relatively minor and could be accomplished with relative ease and minimum expense. In the 1989 report, I estimated that the total cost would be $7,000 (7 units @ $1,000 each). These units were foreclosed in late 1991; the mortgagor repaired these problems for a total cost of $6,000.

3 of the units could not be occupied until the second access road was completed or approval under the new ordinance was received and the decks were repaired. I have assumed that the approval would be granted for these 3 units. The cost would be minimal and the additional time would not be prohibitive. The highest and best use of these units is to obtain the occupancy permits and use as residential dwellings.

The approval for the 5 additional units is still contingent on the second access. The highest and best use of the 5 additional units would be for future marketing and development. Once the access was completed, the 5 units could be developed and marketed. As of April 1, 1990 and April 1, 1991, the most likely buyer of the land would be a developer.

The Town's approval for 9 units did not state which units would receive approval prior to the construction of an access road. Mr. Sokolow stated that he requested occupancy permits for units 8, 9, 10 and 11, but not units 2, 4 and 6, since he could not receive occupancy for the final three; however, the planning board's approval stated that "units #9 through #12 would be built at the owner's own peril, with the understanding that they could not be occupied." Therefore, since unit #12 has received its certificate of occupancy, it will be assumed that units #9, #10 and #11 would not receive certificates of occupancy until such time as the owner filed an application for approval under the new ordinance.

Assessments: All of the interior units in the Artist Brook Condominiums were assessed at $125,000. The end units were assessed at $129,000. Of the units under appeal, only unit #6, owned by David Wyckoff, Docket #6008-89, is an end unit.

The vacant land, which has approval for 5 additional units, was assessed at $114,000, or $22,800 per unit.

ANALYSIS AND VALUATION

The 5 units which are not under appeal sold between December 1987 and April 1989. The selling prices ranged from $104,000 to $133,130. Unit #5 sold to John P. Thompson from The Woodland Road Realty Trust for $104,000 on April 16, 1989. Since, John Thompson is a trustee of The Woodland Road Realty Trust, this sale can not be considered as an arms length transaction. The remaining 4 sales sold from December 1987 to April 1988 with a range of $119,000 to $133,130. Listed below are the particulars on the remaining 4 sales:

Grantor: Woodland Road Realty Trust
Grantee: Stellati, George E., Jr.
Book/Page: 1392/328
Sale Date: December 29, 1987
Sale Price: $130,000
Unit Number: #1, End Unit

Grantor: Woodland Road Realty Trust
Grantee: Aranson, Mark & Kathy Ellen
Book/Page: 1311/478
Sale Date: March 18,1988
Sale Price: $133,130
Unit Number: #3, Middle Unit

Grantor: Woodland Road Realty Trust
Grantee: Cawley, Constance
Book/Page: 1319/074
Sale Date: April 15, 1988
Sale Price: $129,000
Unit Number: #7, End Unit

Grantor: Woodland Road Realty Trust
Grantee: Russo, Joseph & Angela M.
Book/Page: 1319/086
Sale Date: April 15, 1988
Sale Price: $119,000
Unit Number: #12, End Unit

The average selling price is $127,783. The 1989 assessments were $125,000 for the middle units and $129,000 for the end units. Both Mr. Sokolow, the taxpayers representative and Mr. Fennessy, the Town's assessor agreed that these assessments were representative of fair market value as of April 1, 1989 for the units with certificates of occupancy. Since, the sales support the assessments, I will assume that the assessments are truly representative of fair market value for the subject units with certificates of occupancy as of April 1, 1989.

5 of the units in the Artist Brook Condominiums resold after foreclosure. Listed below are the particulars on these sales:

Grantor: Dime Savings Bank of NY, FSB

Grantee: Doukeris, Constantine & Venetta T
Book/Page: 1465/452
Sale Date: November 7, 1991
Sale Price: $50,000
Unit Number: #1, End Unit

Grantor: Heritage Bank For Savings
Grantee: Paradise, Donna A & Richards
Book/Page: 1462/300
Sale Date: October 4, 1991
Sale Price: $62,000
Unit Number: #2, Middle Unit

Grantor: Heritage Bank For Savings
Grantee: Pirrone, Joseph D & Judith C & Cotellessa
Book/Page: 1461/548
Sale Date: September 27, 1991
Sale Price: $59,904
Unit Number: #4, Middle Unit

Grantor: Homebank FSB
Grantee: Jencyowski, Albert M
Book/Page: 1467/220
Sale Date: November 27, 1991
Sale Price: $32,000[2]
Unit Number: #5, Middle Unit

Grantor: Heritage Bank For Savings
Grantee: Rozas, Santiago A & Michael Eve
Book/Page: 1459/146
Sale Date: September 6, 1991
Sale Price: 56,476
Unit Number: #6, End Unit

Listed in Addendum B are 28 condominium sales which occurred from October 3, 1989 to September 18, 1992 in the town of Conway. Using the assessment to sales ratios as a guide, an indication of changes in the condominium market can be determined. The 4 sales in the subject's complex and the late 1989 and early 1990 condominium sales indicate that the market was fairly stable throughout 1988 and 1989. The market began to drop in 1990 and continued to drop until late 1991 and early 1992. Based on this information, I will be using the following trending for all sales:

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[2] Attorney Hastings testified that this property sold for $64,000; however, both the deed and property record card indicate a selling price of $32,000. For further analysis, the $32,000 selling price will be used.

PERIOD	PERCENT CHANGE	NUMBER OF MONTHS
12/87 to 12/89	0%	25
1/90 to 12/91	-32%	24
	-16% per year	
	-1.33% per month	
1/92 to 12/92	0%	12

Using the above trending and time adjusting all of the nine above sales to April 1, 1990, produces the following results:

TIME ADJUSTMENTS FOR ARTIST BROOK CONDOMINIUMS

UNIT #	SALE DATE	SALE PRICE	TIME ADJUSTMENT	ADJUSTED SALE PRICE
1	12/29/87	$130,000	-4%	$124,800
3	3/18/88	$133,130	-4%	$127,805
7	4/15/88	$129,000	-4%	$123,840
12	4/15/88	$119,000	-4%	$114,200
1	11/7/91	$50,000	+25.6%	$62,800
2	10/4/91	$62,000	+24.2%	$77,004
4	9/27/91	$59,904	+23.9%	$74,221
5	11/27/91	$32,000	+26.5%	$40,480
6	9/6/91	$56,476	+22.9%	$69,409

The five bank sales must be adjusted to account for the type of sale. Bank sales normally sell for less than fair market value. A recent study that I had completed in the town of Deering, indicated that bank sales were selling at 70% of market value. Mary Pinkham testified that condominium bank sales in comparable areas were, on an average, selling for 60% of market value. The adjusted 1991 sale price of unit #1 is 50.3% of the adjusted 1987 sale price of unit #1. The median adjusted sale price of the bank sales (unit #6, $69,409) is 55.8% of the median adjusted sale price of the four non-bank sales (unit #1 and #7, $124,320). For the purpose of this report, the bank sales will be considered to be 60% of fair market value. Listed below are the adjusted sales prices with adjustments for bank sales[3]:

BANK SALE ADJUSTMENTS FOR ARTIST BROOK CONDOMINIUMS

UNIT #	SALE DATE	TIME ADJ SALE PRICE	BANK ADJUSTMENT	ADJUSTED SALE PRICE
1	12/29/87	$124,800	---	$124,800
3	3/18/88	$127,805	---	$127,805
7	4/15/88	$123,840	---	$123,840
12	4/15/88	$114,200	---	$114,200
1	11/7/91	$62,800	+66.7%	$104,688
2	10/4/91	$77,004	+66.7%	$128,366
4	9/27/91	$74,221	+66.7%	$123,726
5	11/27/91	$40,480	+66.7%	$67,480
6	9/6/91	$69,409	+66.7%	$115,705

The adjusted sale prices range from a low value of $67,480 to a high value of $128,366. The median value is represented by unit #4, at an adjusted price of $123,726. The average adjusted selling price is $114,512.

Removing all sales that sold more than 2 years from April 1, 1990, would exclude the 1987 sale of unit #1 and the sale of unit #3. The range of values does not change; however, the median would be represented by unit #6, at $115,705 and the average would be $111,144. The sale of unit #6 is the closest in time to the assessment date of April 1, 1990; therefore, since unit #6 is an end unit, it is my opinion that with a certificate of occupancy, and as of April 1, 1990, the end units had a market value of $115,700 and the middle units had a market value of $111,700. In my opinion, the market value as of April 1, 1991 will be 16% less, or $97,200 for the end units and $93,800 for the middle units.

The units under appeal do not have certificates of occupancy as of the date of assessment. The market value of the 4 units that had structural problems with the decks can be determined by subtracting the "cost to cure" from the full market value of a unit with a certificate of occupancy. Based on a visual inspection, the decks have a total square footage of 220 square feet. Using the Marshall & Swift Valuation Service as a guide, I determined that decks of this size could be replaced for $1,500. However, the entire deck

[3] A sale that is considered to be 60% of fair market value must be divided by .6 or multiplied by 1.667 (1 ÷ .6). The adjustment chart indicates an adjustment of +66.7%.

does not need to be replaced; only the footings need repairing. Based on testimony at the 1990/1991 hearing, the total cost of repairing the decks and related fines was $8,300 or $1,185 per deck. Therefore, it is my opinion that the cost to cure would be $1,200.

According to my assumption in the Highest and Best use analysis, units #2, #4, #6 and #8 could receive certificates of occupancy once the deck footings were repaired. 3 of these units are middle units and have a fair market value of $111,700 in 1990 and $93,800 in 1991, once the certificate is issued. Reducing this value by the cost to cure of $1,200, indicates a fair market value $110,500 (111,700 - 1,200) for 1990 and $92,600 (93,800 - 1,200) for 1991. Unit #6 is an end unit and has a fair market value of $115,700 for 1990 and $97,200 for 1991; therefore, the indicated market value of unit #6 is $114,500 (115,700 - 1,200) for 1990 and $96,000 (97,200 - 1,200) for 1991.

As stated above, the remaining 3 units, units #9, #10 and #11 are all middle units and could receive occupancy permits, once the decks were repaired and an application was submitted requesting a change in the approvals under the new town ordinance. The cost to cure the decks would be $1,200. The cost of the filing, submitting and monitoring the application is estimated to be $1,500; therefore, the cost to cure would be $2,700. The approval could not be obtained within immediately; therefore, it is necessary to determine the present worth of the future benefit. If we estimate that the approval could be obtained in 6 months and we use a return of 10% per year, the present worth of 1 unit would be .95; therefore, the fair market value can be determined by subtracting the cost to cure of $2,700 and multiplying by .95. The indicated market value as of April 1, 1990 is $103,600 ([111,700 - 2,700] x .95); the indicated market value as of April 1, 1991 is $86,500 ([93,800 - 2,700] x .95).

The vacant land, with approval for 5 additional units could be marketed to a developer. A developer would consider the future selling prices of all 5 units and deduct construction costs, carrying costs, marketing costs and a reasonable profit to determine how much he would be willing to pay for the property as of April 1, 1990 and April 1, 1991. Very little testimony was given on the expected costs of future development; therefore, it is necessary for me to estimate these costs.

The total future value of the development can be determined from the indicated market value. The market was declining in 1990 and 1991; therefore, the future selling prices will be less over time. If we assume that the developer will sell one unit 6 months after the purchase and an additional unit every 3 months, and if we use the above time adjustments, the selling prices will be as follows: October 1990, end unit, $106,700; January 1991, end unit, $101,800; April 1991, middle unit, $93,800; July 1991, middle unit, $89,400; October 1991, middle unit, $85,000. The total selling price would be $476,700.

Construction costs consist of the construction of 5 units and the construction of the second access road. Mr. Sokolow testified that the cost of construction for the existing units was $75,000 per unit; therefore, a cost of $75,000 per unit will be used for the 5 units. No information was given on the cost of construction of the road or the cost of obtaining a right of way; therefore, since the indicated access does not cross the brook, as assumed in the 1989 report, a total cost of $56,500 will again be used.

The carrying costs, marketing costs and profit are much harder to estimate. Carrying costs include interest payments, real estate taxes, condominium fees of completed units and any unforseen fees. For the purpose of this report, the carrying costs will be considered to be 10% of the total future value.

The marketing costs would vary based on the type of marketing that was used. The most expensive, but also the most effective, would be a listing with a local real estate broker. Typical fees are 6% of the selling price. While other methods of marketing may be less expensive, the marketing time may be extended; therefore, 6% of the total future value will be used for marketing costs.

Expected profit for this type of development would be dependant on the expected development and marketing time, the expected risk and rates of returns on other types of investments. The 5 units could be marketed once construction of the units was completed. It is my opinion that the expected development and marketing period would be 1.5 to 2 years and that the expected profit would be between 20% and 25% of the amount invested by the developer. A typical developer would be investing 25% to 30% of his own money and borrowing the rest (interest payments are accounted for in carrying costs). Estimating a total investment of $120,000 and an expected return of 20%, the expected profit would be $24,000.

Listed below is a summary of the above selling prices and costs:

Total Future Value:

October 1990, end unit	$ 106,700
January 1991, end unit	101,800
April 1991, middle unit	93,800
July 1991, middle unit	89,400
October 1991, middle unit	85,000

Total Future value: **$ 476,700**

Construction Costs:

5 units @ $75,000 each = $375,000
21,000 sf Road @ $1.50 = 31,500
Purchase of ROW = 25,000

Total Construction Costs: (**$ 431,500**)

Carrying Costs: 10% of $476,700 (**$ 47,670**)

Marketing Costs: 6% of $476,700 (**$ 28,600**)

Expected Profit: 20% of $120,000 (**$ 24,000**)

INDICATED MARKET VALUE ($ 55,070)

Since the above analysis indicates a negative value, it is my opinion that the approvals for the 5 units has no value as of April 1, 1990 and April 1, 1991. The pool and any other use of the land is common and is valued as part of the value of the individual units. Mr. Sokolow testified that he felt the value of the pool should be assessed; however, the pool is not owned by the Woodland Road Realty Trust, only the rights of future use by the 5 potential units.

The equalization ratios are 1.03 for 1990 and 1.20 for 1991. The indicated fair market values must be adjusted by the equalization ratio to determine the fair assessed values. Listed below are the fair market values for April 1, 1990 and 1991 and the fair assessed values for 1990 and 1991 by unit type:

UNIT TYPE[4]	1990 MARKET VALUE	1990 ASSESSMENT	1991 MARKET VALUE	1991 ASSESSMENT
End, App	$114,500	$117,900	$96,000	$115,200
Mid, App	$110,500	$113,800	$92,600	$111,100
Mid, Un	$103,600	$106,700	$86,500	$103,800
Land	$0	$0	$0	$0

[4] The unit types are abbreviated: End, App = End units with approval, but needing the deck repair. Mid, App = Middle units with approval, but needing the deck repair. Mid, Un = Middle units that need approval under the new ordinance and the deck repair. Land = Vacant land with approval for 5 units.

ADDENDUM A - SITE PLAN OF ARTIST BROOK CONDOMINIUM AND TOWN MAP OF SUBJECT PROPERTY

ADDENDUM B - CONWAY CONDOMINIUM SALES AND TRENDING INDICATIONS

ADDENDUM C - QUALIFICATIONS

SCOTT W. BARTLETT

CURRENT POSITION:

06/93 - Present: BOARD OF TAX AND LAND APPEALS
CONCORD, NH

Review Appraiser

Responsible for preliminary and final reports for reassessment petitions, appraisal reports on consolidated appeals and special requests from the Board.

MASS APPRAISAL EXPERIENCE:

07/86 - 05/93:M.M.C., INC.
CHELMSFORD, MA

07/86 - 10/86:Residential Data Collector
11/86 - 11/87:Commercial Data Collector
12/87 - 05/89:Commercial Staff Appraiser
06/89 - 05/93:Senior Commercial Appraiser -Responsible for Commercial, Industrial and Utility Appraisals in the New Hampshire, Maine and Vermont.

OTHER EMPLOYMENT:

01/85 - 06/86:Boghosian Contracting - Painter/Carpenter Trainee.
02/83 - 12/84:Massachusetts Casualty Insurance Company - Claims Adjustor.

APPRAISAL EDUCATION:

International Association of Assessing Officers:

- Course I:Fundamentals of Real Property Appraisal
- Course II:The Income Approach to Valuation
- Course 301:Mass Appraisal of Residential Property
- Course 302:Mass Appraisal of Income Producing Property
- Course 3:Development & Writing of Narrative Appraisal Reports

Valuation of Railroad and Utility Properties Workshop

SPECIAL QUALIFICATIONS:

State of New Hampshire: Real Estate Appraiser Supervisor
State of Vermont: Certified Project Supervisor
State of Massachusetts: Registered Real Estate Salesperson
State of Maine: Certified Maine Assessor
IAAO - Subscribing Member, CAE Candidate

EDUCATION:

Hamilton College, Clinton, New York - Bachelor of Arts: Economics/Mathematics
University of Massachusetts, Roxbury, MA - Intro to COBOL, Computer Science