



State of Vermont  
Department of Taxes  
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Montpelier, VT 05633-1401

Agency of Administration

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July 02, 2024

**CERTIFIED NO. 7015 3010 0001 4919 4942**

Rand Neeves  
PO Box 721  
Stratton Mountain, Vermont 05155

Re: Skyfall Development, LLC v. Town of Stratton  
Docket No.: PVR 2023-17

Dear Rand Neeves:

Enclosed is the Hearing Officer's decision on the above-captioned appeal.

A copy of this decision is being forward to the Stratton Town Clerk for recording in the Grand List under Vermont law 32 V.S.A. §4468.

Your right to appeal this decision is described in 3 V.S.A. §815 and the Vermont Rules of Appellate Procedure. You may appeal within 30 days of the Director's Entry Date. To perfect your appeal, file a written notice of appeal with the Clerk of the Department of Taxes together with a \$295.00 filing fee payable to the Vermont Supreme Court. Also, please refer to Vermont Rules of Appellate Procedure, Rule 10(b) when appealing to the Supreme Court.

Sincerely,

  
Tara Hewett  
Docket Clerk

cc: Stratton Town Board of Listers/Assessors  
Stratton Town Clerk

**CERTIFIED NO. 7015 3010 0001 4923 4959**

 VERMONT

PROPERTY VALUATION HEARING OFFICER  
CAMILLA ROBERTS  
35 SLEEPY VALLEY ROAD  
ATHENS, VT 05143

**DECISION OF PROPERTY VALUATION HEARING OFFICER**

Appeal From:

Skyfall Development LLC	)	Stratton
v.	)	Board of Civil Authority
Town of Stratton	)	2023 Grand List
	)	Docket No. PVR 2023-17

The property under appeal is described as residential.  
Parcel account #0800039.8 SPAN #627-197-11815

Pursuant to 32 V.S.A. §§4461-4467 I heard the above appeal  
on May 21, 2024

Value Determined by the Board of Civil Authority \$617,400

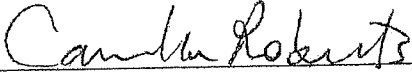
Value Determined by the Property Tax Hearing Officer \$533,700

Homestead value	\$0
Non-Homestead value	\$533,700

This shall be the listed value of the subject property set in the grand list for 2023 and the next two ensuing years pursuant 32 V.S.A. § 4468 unless it is materially altered, changed, damaged or the Town of Stratton undergoes a complete revaluation of all taxable real estate.

A detailed report is attached.

The subject property shall be set in the April 1, 2023 grand list in accordance with 32 V.S.A. §4468 at the value determined by the hearing officer.

  
\_\_\_\_\_  
Property Valuation Hearing Officer

Date entered by the Director  
July 2, 2024

**DECISION OF THE PROPERTY VALUATION HEARING OFFICER**

Skyfall Development LLC	)	Appeal From:
v.	)	Stratton
Town of Stratton	)	Board of Civil Authority
	)	2023 Grand List.
	)	Docket No. PVR 2023-17

**Statement of the Case**

Pursuant to 32 V.S.A. §§4461 through 4467, in order to determine the correct valuation for the above captioned appeal a hearing was held on May 21, 2024 at the Stratton Town Office. Inspection of the property was conducted by the Hearing Officer Camilla Roberts on May 21, 2024.

The property under appeal is:  
Stratton Town Parcel #0800039.8  
SPAN # 627-197-11815  
The property location is 23 Gold Medal Circle, Stratton, VT.

The property was listed on the 2023 grand list at \$617,400. The BCA sustained the value at \$617,400, which is the value appealed to the State.

Appearances for the Appellant:  
Owner: Rand Neeves  
Attorney: Claudine Safar  
Appraiser: Sean Sargent

Appearances for the Town:  
Assessor: Gary Fournier  
Listers: Candace Bernard, Beth Liller, Britt M. Wohler

**Summary of Evidence**

The town presented the following exhibits:

- T-1 Properties Grade A Buildings Comparison with Effective Area: chart and Property Record Cards
- T-2 List of Sales Residential: Town Revaluation Summary with sales ratios
- T-3 List of Sales for Land at Gold Medal Circle dated 2020-2023
- T-4 Value Comparison with four sales to subject property: chart with Property Record Cards
- T-5 Assessor qualifications

T-6 Chart of Comparable Sales from Evergreen Realty provided by Appellant, with Town added Grade of house per property noted along left side .

The Appellant presented the following evidence:

A-1a Chart of properties near subject property: Sale prices, Town Assessments, Acres, Data for Improvements

A-1b Map for properties listed in A-1a

A-1c Chart of subject and four comparison properties for Improvements built after 2018

A-1d Graph for Assessed Values of Improvements vs Living Area in A-1c

A-1e Property Record Cards for properties in A-1c

A-2a BCA Appeal documents: Evidence provided by Rand Neeves for Facts, Issue, Legal Arguments, and Conclusions, with BCA minutes, Report and Decision.

A-2b Market Analysis and Comparables Chart, provided to BCA by Rand Neeves

A-2c Data sheets for Comparable Properties in A-2b

### **Findings of Facts**

1. This is a de novo property valuation appeal from a decision of the Town's BCA, pursuant to 32 V. S. A. §§4461-4469. The Assessor set the 2023 listed value at \$617,400 as a result of Grievance. Upon appeal, the BCA sustained the listed value at \$617,400. The property owner then filed the present appeal with Property Valuation and Review.
2. In 2023 the Town of Stratton completed a Town wide reappraisal.
3. The CLA for the Town of Stratton is 100% considering the April 1, 2023 date of the appeal is in a reappraisal year.
4. The subject property is located at 23 Gold Medal Circle, comprised of 4.14 acres and garage with apartment on the second floor.
5. The highest and best use of the property is residential.
6. The land is level around the building, with a view of Stratton Mountain. The land is sloped farther away from the street.
7. The improvement on the property is a two-bay garage of 1,080 square feet with living area of on the second floor. The second floor is 1,080 square feet of living area with kitchen, one bedroom, one full bathroom, and a deck along two sides with the longer side covered by an extension of the shed roof.
8. The property is not enrolled in the Current Use program.
9. There are no exemptions involved.
10. The property is listed in the Non-Homestead Education Grand List.

### **Discussion**

To prevail in an appeal under 32 V.S.A. § 4467 an appellant must first overcome the presumption of the validity of the Town valuation. If that is accomplished, the burden of persuasion on all contested issues remains with the taxpayer. The presumption of validity is a relatively easy bubble to burst, and the appellant has done so by asserting that the Town has incorrectly determined the building quality at grade A, and the valuation is inconsistent with comparable properties. The burden of persuasion remains with the taxpayer.

### **Highest and Best Use**

This subject property is a 4.14 acre lot in a development located near the ski resort of Stratton Mountain. The mountain and trails are prominently visible from the lot.

The building is recently constructed and finished. It is a two-bay garage with an interior side stairway to the living area on the second floor that has a deck along two sides, with a roof overhang above one section of deck. The living area is comprised of an open concept kitchen, dining, and living area, and a bedroom, with one full bath. This design is typically found as an accessory garage/dwelling alongside a primary residence.

As of April 1, 2023 this garage with living area above was the only structure on the lot.

I find that highest and best use for this property as of April 1, 2023 is residential.

### **Property data**

Both parties accept the Town data for land size, measurements of the building, year built, and number of rooms.

The issue of difference in the data between the parties is the quality grade of the building, as a multiplying factor on the square foot area value of the improvement.

### **Quality Grade of the Building**

The Town set the grade of the building at A, which is considerably higher than average (which is C). The Assessor explained repeatedly that the higher quality grade is primarily determined by the contemporary design or style of the building.

The Assessor further explained that the grade of A is a multiplier on the overall valuation of the building, not just certain value components. In other words, this quality grade is a significant driver of higher valuation across all of the effective area of a building.

### **Effective Area value rate per square foot**

Objection to T-1 evidence: The Appellant objects to the Town evidence T-1, citing Summary Rule of Vermont Civil Procedure, for "lack of foundation", with an exception for accepting the subject record card only within this set of evidence.

I deny the objection. Consistency of valuation method is foundational to resulting fairness of valuation among properties across a town. I accept the Town evidence T-1 for relevance regarding the issue of consistency in valuation method for quality grade per effective area.

The Town provided data for eight properties, buildings with effective area comparisons in a range of sizes (see T-1). Seven buildings are quality grade A, one is quality grade B+. The Town explains that there is a curve trend line in quality valuation, that the smaller size has higher per square foot value, while larger sizes have lower value per square foot. The Town asserts that the subject is consistently valued for effective area within this principle at a higher rate per square foot of effective area at the smaller size.

### **Quality Grade A influence on valuation**

The Town asserts that the quality grade A is determined primarily by the Contemporary style of the building.

The Appellant disputes that the design or style of the building can determine quality grade. The Appellant asserts that there is no evidence to support the quality at grade A simply by contemporary style.

The Appellant points out that the building materials are not high quality, therefore are not indicative of grade A quality structure.

I find that the style of this building is best described as contemporary, evident in the upper-level living area with the open layout, modern materials that emphasize sleek simplicity, and a predominance of floor to ceiling glass windows facing the mountain.

I find that the Town has not provided supporting evidence that the contemporary style determines quality of the grade. No market evidence or any other sourced reasoning has been provided by the Town to justify the assumption that a contemporary style building is automatically a higher

quality grade or will bring a higher price, as a method for determining quality influence on fair market value by style alone.

I find that no specific attributes other than style were provided by the Town, such as high quality materials or structural components, to support the quality grade of A.

On my inspection, I found that this building is a very simple structure with rectangular footprint and single slope roof. Construction of this simple design is fundamentally lower in construction cost than average residential structures in Vermont with gables and two roofs, for example.

I find that there is a mix of economical, average, and higher quality in the design and materials for the subject building, as follows:

Below average quality indicators:

- Design requires climbing stairs to the living area.
- Single bedroom.
- Single bathroom.

Average quality indicators:

- Basic box structure of the building.
- Single pitch roof, no gables, no peak.
- Sheetrock walls, painted.
- Flooring is plastic laminate.
- The kitchen cabinets and lighting are stock supplied units.
- Exterior material of the first level is flat metal of an evenly rusted patina, with similar metal battens. The upper level is barn board, repurposed old material.

Better than average quality:

- One of the two garage bays is extra-large, requiring an exceptionally large overhead door.
- The upper level along the side facing the mountain is floor to ceiling insulated windows and fully glass doors.
- The living space is heated and cooled with heat pumps for year-round temperature control.
- The roof rafters are exposed over the living area, comprised of extra-large laminated wood beams that are wide spaced and finished to complement the wooden board finished ceiling.
- The bathroom has a built-in wall separation between the toilet and the sink with bathing area. The bathroom tub has jets.

I find that the necessity to climb stairs to the living area is less than standard layout in design for a residence, although it is not unusual for a garage alongside a primary residence.

I find that the materials are overall better than average, but not considerably better than average. Considering the detracting layout of garage for first floor with second floor living area, the simple box construction, and the mix of quality in materials, I find that the quality grade for the building overall is B-

### **Market evidence**

The Town provides evidence of residential properties in Stratton with land and building, that sold in 2021 and 2022 (see T-2). The Town analyzes the ratios of assessment to sales prices, provides the mean ratio of 0.998 and median ratio at 0.985.

I find that this analysis supports the overall revaluation of Stratton. The list does not provide specifically definitive support for the subject property valuation which has not sold recently with the new building included. I give little weight to this evidence in determining fair market value of the subject property.

### **Land Value**

The subject property lot was purchased by the current owner in 2020 for \$237,500 as noted on the list (see A-1a). The lot is 4.14 acres in size, which is larger than any other single lot in the development (see map A-1b). The assessment of \$226,700 for the subject property for land value is the highest of all land assessments in Gold Medal Circle. The assessment is lower than the price paid for the lot.

Both parties provided lists of Gold Medal Circle parcel sales and assessments, including the subject.

The Appellant expert witness points to four sales on the list (see A-1) that are a fraction of the assessment of the other eight, as evidence of inconsistent valuation.

I find by reviewing the map provided by the Appellant of all Gold Medal Circle lots, that several lots are under the same ownership as abutting lots, combined by the Town for assessment purposes. The lots that are additional under the one ownership are assessed at a fraction of the primary lot. I give no weight to analysis or comparison of values for these combined lots as this circumstance is not the same as the subject property, which is a single lot.

I give no weight to sale of parcel 08-39.14 as it was purchased by the abutter and is therefore not a typically motivated arms-length transaction.



I find that the sales properties for comparison most relevant to this appeal are sales within the prior three years of the Town wide reappraisal. I give weight to sales from 4/1/2021 - 4/1/2023.

I find that the recent sale prices for recently sold single lots like the subject property, are reasonably close to assessment valuations, on both lists.

I find that the subject property lot size is larger than the other single lot sale properties, making for a reasonably higher valuation. I note that the Town assessment is lower than the owner's price paid, indicating that the higher valuation is not beyond the market price paid.

I find that the Town land valuation of the subject property is supported by my findings above.

### **Price per square foot as valuation method**

The Appellant asserts that the subject property assessment or fair market value is "\$268.71 per square foot or \$390,704.34." (see A-2a page 5)

The Appellant provides specific property analysis in terms of comparing properties for value per square foot. The chart calculates each comparison property for total sales price divided by square foot. The chart calculates Town total assessment value divided by square foot (see A-2b, pages 6-8). The subject property is shown to be second highest cost per square foot in the assessment list (page 8).

The Town provided evidence about effective area values per square foot for comparison, as discussed above (see T-1 and T-4).

During the hearing, I asked for clarification about each party's method for figuring \$ per square foot. Two different calculations are used by each of the parties. The Appellant divided the total sales prices by square feet of the building. The Town divided the total building portion of the assessment by the square feet of the building, not by the full property assessment value. This method is necessary in the CAMA system cost approach when the land value is determined by land sales with no buildings.

I find that the differing methods by the two parties is useful evidence is within their separate approaches for analysis. The appellant analysis bursts the bubble of presumed validity, showing inconsistency among property valuations.

I find that the method for price per square foot that the Appellant provides for determining fair market value is not a consistent method for determining fair

market value, because the land value has not been extracted out of the sale price first, which may be influenced by location and neighborhood differences.

I find that the land valuation of the subject property has strong support for consistency in comparison sales evidence of single lot properties in the Gold Medal Circle neighborhood. The comparison properties in the Appellant list are from other locations than Gold Medal Circle. Without extracting the land portion for each comparison property, I have no way of properly analyzing the price/value per square foot of the building or overall fair market value.

### **Cost Approach adjusted to market**

The Town points out that the cost approach for town wide valuation is adjusted according to market evidence, to derive fair market value for properties throughout the Town.

I find that the data variable of Contemporary style as a stand-alone justification has no supporting market evidence for determining quality grade of A.

I accept that the market adjusted cost approach that is utilized by Stratton for assessment purposes, as a standard approach that is effective at determining fair market value when there is consistent support from the market in the calibration of the CAMA system. However, this market-adjusted cost approach only functions accurately when the data is accurate.

My findings and inspection of the subject property reveal that the Town data for quality has skewed the overall valuation, but is otherwise valid.

I find that the subject property building data is incorrectly determined for quality grade, which should be quality grade B-.

### **Conclusions**

I find that the Appellant has overcome the Town's presumption of validity by showing inconsistencies when comparing sales properties with the subject property, and inconsistencies about the quality of grade for the building data of the subject property.

I find that the Town valuation of the land is consistent and comparable with prices in the Gold Medal Circle neighborhood, therefore I accept the Town valuation of the land at \$226,700.

I find that the quality grade of the subject building is grade B-. By applying the assessment rate of B- consistently with the building most similar in size to the subject that I can find in the Town evidence (see T-4) at value of \$211 per

square foot, I find that the value of the building is \$306,794, rounded to the nearest hundred is \$307,000.

I find that the total property valuation to \$533,700

### **Equalizing the Fair Market Value**

The Town of Stratton has completed a Town Wide Reappraisal in 2023, the year of this appeal. Therefore, the equalizing ratio is 100%.

### **Conclusion for listed value**

I find that the subject property listed value with equalization is \$533,700.

Land = \$226,700                      Building = \$307,000

### **Conclusion of Law**

Based on the foregoing Findings of Fact and Discussion I conclude as a matter of law:

The equalized fair market value for this parcel #0800039.8, SPAN #627-197-11815 as of April 1, 2023 is \$533,700.

This shall be the listed value of the subject property set in the grand list for 2023 and the next two ensuing years pursuant 32 V.S.A. § 4468 unless it is materially altered, changed, damaged or the Town of Stratton undergoes a complete revaluation of all taxable real estate.

Should there be any changes in Homestead or Current Use status in the ensuing years, those changes shall be applied.