

# REQUEST FOR BOARD ACTION / CONTRACT CONTROL FORM

**Tracking Number:** 24.

**Date of Request:** July 20, 2007

**Date Request Received:** July 20, 2007

**Board Meeting Date Requested:** August 6, 2007

**Board Meeting Date Assigned:** August 6, 2007

**Short Title:** Resolution Authorizing Commencement Of The Upset Bid Procedures For Pin # 3292-12-3340-0000.

**Request Status:**

- Request is proceeding to Board of Commissioners
- More information is needed – see attached
- Request on hold – no further information needed
- Other:

**Background:** This item was brought before the Board at the July 9, 2007 meeting. After discussion of the tax value, the Board voted unanimously to have staff re-appraise the parcel, determine the value and accept opening bids at that amount.

*(Administrative Use Only)*

**Specific Action Requested:** Review and evaluate the re-appraisal.

**CONTRACT TYPE**

Requested by: Melinda Knoerzer  
Department: Pender Utilities  
Title: Administrative Assistant  
Contact Phone: 910-259-1521  
Contact Fax: 259-1579

- Renewal
- For Service(s)
- Intergovernmental – County as Grantee
  - Federal Grantor
  - State Grantor
  - Grant or
- County as Grantor
  - County Funds
  - Other Funds:
- Revision
- For Equipment

**PURCHASING**

Budgeted Item:  Yes  No  
Date Rec'd:  Reviewed and Approved  
 Comments on Reverse

Date Sent:

Signed:

**ATTORNEY**

Date Rec'd:  Reviewed and Approved  
 Legal Problem(s)  
 Comments on Reverse

Date Sent:

Signed:

**FINANCE**

Sufficient Funds  Available  
Date Rec'd  Not Available  
 Budget Amendment Necessary  
 Budgeted Amendment is Attached  
 Comments on Reverse

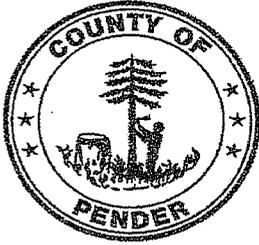
Date Sent:

Signed:

**CLERK**

Signature(s) Required:  
 Board Chairman/County Manager  
 Other:

Date Rec'd Approved by Board:  Yes  No  
At meeting on



*County of Pender  
Office of the Assessor  
300 E Fremont St  
P O Box 67  
Burgaw NC 28425*

*Coby S. Heath  
Tax Assessor  
910-259-1221  
1-800-494-6859 in NC*

August 2, 2007

Lori Brill  
Pender County Manager  
805 South Walker Street  
Burgaw, NC 28425

Dear Ms. Brill,

In the July 9, 2007 meeting, the County Commissioners requested that Parcel 3292-19-3340-0000 be re-assessed. The General Statutes does allow this change based on the following:

**" § 105-287. Changing appraised value of real property in years in which general reappraisal or horizontal adjustment is not made.**

(a) In a year in which a general reappraisal or horizontal adjustment of real property in the county is not made, the assessor shall increase or decrease the appraised value of real property, as determined under G.S. 105-286, to recognize a change in the property's value resulting from one or more of the reasons listed in this subsection. The reason necessitating a change in the property's value need not be under the control of or at the request of the owner of the affected property.

(2) Correct an appraisal error resulting from a misapplication of the schedules, standards, and rules used in the county's most recent general reappraisal or horizontal adjustment."

Please note the effective date of the reassessment is January 1, 2003. Attached is a summary report for the assessment of Parcel 3292-19-3340-0000.

To fulfill my letter of employment contract with Pender County in a timely manner, I must take the Administrative Assessment class in Chapel Hill next week. Therefore, I regretfully will not be at the commissioner's meeting on August 6 to present this report personally. Thank you for your understanding.

Respectfully submitted,

Coby S. Heath  
Pender County Tax Assessor

## ***THE ASSESSMENT REPORT***

**CLIENT:** The client is the Pender County Commissioners

**INTENDED USE:** This report is to be used solely by the Pender County Commissioners for the purpose of estimating the assessed value of Parcel 3292-19-3340-0000. This report is not authorized by any other party for any other purpose.

### **DEFINITION OF VALUE USED**

The General Statutes requires the value to be assessed to be market value or "true value":

#### **§ 105-283. Uniform appraisal standards.**

All property, real and personal, shall as far as practicable be appraised or valued at its true value in money. When used in this Subchapter, the words "true value" shall be interpreted as meaning market value, that is, the price estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used.

The Uniform Standards of Professional Practice requires that County appraisers use the following market value definition as well:

*Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*

- 1. buyer and seller are typically motivated;*
- 2. both parties are well informed or well advised and acting in what they consider their own best interests;*
- 3. a reasonable time is allowed for exposure in the open market;*
- 4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- 5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

Note that the Statute states that the "buyer and a willing seller, (should) neither being under any compulsion to buy or to sell". The USPAP states that the value should not be "affected by undue stimulus". Implied in these definitions is that market value represents the price that would be paid by a typical investor and not a specific investor. Therefore, the statute requires that the assessment be based on what a buyer from an open market would pay and not what a stimulated buyer, such as an adjacent landowner, would pay. In essence, the "true value" or "market value" may be less than what a specific stimulated buyer might offer.

## **EFFECTIVE DATE**

The effective date of this assessment is January 1, 2003. This is the date of Pender County's last revaluation.

## **SCOPE OF THE ASSESSMENT**

I personally inspected this parcel on August 2, 2007. The 2003 Pender County Schedule of Values was analyzed and applied to my analysis for purposes of equity and value as required by the General Statutes of North Carolina. Neighborhood and growth data was considered as well as the tax maps.

I personally interviewed the Pender County Planning staff to obtain the affects of zoning restrictions on the property.

## **DESCRIPTION OF PROPERTY**

The subject property fronts Forest Sound Road with 29.1 feet. It is 209.2 feet deep on the northernmost boundary and 222.41 feet deep on the southernmost boundary. The rear boundary is 31.96 feet. The lot has 6,279.9 square feet or 0.144 acres.

The subject lot is **not** a buildable tract of land. This was confirmed by the Pender County Planning Department. The lot does not have enough width to support a building wider than 9.1 feet wide according to the requirements for land zoned as a PUD in the Pender County Zoning Ordinance. The property is also encumbered by an ambiguous easement that apparently conveyed ingress "to and from" Hampstead Village and has ingress and egress "to and from" Hampstead Village. However, the easement across the Hampstead Village common area does not appear to be economically feasible or desirable as the cost of grading to cross the steep incline at the rear of the subject property.

The property is recorded as "TRACT 3" in Deed Book 1657, Page 63. The tract is not restricted by the restrictive covenants recorded for Hampstead Village in Deed Book 744, Page 441.

The subject property is owned by Pender County. The County acquired the property by tax foreclosure. The Commissioner's Deed was recorded in Deed Book 1657, Page 63. The bid for the property was \$2,000.00.

## **PROPERTY RIGHTS APPRAISED**

The value estimated herein is for the **fee simple estate** unencumbered by liens or any other interests.

## **THE APPROACHES TO VALUE**

### **Cost Approach**

The Cost Approach was considered, but it was not used. For undeveloped raw land, this is an acceptable practice with the appraisal industry.

### Income Approach

The Income Approach was considered, but it was not used. The data available for income derived from leased land that is not buildable prohibits an indication of value. It is acceptable to not use the Income Approach to estimate the value of undeveloped tracts.

### Sales Comparison Approach

The Sales Comparison Approach is the acceptable approach used to estimate value for undeveloped tracts. In this analysis, sales of similar properties were analyzed and reviewed.

## HIGHEST AND BEST USE

The highest and best use of this property was extensively analyzed. The property use is very limited by the physical constraints of size and shape. Without the feasibility of a permanent structure, the lot could only be utilized for a limited number uses. A business that would not require a permanent structure or could function with a mobile office such as a vehicle and only requiring limited parking would be extent of its use.

The limited use of this property has a significant impact on the value of this property.

## VALUATION

### Land Sales Comparison

Comparable land sales were very difficult to find. The entire data base of the Hampstead Township and neighboring by Rocky Point Township were purged from the tax office's CAMA system. The following are the most similar sales of similar zoning, size, shape and other pertinent characteristics were used in the search.

<b>Subject</b>	<b>Comparable Sale 1</b>		<b>Comparable Sale 2</b>		<b>Comparable Sale 3</b>	
Sales Price	\$7,000		\$3,000		\$4,000	
Date of Sale	11/30/2004		2/18/2005		2/2/2004	
SF	4,792 sf		3,920 sf		3,049 sf	
Acreage	0.11 ac		0.09 ac		0.17 ac	
Price per SF	\$1.46		\$0.77		\$1.31	
<b>Adjustments</b>						
Time		-10%		-10%		-5%
Size/Shape						
Location		10%		10%		30%
Topography				10%		
Utilities						
Access		10%		20%		
Zoning						
Total Percent Adjusted		10%		30%		25%
Indicated Value per SF		\$1.62		\$1.10		\$1.75
Indicated Value		\$7,773		\$4,312		\$5,324
<b>Value Range</b>						
Minimum Value per SF	\$4,312					
Maximum Value per SF	\$7,773					
<b>Final Estimate of Value</b>	<b>\$7,000</b>					

## **ADJUSTMENT ANALYSIS**

### **Comparable Sales 1-3**

The following three sales were found to be similar to the subject:

Sale 1 was the most similar property. It was similar in size, shape and location. It is located off US 17 in Hampstead. It was purchased by a nearby land owner. The property was zoned B1, business. It sold for \$7,000 on November 30, 2007 and recorded in Deed Book 2531, Page 349. The lot size is .11 acre. The sale required a time adjustment as all sales occurred after the effective date. The zoning and use is similar and the shape is most similar. The location and access of this Comparable were inferior to the subject and upward adjustments were made to Sale 1. The indicated value per acre was \$1.62 per square foot.

Sale 2 is zoned as a PUD, but for residential purposes. Adjustments were needed for the zoning type. It was purchased by a neighboring homeowner for the purpose of adding to an existing home site. It was recorded in Deed Book 2588, Page 188 and was purchased for \$3000 on February 18, 2005. The lot size is .09 acre. Sale 2 was the least similar to the subject. The sale required a time adjustment. The zoning was the same, but the property is used for a residential use. The location, topography and access were inferior to the subject and upward adjustments were made to Sale 2. The indicated value per acre was \$1.10 per square foot.

Sale 3 was not located in the Hampstead Township, but was located on US 117 in Rocky Point. It sold for \$5,000 on February 2, 2004. It is zoned RT, a mixture of light commercial and residential uses. It was recorded in Deed Book 2312, Page 53. It is a buildable lot, but very restrictive in size. The lot size is .17 acre. The sale required a time adjustment. The location of this Comparable was inferior to the subject and an upward adjustment was made to Sale 3. The indicated value per acre was \$1.75 per square foot.

## **RECONCILIATION**

Sale 1 was most similar to the subject in shape and other factors. Given the uniqueness of the subject property and wide range of indicated values, I have chosen the sales price of Sale 1 as the best indicator of value.

## ASSUMPTIONS AND LIMITING CONDITIONS

I certify that, to the best of my knowledge and belief:

- The statements in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved with this assignment other than being employed by Pender County as the Tax Assessor.
- I have no bias with respect to the property that is the subject of this report or to my engagement in this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results
- My compensation for completing this assignment is not contingent upon the developing or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certificate.

## CERTIFICATION OF VALUE

This is a summary assessment report.

In my opinion, the subject real property has an assessed value effective January 1, 2003 of \$7,000.

**SEVEN THOUSAND DOLLARS**

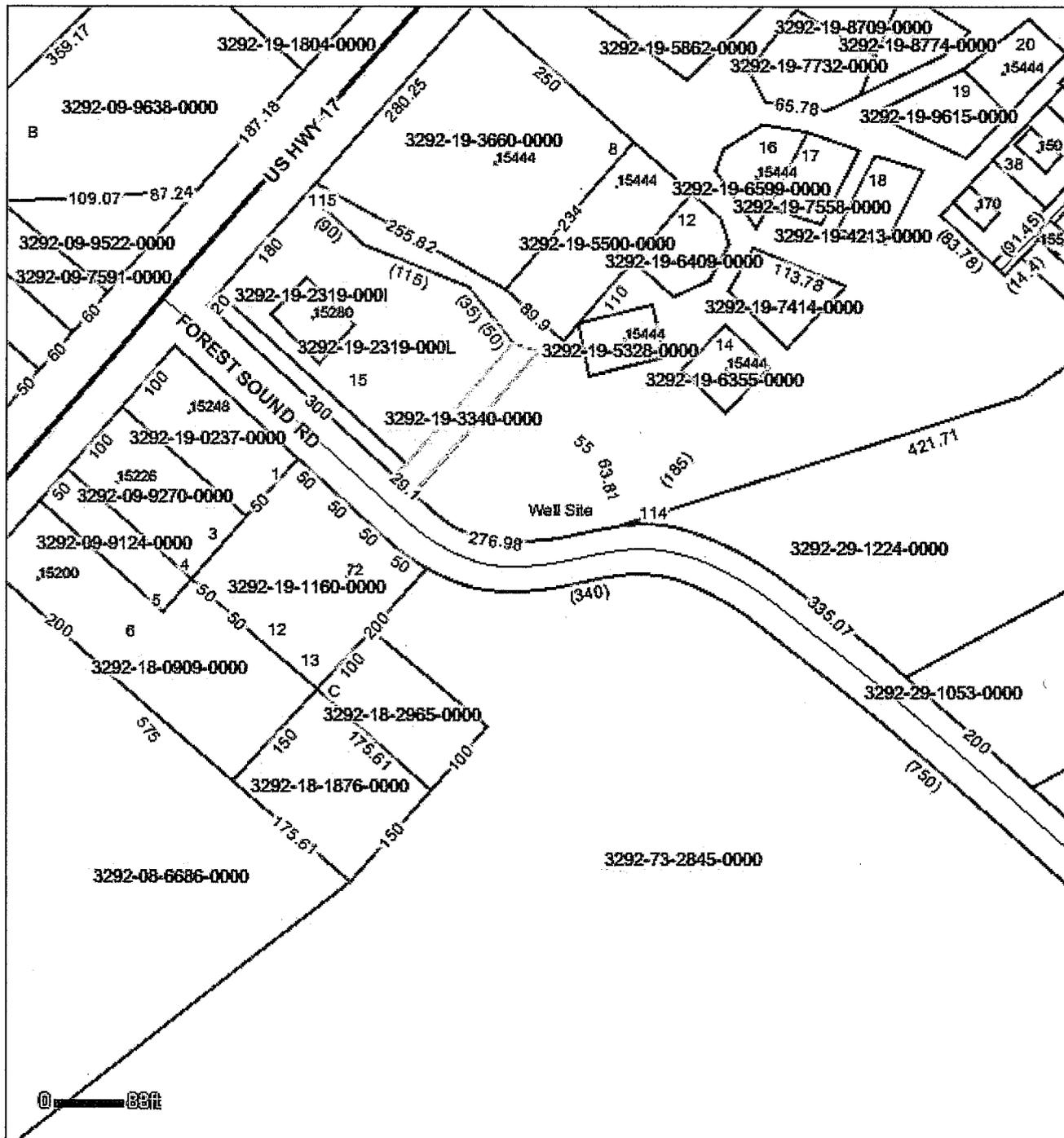


Coby S. Heath  
Pender County Tax Assessor

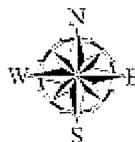
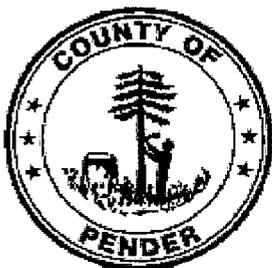
## **ADDENDUM**

Please find the attached addendum

1. Current Pender County tax card
2. GIS location map of the Subject (outlined in blue)
3. Sales Information Sheets with maps attached



# Pender County GIS



This map is prepared for the inventory of real property found within this jurisdiction, and is compiled from recorded deeds, plats, and other public records and data. Users of this map are hereby notified that the aforementioned public primary information sources should be consulted for the verification of the information contained on this map. Pender County assumes no legal responsibility for the information contained on this map.

OWNERSHIP 07282007 26133  
 PENDER COUNTY  
 P O BOX 1047  
 BURGAM, NC  
 DEED:1657 063 01182001  
 28425 2000  
 PL 21 PG 14  
 PROPERTY DESCRIPTION  
 .14 ACRE E/S FOREST SOUND RD  
 PB 21/14 FUTURE DEVELOPMENT  
 TAX SUBDIVISIONS  
 TWP TOPSAIL  
 HAMPSTEAD FIRE  
 PENDER EMS  
 ZONING  
 SEEMAP  
 NOTES:DEEDS 744/498 & 744/503

PIN LARKO NU 1  
 3292-19-3340-0000  
 RECORD NUMBER: 28803  
 ROUTE 55000.0  
 LISTER:EB 032002 - E  
 REVIEW:RS 071294

# LAND CLASS : SIZE :BASERATE\*COND  
 1-060commercial: 1\* 1:

LAND VALUE:  
 # OTHER FEAT : SIZE :BASERATE\*COND  
 1-98DDOUTBUILD: 1\* 1:

OTHER VALUE:  
 FNDATION:XTRFNISH:ROOFTYPE:ROOFTRL:SIZE/QTY:  
 WALLFNSH:FLOORS:HEAT&AIR:HEATFUEL:  
 MAP: 00210014  
 RCN: 1000  
 RCNLD: 1000

# STRUCTURE:SKTCH--SF\*STHT=  
 P  
 RATE\*GRDF+HEAT+EXML\*WLHT=ADJRAT\*% AREA= RFCNK DEFF\*CNDF=STR--VALUE

PRIOR VALUE  
 LAND 12300  
 BLDG  
 STRUCTURE VALUE:  
 APPRAISED--VALUE: 12300

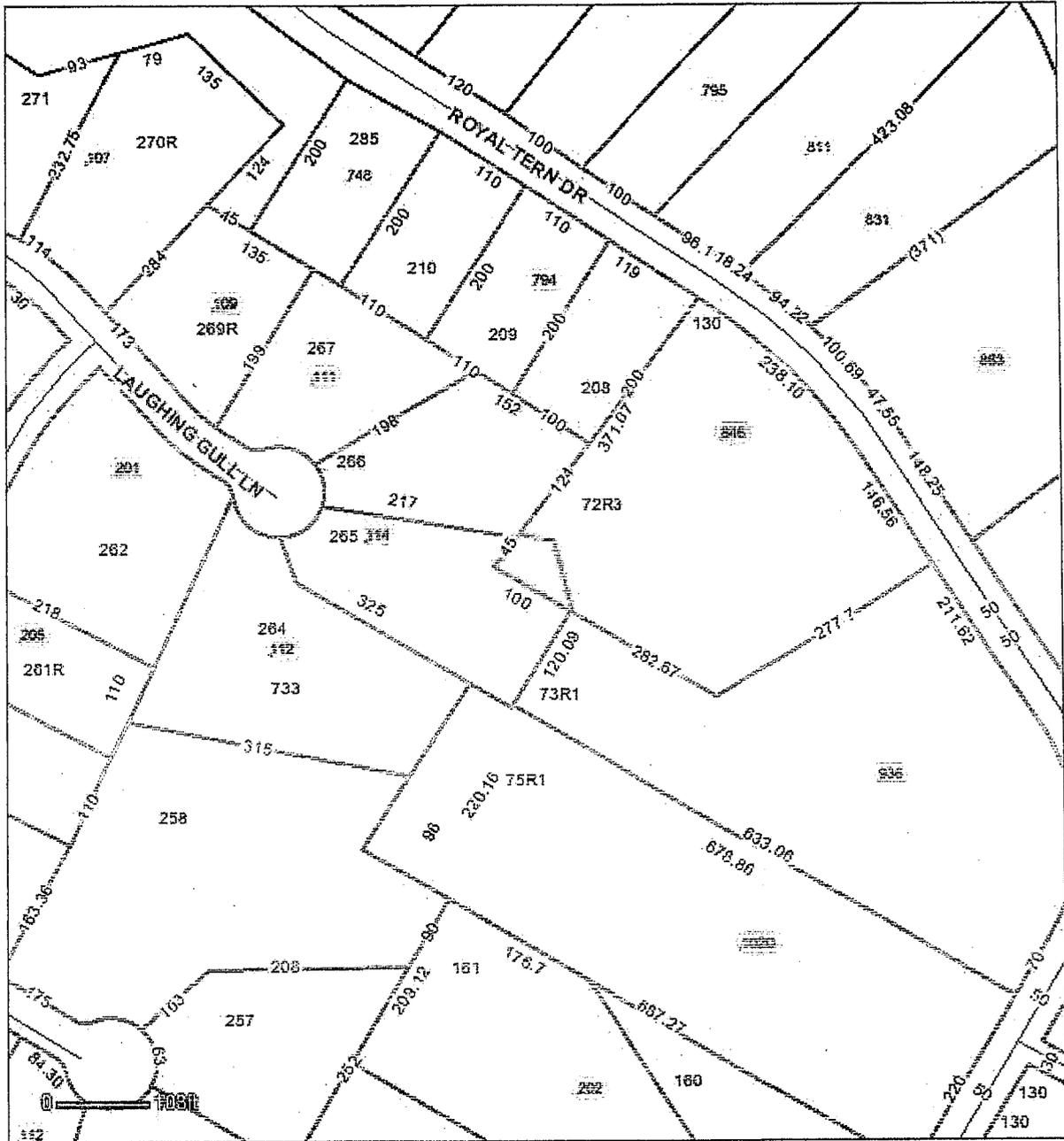
SALE

OWNERSHIP 07272007 869167 SQUIRE, BRIDGET BATTIS ROBINSON PETTEWAY, ALLISON BATTIS 350 ASHBIN ROAD EMPORIA, VA DEED:2531 349 11302004	PROPERTY DESCRIPTION PB 32/126 ON S/5 17 NEAR HOLLIS ST	TAX SUBDIVISIONS TWP TOPSAIL NORTHEAST PENDER FIR PENDER EMS 563 ZONING B3	PIN 4226-75-8166-0000 RECORD NUMBER: 38607 ROUTE 21400.0 LISTER: REVIEW:KG 090902	CARD NO 1
17 HWY TOPO	STREET UTILITY	ZONING B3	0.11 ACRES	
#  LAND CLASS   SIZE	BASERATE*FRNT*DPH*ADJ=ADJRATE*UNITS=LAND-VALUE			
2  04K0to5 acr   0.11AC	3300   2.23ACF	1	7359   0.11	809
LAND VALUE: #  OTHER FEAT   SIZE	BASERATE*COND			809
	=ADJRATE*UNITS=RCNOB-VAL			
OTHER VALUE: FNDATION  XTRFNSH  ROOFTYPE  ROOFMTRL   SIZE  QTY				RCN: 0 RCMLD: 0
WALLFNSH  FLOORS   HEAT&AIR   HEATFUEL			MAP: 00320126	
#  STRUCTURE   SKTCH-SF*STHT=	AREA	RATE*GRDF+HEAT+EXWL*WLHT=ADJRTAT*	% AREA=	RPCN* DEPF*CNDF=STR-VALUE
PRIOR VALUE				STRUCTURE VALUE:
LAND 809				APPRAISED-VALUE:
BLDG				809

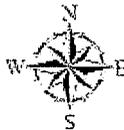
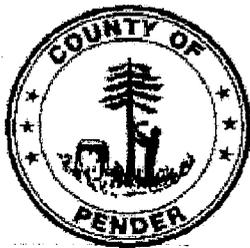


SALE 2

OWNERSHIP 07272007 875542 CULIG, MARC CULIG, MELANIE 114 LAUGHING GOLF LN HAMPSTEAD, NC 28443 DEED:2588 188 02182005	PROPERTY DESCRIPTION PT L72R3, PB 35/31 PELICAN REEF 29/129, 33/3	TAX SUBDIVISIONS TWP TOPSAIL	PIN 4215-61-9491-0000	CARD NO 1
846 ROYAL TERM DR TOPO STREET ROLLING AFTCS	UTILITY ZONING PD	SLOOP POINT FIRE PENDER EMS 563	RECORD NUMBER: 48778 ROUTE 13600.0 LISTER: REVIEW:	
# LAND CLASS   SIZE   BASERATE*FRNT*DPH*ADJ=ADJRATE*UNITS=LND-VALUE	0.09AC   4700   2.29ACF   10763   0.09   969	NOTES:		
LAND VALUE: # OTHER FEAT   SIZE   BASERATE*COND				969 =ADJRATE*UNITS=RCNOB-VAL
OTHER VALUE: FNDATION   XTRFN   SH   ROOFTYPE   ROOFMTRL   SIZE/ QTY				RCN: RCMLD: 0 0
WALL FN   SH   FLOORS   HEAT&AIR   HEATFUEL				MAP: 00350031
# STRUCTURE   SKTCH- SF*STHT = B	AREA	RATE*GRDF+HEAT+EXWL*W*H*HT=ADJRRAT*	CONDITION ADJ: % AREA=	DEPF*CNDF=STR-VALUE RPCN*
PRIOR VALUE LAND 423 BLDG				STRUCTURE VALUE: APPRAISED-VALUE: 969



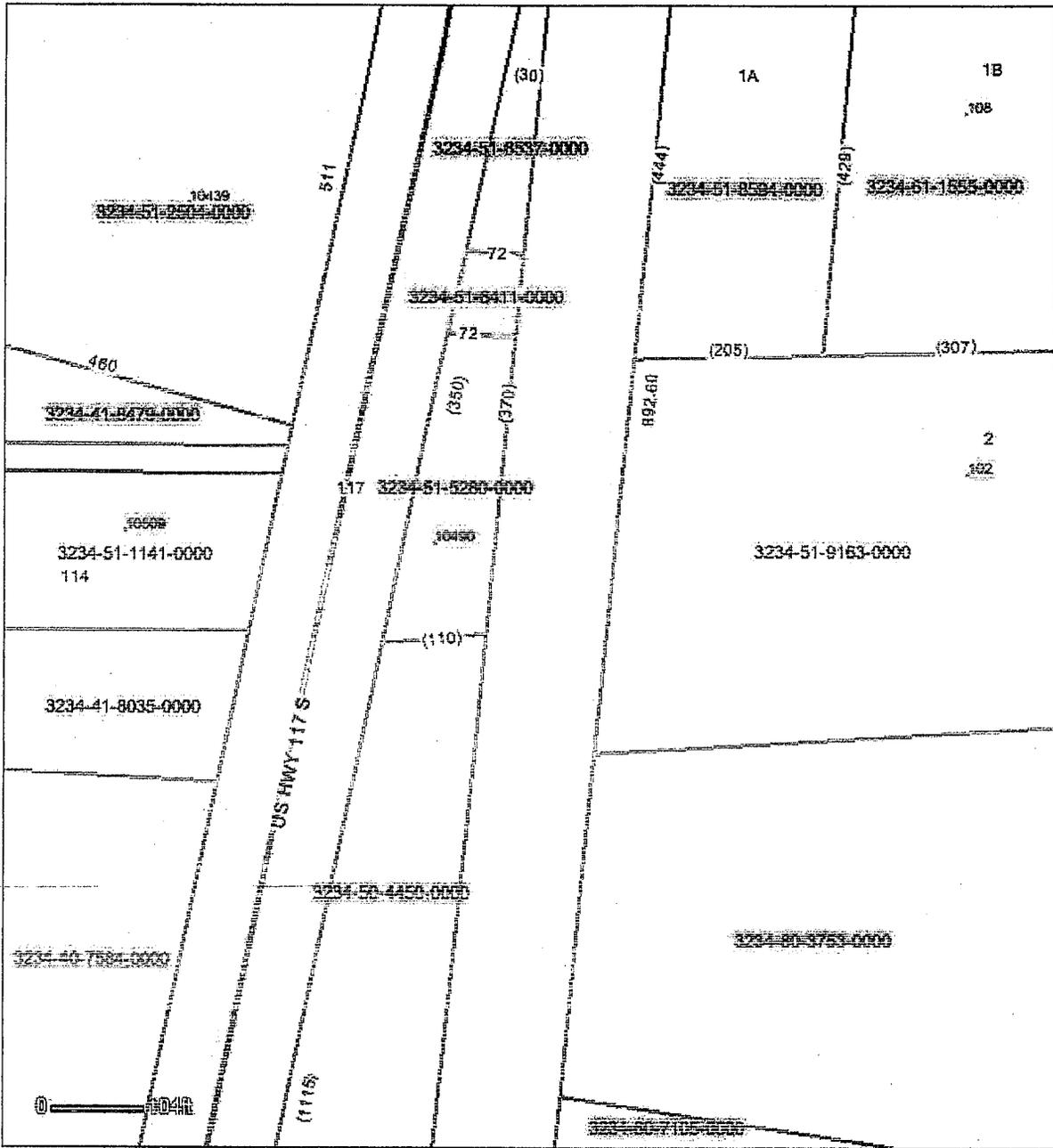
# Pender County GIS



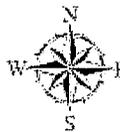
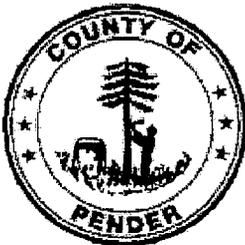
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SALES

OWNERSHIP 08022007 683407 ROYAL, DONALD W JR ROYAL, CATHERINE 108 E STRAWBERRY LN ROCKY POINT, NC DEED: 2312 053 02022004		PROPERTY DESCRIPTION E/S 117 HWY 117 TOPO LEVEL STREET AFTCL UTILITY ZONING RT		TAX SUBDIVISIONS TWP ROCKY POINT ROCKY POINT FIRE PENDER EMS 564 ZONING RT		PIN 3234-51-6411-0000 RECORD NUMBER: 12270 ROUTE 26800.0 LISTER: JB 043002 - E REVIEW: BS 060194 0.17 ACRES		CARD NO 1						
28457	5000	# LAND CLASS	SIZE	BASERATE*FRNT*DPH*ADJ	ADJRATE*UNITS=LND-VALUE	2103	Mural	101	0.17AC	15700	2.07ACF	32499	0.17	5525
# STRUCTURE   SKTCH-SF*STHT=		AREA		RATE*GRDF+HEAT+EXWL*W*HT=ADJRTAT*		% AREA=		RPN*		DEPF*CNDF=STR-VALUE		5525		
# LAND VALUE: # OTHER FEAT   SIZE   BASERATE*COND		5525		=ADJRATE*UNITS=RCNOB-VAL		5525		5525		5525		5525		
OTHER VALUE: FNDATIOM   XTRFNISH   ROOFTYPE   ROOFMTRL   SIZE   QTY		RCN: 0 RCNLD: 0		MAP: NOPLAT		5525		5525		5525		5525		
WALLFNISH   FLOORS		HEAT&AIR		HEATFUEL		5525		5525		5525		5525		
PRIOR VALUE LAND BLDG		5525		5525		5525		5525		5525		5525		



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# REQUEST FOR BOARD ACTION / CONTRACT CONTROL FORM

Tracking Number: 23

Date of Request: June 25, 2007

to commence the upset bid process with respect to this parcel

Board Meeting Date Requested: July 9, 2007

Requested by: Melinda Knoerzer  
Department: Pender Utilities  
Title: Administrative Assistant  
Contact Phone: 910.259.1521  
Contact Fax: 910.259.1579

**Short Title:** Resolution Authorizing Commencement Of The Upset Bid Procedures For Pin # 3292-12-3340-0000.

**Background:** In 2001, through a tax foreclosure, the County became the owners of the above referenced parcel which is a 0.14 acre strip of land previously owned in common by the other owners of Hampstead Village. The Village was unaware of this legal action and believed it was still the titled owner until a recent title search revealed that the County is the owner. They have offered, through a letter from Mr. Jim Carle (attached) to pay the County \$600 (which they estimate is the amount of back taxes owed) plus the interest the County would have made. Their intention is to package this with an adjacent parcel, containing their pump house to the well they currently utilize - to sell that combined lot and use the proceeds to install water lines to hook to the Rocky Point/Topsail Water and Sewer District.

The Tax Assessor has determined that because of the size and location of this strip of land, it would not be a build-able lot unless the Board of Adjustments approved a "zero setback". He advised that if the County could sell it for back taxes and interest, this would be beneficial to the County.

The Tax Collector advises that the total amount of back taxes paid at the foreclosure was \$536.35 and the fees were \$856.06 for a total of \$1,392.41 - this includes all fees prior to and including the foreclosure which regarded the tax years of 1996, 97,98, and 99. The taxes for the years 2000 - 2007 would be as follows:  
\$ \_\_\_\_\_ Interest owed for this term would be \$ \_\_\_\_\_ for a total of \$ \_\_\_\_\_.  
Staff recommends, therefore that the minimum bid be set at \$ \_\_\_\_\_.

If the Board determines the minimum bid and approves the commencement of the upset bid procedures, the Hampstead Village Owners Association will be asked to execute the attached offer and return it to the County with a deposit of 5% of the offered price and \$100 for advertising costs. The ad will be run and a ten (10) day upset bid process will commence. If, at the end of the ten (10) days no other offers have been received, the Board of Commissioners will have a resolution on the next agenda asking for authorization to sell the parcel at the offered amount.

**Specific Action Requested:** The Board is requested to set a minimum amount of the acceptable bid on the parcel in question and to authorize the County Manager

*Tax Values + Interest Calculations will be provided on Monday, July 9th.  
Thank-you!*

**MANAGER'S RECOMMENDATION:**

Respectfully recommend approval.

INITIALS

**RESOLUTION: NOW, THEREFORE, BE IT RESOLVED** by the Pender County Board of Commissioners that a base bid in the amount of \$\_\_\_\_\_ is authorized to implement the upset bid process for Parcel # 3292-19-3340-0000. The County Manager is authorized to execute any documents necessary to implement this resolution

AMENDMENTS: *Property to Be Re-Appraised + base bid to be set at that amount.*

MOVED Williams SECONDED Brown

APPROVED ✓ DENIED UNANIMOUS

YEA VOTES: Rivenbark \_\_\_ Blanchard \_\_\_ Brown \_\_\_ Tate \_\_\_ Williams \_\_\_

*F.D. Rivenbark* 07/09/07  
F.D. Rivenbark, Chairman Date

*Cand. Bill*  
Attest 07/09/07  
Date

**HAMPSTEAD VILLAGE MERCHANTS  
P.O. BOX 964  
HAMPSTEAD, NC 28443  
910-270-9975**

June 11, 2007

Ms. Lori Britt  
Pender County Manger  
P.O. Box 5  
Burgaw, N.C. 28425

Dear Ms Britt:

My name is Jim Carl and I own the undeveloped lots in the Hampstead Village Shopping Center located on Hwy 17 in Hampstead. I also serve as the Chairman of the Board of Govenors of that Village.

It is in this capacity that I write to you requesting to purchase a narrow strip of land behind the Carolina First Bank in Hampstead, PIN # 3292-19-3340-0000, deed book 1657/063. We have come to realize that there was much confusion about the ownership of this land. Most of the lot owners in the village felt that this narrow strip of land was just part of the common ground of the village and would one day be used as an additional entrance to the village off Forest Sound Road.

Our Association has recently worked out an agreement with Pender County to bring county water to the village. Our original plan was to have the county bring individual lines into the village to serve each of our 23 lots. However, upon advice from the county we learned that it would be better for the county to provide water to the village from one tap on the Forest Sound Road side of the Village and the Village would then build its own distribution system inside the village.

In order to afford this costly project the village decided to sell our current well site (since we won't need it anymore) and to sell the above-mentioned narrow strip of property which abuts the well site on Forest Sound Road. The proceeds from this sale would give the village the funds we need to build the distribution system inside the village so that we can buy water from the county.

It was when we attempted to sell that strip we found that it is owned by the county and was taken by foreclosure due to nonpayment of tax. The Association never before had received a tax bill from the county for that strip and never expected one since it was assumed to be treated like common property belonging to any Association. It has always been the Association's understanding that the value of our common property is applied to the value of each individual lot owner in the Association and so the tax burden for any common property (such as our gazebo) is paid for on the individual tax bills.

It appears that the problem with this strip of land began, when for some reason, it was conveyed to me by error during the conveyance of some other property in the village.

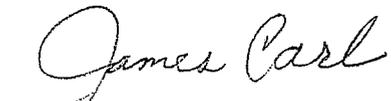
I'd like to thank your able staff of Melinda Knoerzer, your tax office staff, and your county attorney who have helped to unravel the mystery of ownership of the land.

Since there was so much confusion over this strip of land, and since the Village cannot afford to tie into the county water system under the county's current proposal without selling the land I ask that you consider the following proposal. And in considering the flowing proposal I ask that you consider in your deliberation that when the Village first signed up to tie into the water system years ago we had been told that the county would bring gang meters into each of the three Hwy 17 entrances and we would just have to run individual lines to each business.

The Hampstead Village Shopping Center would pay Pender County \$600.00 which is the approximate amount of tax due on that property for the six years that the tax was not paid. We took the tax amount due in 2001 (\$95.61 and rounded it up to \$100 for each of the six years including 2001 that the tax was exempt). In addition, we would pay interest on the amount the county would have earned during that time in exchange for the deed to that property. The village will then sell the land and it will end up on the tax books as valuable property that can be taxed at its full value.

I anxiously await your reply since we have an offer to purchase on the well site, if it includes this strip of land, and we can then move forward with the installation of our distribution system inside the village.

Sincerely,

  
James Carl  
8319 Vintage Club Circle  
Wilmington, NC 28411

cc: Pender County Commissioners (5 copies enclosed)  
Pender County Attorney (enclosed)



**BID FOR PENDER COUNTY REAL PROPERTY**

Date: \_\_\_\_\_

I, \_\_\_\_\_ would like to make an upset bid on the following property:

Township: \_\_\_\_\_

PIN : \_\_\_\_\_

Deed Book/Page: \_\_\_\_\_

I would like to offer \$ \_\_\_\_\_ for the Property. I understand that the Tax Assessor will review my offer for consistency with current tax values and that the County Board of Commissioners must initially approve the commencement of the "Upset Bid" procedures, pursuant to N.C.G.S. 160A-269 and 153A-176.

I understand the upset bid procedures require the County to advertise the amount of my bid in the newspaper of legal record (names of bidders are not advertised) and to invite other interested parties to bid. I understand there is no guarantee that I will be the successful bidder. I understand that all final bids may be accepted or rejected by the Pender County Board of Commissioners.

I am enclosing two separate checks:

1. \$100 to cover the legal advertising for this offer (subsequent counter offers will require additional advertising at a per time cost of \$100). I understand this money will not be returned if regardless of the outcome of this bid.

2. The other is an earnest money deposit which is five percent (5%) of the offered price, the enclosed amount is \$ \_\_\_\_\_. I understand that if I am not the successful bidder, this amount will be returned to me.

\_\_\_\_\_  
Signature

\*\*\*\*\*

Received by: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

MEMO

TO: LORI BRILL  
 FROM: MELINDA KNOERZER  
 DATE: JULY 9, 2007  
 RE: VALUE OF PROPERTY - BACK TAXES AND INTEREST

Fees and costs prior to foreclosure

The amount of taxes that were paid were as follows:

Total of Taxes paid \$ 536.35

Total the County had to pay in Fees such as clerk of court, sale notices, \$ 856.06

Total of all Pender County Expenses \$1,392.41

Taxes and Interest since foreclosure:

Year	Combined Tax Rate	Value	Taxes		Interest		Total	
			In previous figure	In previous figure	In previous figure	In previous figure	Paid when sold	Paid when sold
2000	.71	12,300						
2001	.71	12,300						
2002	.71	12,300	87.33		37.13		124.46	
2003	.70	12,300	86.10		28.85		114.95	
2004	.70	12,300	86.10		21.10		107.20	
2005	.76	12,300	93.48		14.49		107.97	
2006	.76	12,300	93.48		6.08		99.56	
2007 (prorated 218 days/365 day year)	.76	12,300	55.83		0.		55.83	
<b>Totals</b>			<b>\$502.32</b>		<b>107.65</b>		<b>\$609.97</b>	

Total Recommended Bid opening = \$2002.38