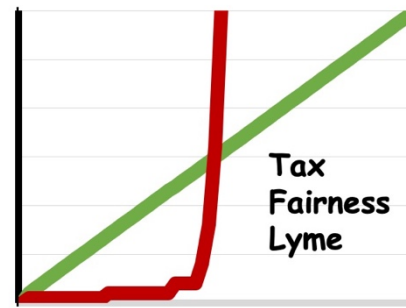


April 11, 2023

Linda Kennedy  
Supervisor  
State of NH Department of Revenue Administration  
109 Pleasant Street  
PO Box 487  
Concord, NH 03302



Dear Ms. Kennedy,

A group of Lyme tax payers has been following with interest certain aspects of property assessments and the resulting DRA ratio study. We recently obtained a copy of the 2022 Final Ratio Study Report with Supplemental Sales, dated 3/7/2023, from the Town of Lyme Select Board. The Ratio Study uses market sales taking place in Lyme in the extended date range between April 1, 2021 and September 30, 2022.

Your letter includes the following: **"Please review the list of sales used in determining your assessment-sales ratio. If any incorrect data has been used, or if you would like to meet with us to discuss this ratio or an alternate ratio methodology as outlined in the accompanying information sheet, please contact us immediately."**

In our detailed study of the data used in this report, we do indeed think that there are material errors with the sales selection. This letter, along with the attached Appendix, lays out our questions. We would welcome a chance to discuss these questions with the DRA.

We have repeatedly approached the Lyme Select Board with our questions about the data. Our offers to share our research and to review the preliminary DRA report have been rebuffed. The Select Board members are unwilling to understand and address our questions. They look to you at the DRA to thoroughly review and advise them.

We have extracted the data for transactions from the Grafton County Register of Deeds and compared the properties in the Ratio Study. Model 1 in Table 1 reproduces the DRA report which uses highly selected sales. We calculated the CODs and PRDs for a series of models of Ratio Studies that do not cherry-pick properties but include **all** arm's length sales. These are labeled Model 2 through Model 6. **In no case, beyond Model 1, are the COD or PRD within the acceptable range.**

**Model 1 and 1a** - DRA final report: the report identifies 51 sales in the date range, using 23 in the calculations, producing **COD 18.6 and PRD 1.04** in the Basic Statistics Section (Model 1a in Table 1). However, when one property is "trimmed" in the Extended Statistics Section, the results are a COD of 13.6 and PRD of 1.00 (Model 1). **Was this in order to produce statistics that do not suggest a need for a revaluation?** We see no reason for this data manipulation. This example shows how sensitive this Ratio Study is to data selection.

In order to obtain an adequate data sample, the DRA allowed in three of 12 properties with Current Use (CU) applied, and extended the date range back to 4/1/2021. These three CU properties are essentially unimproved land and the **appraised** values are used. Why did the DRA exclude nine more CU properties, ignore four apparently qualifying transactions, and exclude two properties for

“improvements” where the only improvement is a mandated septic system required for occupancy and paid for by the seller?

There is also the example of sales chasing used in both the 2021 and 2022 reports: 155 River Road went from \$928,900 appraised value to \$2,398,500 appraised after selling for \$2,500,000. Most of the increase is in the land value (\$327,800 to \$1,621,300 on 2.15 acres). The land of an abutting two-acre parcel at 143 is still appraised at \$300,000. Where is the documentation to support this high appraisal? We don’t believe that this in fact an arm’s length sale.

CU properties not included: B:4708 P:507, B:4714 P:875, B:4718 P:672, B:4739 P:464, B:4741 P:225, B:4744 P:561, B:4748 P:594, B:4758 P:586, B:4724 P:83

Properties ignored: B:4652 P:53, B:4647 P:864, B:4644 P:627, B:4629 P:330

Septic only improvements: B:4728 P:613, B:4729 P:368

Sales chasing: B:4662 P:466

How are the properties chosen for inclusion? Why was one property trimmed? Why are only some CU properties included? Why are some arm’s length transactions ignored? Is the River Road property sales chasing?

**Model 2:** Property selection “by the book” – all properties sold in the date range (including the “ignored” properties and the “trimmed” property) and excluding current use properties.

**Model 3:** Add all the CU properties to Model 2.

**Model 4:** Most comprehensive – add all CU and ignored sales.

**Model 5:** Remove the sales chasing property.

**Model 6:** Use the sales within the usual time frame - October 1 through September 30, include CU.

## Table 1: 2022 Equalization Final Report Review

Date of sale range is 4/1/2021 to 9/30/2022 for all Models *except* #6 which is 10/1/2021 to 9/30/2022

Model*			Median	Weighted Mean	Mean	COD	PRD
1	DRA Final Report Trimmed, with 3 Selected Current Use Properties	22 Sales	82.5%	81.7%	81.4%	13.58	1.00
1a	DRA Final, Not trimmed	23 Sales	82.9%	83.1%	86.2%	18.56	1.04
2	Proper Equalization, add ignored arm's length sales, exclude ALL CU	24 Sales	85.2%	83.9%	89.6%	24.04	1.07
3	Add all available CU to 1a	35 Sales	82.1%	74.3%	88.0%	28.87	1.18
4	Add all CU and ignored arm's length sales to 1a	39 Sales	82.9%	75.3%	89.8%	29.98	1.19
5	Remove "Sales Chasing"	38 Sales	82.5%	73.2%	89.6%	30.52	1.23
6	No Look back sales w/CU	21 Sales	68.0%	64.6%	83.8%	37.63	1.30

\* Refer to Appendix 1 for a list of properties included in each model

We have also analyzed the data from the 2021 revaluation and find many similar problems: 61 sales were used for the estimates, while 30 more properties were excluded with no documented reason.

We strongly request the DRA's review of the situation in Lyme. Bad data produces bad outcomes. The current state of appraisal has shifted an undue portion of the tax burden to lower-valued properties. Our assessor maintains that it is "hard" to correctly appraise high-value properties, but the cherry-picking of sales seems to be a material error and leaves the CAMA software under appraising those high-valued properties.

Without a timely revaluation this deep inequity will persist for 3 more years. We need the DRA to investigate and order appropriate mitigation for Lyme taxpayers.

Respectfully,

Hebe Quinton  
[Hebe.quinton@gmail.com](mailto:Hebe.quinton@gmail.com)  
38 Shoestrap Rd  
Lyme, NH 03768

cc: Lindsey Stepp, Commissioner  
Samuel Greene, Director

Lyme Tax payers:  
David Avery  
Rich Brown  
Bradford Keith  
Susan MacKenzie  
Michael Whitman  
Janet Williams

Link to YouTube video of 2/23/23 Lyme Select Board meeting:  
Discussion with Assessor [https://www.youtube.com/watch?v=CIUMKPN5I\\_4&t=1799s](https://www.youtube.com/watch?v=CIUMKPN5I_4&t=1799s)  
Discussion of DRA report: [https://youtu.be/CIUMKPN5I\\_4?t=3358](https://youtu.be/CIUMKPN5I_4?t=3358)

#### **Data Sources:**

Grafton County deeds all properties with a transfer tax  
Town of Lyme Vision database for details of the properties  
Town of Lyme Building permit data  
DRA Final Ratio Study Report with Supplemental Sales 3/7/2023

## Appendix 1 – Lyme, NH property sales, April 1, 2021 through September 30, 2022

Date	Address	Sale\$	Appraised\$	Book&Page	model 1	model 2	model 3	model 4	model 5	model 6
4/15/21	129 FRANKLIN HILL RD	\$617,000	\$598,200	B:4621 P:264						
4/19/21	35 PINNACLE RD	\$700,000	\$610,900	B:4622 P:621	1	2	3	4	5	
5/10/21	97 PRESTON RD	\$131,533	\$215,400	B:4629 P:330		2		4	5	
5/28/21	669 RIVER RD	\$288,800	\$339,100	B:4635 P:378						
5/28/21	331 Baker Hill	\$146,000	\$220,100	B:4635 P:438						
6/29/21	16 PLEASANT ST	\$525,000	\$393,500	B:4644 P:627	1	2	3	4	5	
7/9/21	22 POUT POND LN	\$525,000	\$380,500	B:4647 P:864	1	2	3	4	5	
7/9/21	307 RIVER RD	\$600,000	\$325,300	B:4647 P:931	1					
7/19/21	50 OLD DORCHESTER RD	\$725,000	\$626,400	B:4650 P:312			3	4	5	
7/23/21	69 POUT POND LN	\$775,000	\$686,800	B:4652 P:53	1	2	3	4	5	
8/10/21	136 RIVER RD	\$675,000	\$488,300	B:4657 P:199	1	2	3	4	5	
8/13/21	59 ORFORD RD	\$219,000	\$206,700	B:4658 P:326			3	4	5	
8/13/21	11 ORFORD RD	\$412,000	\$238,000	B:4658 P:160		2		4	5	
8/16/21	95 WHIPPLE HILL RD	\$1,230,000	\$1,036,200	B:4658 P:842			3	4	5	
8/17/21	6 ON THE COMMON UNI	\$216,000	\$197,400	B:4659 P:112	1	2	3	4	5	
8/27/21	98 DORCHESTER RD	\$2,667	\$220,800	B:4662 P:95						
8/30/21	155 RIVER RD	\$2,500,000	\$2,398,500	B:4662 P:466	1	2	3	4		
8/30/21	53 DORCHESTER RD	\$345,000	\$365,300	B:4662 P:861	1	2	3	4	5	
9/2/21	70 FRANKLIN HILL RD	\$789,000	\$630,000	B:4664 P:310	1	2	3	4	5	
9/2/21	301 ORFORD RD	\$307,000	\$261,800	B:4664 P:291		2		4	5	
9/13/21	85 DARTMOUTH COLLEG	\$390,000	\$377,100	B:4666 P:182	1	2	3	4	5	
9/17/21	47 GOOSE POND RD	\$169,600	\$323,000	B:4667 P:619	1	2	3	4	5	
9/30/21	4 CREAMERY LN	\$450,000	\$513,300	B:4671 P:361		2		4	5	
10/14/21	651 RIVER RD	\$1,000,000	\$1,239,000	B:4675 P:477						
10/22/21	341 BAKER HILL RD	\$10,000	\$223,800	B:4678 P:41						
11/29/21	3 PRESTON RD	\$840,000	\$519,400	B:4688 P:183						
12/3/21	6 ON THE COMMON UNI	\$193,000	\$195,600	B:4689 P:738	1	2	3	4	5	6
12/3/21	<b>15 Cutting Hill Lane</b>	<b>\$442,533</b>	<b>\$457,600</b>	B:4689 P:725						
1/24/22	4 EAST THETFORD RD	\$799,000	\$564,700	B:4702 P:692	1	2	3	4	5	6
1/28/22	32 PLEASANT ST	\$477,533	\$406,300	B:4703 P:924	1	2	3	4	5	6
2/18/22	41 LAMPHIRE HILL LN	\$1,250,000	\$704,400	B:4708 P:507			3	4	5	6
2/24/22	399 ORFORD ROAD	\$260,000	\$218,000	B:4709 P:534	1		3	4	5	6
3/21/22	625 RIVER RD	\$2,250,000	\$1,155,300	B:4714 P:875			3	4	5	6
3/21/22	54 GOOSE POND RD	\$1,600,000	\$9,700	B:4714 P:996						
3/25/22	149 GOOSE POND RD	\$333,600	\$340,600	B:4716 P:269						
3/28/22	85 DARTMOUTH COLLEG	\$475,000	\$473,800	B:4716 P:675	1	2	3	4	5	6
4/5/22	12 ROCKY HILL LN	\$1,415,000	\$779,900	B:4718 P:672			3	4	5	6
4/15/22	7 CLAFLIN LN	\$53,000	\$139,200	B:4720 P:969						
4/29/22	129 FRANKLIN HILL RD	\$910,000	\$598,200	B:4724 P:83			3	4	5	6
4/29/22	62 ACORN HILL RD	\$270,000	<b>\$175,200</b>	B:4724 P:362						
5/12/22	474 RIVER RD	\$225,000	\$1,538,100	B:4727 P:477						
5/17/22	14 BAKER HILL RD	\$392,000	\$211,400	B:4728 P:613						
5/19/22	307 RIVER RD (included a	\$650,000	\$325,300	B:4729 P:368		2	3	4	5	6
6/6/22	6 SPRING HILL LN	\$885,000	\$611,800	B:4733 P:666	1	2	3	4	5	6
6/6/22	85 DARTMOUTH COLLEG	\$320,000	\$217,500	B:4733 P:819	1	2	3	4	5	6
6/29/22	162 GOOSE POND RD	\$205,000	\$174,100	B:4739 P:163						
6/30/22	20 WASHBURN HILL RD	\$255,000	\$273,200	B:4739 P:464			3	4	5	6
7/6/22	7 HAMILTON LN	\$1,200,000	\$627,900	B:4741 P:225			3	4	5	6
7/14/22	5 MARKET ST	\$709,000	\$187,300	B:4743 P:259						
7/20/22	385 Orford Road	<b>\$425,000</b>	\$250,000	B:4744 P:561			3	4	5	6
7/21/22	642 RIVER RD	\$565,000	\$361,300	B:4744 P:762	1	2	3	4	5	6
8/5/22	500 DORCHESTER RD	\$1,100,000	\$648,400	B:4748 P:594			3	4	5	6
8/19/22	117 BRECK HILL RD	\$75,000	\$77,200	B:4751 P:700						
8/22/22	42 ORFORD RD	\$514,800	\$422,400	B:4752 P:64	1		3	4	5	6
8/22/22	27 ORFORD RD	\$364,000	\$301,800	B:4752 P:148	1		3	4	5	6
8/22/22	125 BRECK HILL RD	\$1,675,000	\$856,200	B:4752 P:111						
8/22/22	117 BRECK HILL RD	\$75,000	\$77,200	B:4752 P:111						
8/31/22	174 DARTMOUTH COLLE	\$525,000	\$339,800	B:4754 P:552	1	2	3	4	5	6
9/1/22	20 MARKET ST	\$885,000	\$542,800	B:4755 P:162						
9/2/22	107 BEAR HILL LN	\$150,000	\$129,600	B:4755 P:379						
9/16/22	184 FRANKLIN HILL RD	\$40,000	\$133,000	B:4758 P:586			3	4	5	6
9/23/22	88 POST POND LN	\$185,733	\$185,700	B:4760 P:71						