

Dear Stuart and Jessica,

You have asked the Listers “how will discontinuing a road affect property values on that road?” Then Stuart asked me to put the Lister’s position in writing for your Board to help you explain to property owners who ask this question of you.

First, let me begin by explaining how we come up with land and over-all property values.

Market driven Land Schedule:

Assessed land values are based on our town’s Land Schedule, and this “Schedule” is made by doing market studies. It was done by the Listers with the assistance of Vermont Appraisal Company in 2012. Sales data from the prior 3 years is collected and analyzed. Sales of raw land (parcels without buildings) are first examined and a base acre value is derived. Then sales with buildings are taken and the building values are removed leaving the (raw) land value which is further adjusted for water and septic costs. The results of these studies are what make up Thetford’s land schedule. Since some of the sales we used included properties on private roads, this element has already been built into our Schedule.

FYI- This process, the development of a land schedule, only happens when a town-wide or statistical reappraisal is done, which is about every 5 to 10 years depending on the town’s CLA. Currently we are still in the upper 90th percentile with our CLA, which indicates our values in all categories are within the appropriate market ranges.

Once a “Land Schedule” has been developed it is applied to each property. Each property is then evaluated based on its individual character. We consider:

Topography	Access	Shape/Size	Road Frontage	Soils & Drainage
Views	Protection	Restrictions	Location	

Cost Tables:

Building values are a result of “market driven cost tables” that are developed by Marshall and Swift cost estimating company. Marshall and Swift is used by real estate agents/brokers, fee appraisers and assessing officials

Finally, everything is combined together to give “Real Value” to the Grand List. As a final step in the reappraisal process real values are tested against the current market and interviews with area real estate agents and appraisers are conducted to get their opinion on our assessed values vs. the current market conditions, including the affects of private roads.

Another point to consider is how the market looks at a parcel’s “access”; one of the characteristics we consider.

To understand the affect “access” has on the value of a parcel we need to look at the town’s demographics. In Thetford most parcels are greater than an acre, but generally less than ten acres, due

to Act 250 which discouraged small lot size decades ago resulting in many properties having long driveways.

The typical buyer understands that having a driveway and the need to maintain it is part of home ownership in rural New England. Those who put a high value on having town services to their “doorstep” do not look for housing in rural New England.

Most of the properties in Thetford have a similar access and the listers have found that access has little effect on sale price compared to other factors such as location, shape/size, topography or view. This has been proven out over time in the market and on our test samples.

Since in some cases the portion of the road that is being discontinued is just a few feet more than what they were maintaining. The extra maintenance cost does not adversely affect the market price of the property. Additionally some buyers prefer (and will pay more) for an access which affords them some privacy.

I hope this was helpful and answered your questions. If you need further assistance please feel free to contact me.

Respectfully Submitted,

Janet Stowell