

WILLIAM POOLE, VII, TRUSTEE

v.

SUPERVISOR OF ASSESSMENTS  
FOR CECIL COUNTY

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IN THE  
  
MARYLAND TAX COURT

No. 21-RP-CE-0728

## MEMORANDUM AND ORDER

This Memorandum and Order supplements the oral opinion of the Court issued at the conclusion of the hearing on May 26, 2022. See attached transcript extract. This opinion will supersede matters addressed in that oral opinion which may conflict with this Memorandum and Order.

The primary disputes the Petitioner raised with the Supervisor of Assessments' ("Supervisor") concern the grading of the property. The grading standards at issue are detailed in the CAMA RESIDENTIAL COST GRADES ("CAMA"). See Petitioner's Exhibit 2. In this regard the Petitioner argues that the Supervisor committed errors in grading his property a grade six and not treating the garage with apartment above as a separate structure for grading purposes.

Insofar as the grade six categorization of the entire property, Petitioner argues that this Court is bound by a 2015 opinion in which this Court found the appropriate CAMA grade for the property was grade five. He suggests the lower grade would reduce the assessment of the property. The Petitioner's assertion of error in this regard fails for two reasons.

Petitioner provided a transcript of its July 28, 2015 appeal hearing regarding the assessment of the subject property. Petitioner's Exhibit 13. He argues that

the Court ruled in its opinion then that the appropriate CAMA grade of the subject property was a grade five and the Court is now bound to that grade, rather than the grade six the Supervisor asserts for 2021. The Court's review of that transcript does not support this assertion.

In its 2015 opinion, the Court observed that "...the house doesn't meet the standard for ...[a] Grade 1.." *Id.* at p.153, l. 10-11. But the grading to which the Court referred was not the CAMA grades at issue in this case, but a different grading the Petitioner's appraiser, Leonard Wilson, Jr., applied.<sup>1</sup> That grading had two components that were graded separately, quality of construction, "Q," and condition, "C." There was no reference at all in the transcript to the CAMA grading at issue in this case.

Mr. Wilson graded the subject property in 2015 as a Q2 and C2. He noted the Q grading range is from one to six, with one being the best grade. Presumptively the C grading had the same range. CAMA grading has a range of one to nine, with nine being the highest quality. So, while in 2015 Mr. Wilson graded the property second best, the Supervisor's appraiser, Jayme Dunn, graded the property in 2021 as a six, which is the fourth best grade.<sup>2</sup> This disparity suggests Ms. Dunn found the property at a lower quality in 2022 than Mr. Wilson did in 2015.

Regardless, even if five is the appropriate CAMA grade, there was no credible evidence of the impact the grade reduction would have on the market value of the subject property. As noted in the oral opinion, Mr. Poole premised his value analysis

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<sup>1</sup> Mr. Wilson is the same appraiser appearing on behalf of the Petitioner in this case, except in the 2015 case he did offer an opinion of value reflected in a written market analysis.

<sup>2</sup> Petitioner raised an issue with Ms. Dunn being referred to as an appraiser. Her Qualifications note "Maryland Certified Residential Real Estate Appraiser." Respondent's Exhibit 1, p. 10. She testified that as a condition of her employment with the Department of Assessments and Taxation her appraiser licenser had to be relinquished.

on a cost approach. As Ms. Dunn indicated, the cost approach is used in the mass appraisal with the more favored approach, once an appeal is taken, being the market approach. While Mr. Wilson did not present a valuation analysis in this case, in his 2015 value analysis he observed that the sales comparison approach, i.e., market approach, was the more reliable indicator of value for a residential property compared to the cost approach. Petitioner's Exhibit 13, p. 86 ll. 13-19. Hence, Petitioner failed to meet its burden to offer credible affirmative evidence of the impact on value a reduced CAMA grade would have.

Petitioner's assertion that the garage with apartment above should be segregated from the main house for CAMA grading also fails. The garage with apartment above was built in 2003. Petitioner lived in the apartment while the main house was built. That house was completed in 2009.

The garage with apartment above was incorporated into main house in 2009 by a corridor. See Petitioner's Exhibit 3 with a circle indicating the corridor.<sup>3</sup> Before this incorporation and the construction of the main house, the garage with apartment had a CAMA grade of four. Upon the incorporation with the main house, the Supervisor treated the garage with apartment above and the main house as a singular structure with a CAMA grade of six.

This Court accepts Ms. Dunn's two rationales for this unified grade six. First, it does not make sense to segregate portions of a unified residence for grading purposes, particularly in this instance, as the garage with apartment above became attached. Second, the initial grading of the garage was premised on a mass appraisal without an interior inspection. A subsequent interior inspection revealed the garage

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<sup>3</sup> The multiple photographs in this exhibit evidence the high quality of the residence.

apartment has a cathedral ceiling with wood paneling, an upgraded amenity present throughout the 2009 home construction.

Petitioner sought to undermine the Supervisor's grading of the garage by referencing a pole shed attached to a garage at a different property that had been graded separately by the Supervisor. But a pole shed is not a garage, which is often attached and incorporated into a dwelling. And, as Mr. Poole indicated, a pole shed is similar to a barn and might even have a dirt floor, reflecting a clear distinction in quality from the typical garage.

Petitioner also asserts the Court's valuation of the excess waterfront acreage in 2015 at \$35,000 per acre is binding as to a secondary land valuation in 2021. The Court's \$35,000 valuation in 2015 was for excess waterfront acreage, not secondary land. Regardless, Petitioner offered no credible evidence of the 2021 market value of either excess waterfront acreage or secondary land. In reality, the market would likely reflect a different valuation for either in 2021.

The Court offers the following comments for further clarification:

- Mr. Wilson's and Mr. Poole's analyses were premised on both photographs and worksheets.<sup>4</sup> The worksheets were marked as Petitioner's Exhibits 7, 8, and 9 and were moved into evidence. Respondent's counsel noted no objection to their admission. The Court however erroneously failed to state the exhibits were admitted. For purposes of its decision, the Court considers those exhibits admitted. Mr. Poole acknowledged the worksheets reflected a cost approach.
- As Mr. Wilson did not provide a written report of his analysis, Petitioner avoided the exchange of appraisals required by Tax Property Article § 14-512 (f) (6).
- While the Court rejected Mr. Wilson's analysis, as it lacked the requisite independence expected of an appraiser, it is noteworthy that his analysis is further flawed due to its reliance, in part, on worksheets. As Ms. Dunn observed, those worksheets reflect mass appraisals, which generally lack an interior inspection or plan review. She

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<sup>4</sup> Reliance on worksheets for valuation is suspect as worksheets reflect a cost analysis, rather than the favored market/sales analysis.

noted an interior or plan review of the residences upon whose worksheets Mr. Wilson relied could result in increased CAMA grades.

- In its oral opinion, this Court erroneously refers to Ms. Dunn's six comparable sales. She reported three comparable sales.
- The extract from the Court's 2019 opinion quoted in the oral opinion regarding the appropriate grade applied to the facts presented in this case.
- Additional reasons for the grade six categorization not mentioned in the oral opinion, but cited by Ms. Dunn, include the multiple roof lines of the subject property, which exist in the three comparables referenced in Ms. Dunn's analysis, and which reflect an architectural design; custom floor to ceiling bay windows; an octagonal-shaped room on the water side of the home; contemporary wood stoves; humidity control for the swimming pool room; heated towel racks; and a bidet in the master bed room.

Accordingly, for these reasons and for the reasons stated in the Court's oral opinion it is this 12<sup>th</sup> day of August, 2022, by the Maryland Tax Court ORDERED that the decision of the Property Tax Assessment Appeals Board for Cecil County is **AFFIRMED**, and the proper full cash value for the subject property is \$1,334,500.<sup>5</sup>

CC: Charles L. Scott, Jr. Esq.  
Vincent M. Guida, Esq.  
Julie Greene, Administrator

**CERTIFIED TRUE COPY**  
**TEST:** John T. Hearn, Clerk

**NOTICE:** You have the right of appeal from the above Order to the Circuit Court of any County or Baltimore City, wherein the property or subject of the assessment may be situated. The Petition for Judicial Review **MUST** be filed in the proper Court within thirty (30) days from the date of the above Order of the Maryland Tax Court. Please refer to Rule 7-200 et seq. of the Maryland Rules of Court, which can be found in most public libraries.

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<sup>5</sup> Issues raised, but not specifically addressed by this Court were deemed *de minimus*. irrelevant, or without merit.

1 THE COURT: Thank you. Why don't we take a 45  
2 minute break and I'll promise to be back. I thank you  
3 all for your testimony.

4 (Brief recess)

5 THE COURT: Please be seated.

6 COURT CLERK: Your Honor, we're back on the  
7 record.

8 THE COURT: Let's go off the record for one  
9 second.

10 (Brief recess)

11 COURT CLERK: Your Honor, we're now back on  
12 the record.

13 THE COURT: Thank you. Um, let me start with  
14 the burden of proof. The Court will start with the  
15 burden of proof. The petitioner has the burden of  
16 proof, and it's perplexing that the petitioner has a  
17 qualified appraiser who had previously appraised the  
18 property, only offer testimony as to the grade relying  
19 on worksheets. And Mr. Poole actually refers to two  
20 other appraisers who offered opinions as to value. It's  
21 not a consideration for the Court, as the Court accepts

1 Mr. Poole's observation that the conclusions were too  
2 disparate to be, uh, to be credible in offering them to  
3 the Court.

4 But the Court does not find Mr. Wilson's  
5 testimony compelling. Uh, he is a highly-qualified and  
6 experienced appraiser, and he noted that, uh, he has --  
7 does I think in the neighborhood of 1400 appraisers --  
8 appraisals a year, and with those appraisals he always  
9 offers a written opinion. In this appraisal he did not.  
10 If we can characterize it appraisal. What he did was  
11 accepted worksheets provided by the petitioner and based  
12 his conclusion that the grade of the property as a 6 was  
13 inappropriate.

14 That's -- that analysis and testimony is not  
15 consistent with the independence with which an appraiser  
16 should act, and it's noteworthy that the worksheets  
17 reflect mass appraisals, not the independent analysis  
18 that a subsequent tax court or PTAAB review would  
19 entail.

20 Mr. Poole, who is obviously a brilliant person,  
21 conducted a rigorous analysis of worksheets and

1 presented analysis [sic] suggesting that the value of  
2 the property should be \$1,080,105. His analysis was  
3 both flawless and flawed. It was flawless insofar as  
4 the methodology he used, it was very compelling. But  
5 it's flawed because he relied on the cost approach and  
6 he said that definitively. He relied on the cost  
7 approach from the worksheets. And as we mentioned  
8 before, worksheets reflect generally the mass appraisal,  
9 not the specificity required in a later appeal.

10 And more fundamentally, the cost approach is  
11 relevant for new construction. As time goes on the cost  
12 approach is less relevant, and with these structures  
13 built in 2003 and 2009, the Court does not find the cost  
14 approach the most appropriate, um, analysis.

15 Now to the State's case. While Mr. Poole in his  
16 thorough analysis, admits that he's not an appraiser.  
17 Ms. Dunn is an appraiser and has presented testimony as  
18 an expert before the tax court and also the PTAAB, and  
19 she serves as the supervisor of assessments for Cecil  
20 County but -- which requires her to supervise other  
21 appraisers. So there's no -- the Court has no question



1 about her competence. And she presented what the Court  
2 finds was a very competent market analysis. And she was  
3 the only, only appraiser to testify.

4 In doing so she presented great six comparables,  
5 uh, which the Court finds appropriate. Like the  
6 petitioner's property, the subject property, all the  
7 comparables had cathedral ceilings with wood paneling.  
8 And like the petitioner's all the, um, properties had  
9 multiple roof lines, which again reflects a custom-built  
10 home. In one comp had a hexagonal extension which is --  
11 which is, uh, the structure at issue, which the subject  
12 property also has.

13 What comp was that? I forgot, Ms. Dunn.

14 MS. DUNN: Comp. 2.

15 THE COURT: Comp. 2 has the hexagonal extension,  
16 which reflects the uniqueness of the property and is not  
17 a cookie cutter-type home.

18 In addition, the subject has radiant heat and a  
19 geothermal system, which reduces cost and provides a  
20 quality-type of heat. Where there is a difference in  
21 the waterfront or the acreage appropriate adjustments

1       were made.

2               As Ms. Dunn's testimony was the only relevant  
3       testimony presented to the Court as it's [sic] market  
4       analysis the Court finds this analysis credible and will  
5       affirm the ruling of the PTAAB.

6               And I had mentioned earlier that I was going to  
7       include in the record a copy of my notes from the 2019  
8       case, and I wanted to read from that, uh, the  
9       conclusions that the Court had, which the Court  
10      incorporates into this decision about grading the  
11      property as a Grade 6.

12              "It's obvious that this home was not mass  
13      produced, it's not a cookie cutter home. Mr. Poole  
14      consulted with a building construction person who had  
15      architectural experience, he submitted the plans to  
16      Lindal to fabricate the home. Lindal did not dictate  
17      what the house would be, Mr. Poole did.

18              So this fits into the definition of a Grade 6  
19      because it's (inaudible) in this grades generally  
20      include those designed for individual homeowners using  
21      good quality materials throughout. The construction is

1 supervised by a competent builder. These homes may be  
2 built in better than average developments and the  
3 construction of this grade of homes there's more  
4 emphasis of detail of both exterior/interior  
5 refinements.

6 So this would apply, convincingly, to Mr.  
7 Poole's home, the subject property."

8 So again with that the Court will affirm the  
9 decision of PTAAB and a copy of this, uh, 20 -- my notes  
10 from -- or the Court's notes from 2019 will be included  
11 in the record for this case.

12 And I thank you all for your time and for your  
13 professional presentations.

14 MR. GUIDA: Thank you, Your Honor.

15 MS. DUNN: Thank you.

16 THE COURT: My pleasure.

17 (Whereupon the hearing was concluded)  
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