

FREQUENTLY ASKED QUESTIONS

What is a revaluation?

A: A Revaluation is the process of performing all of the necessary Market Analysis and Valuation steps to determine accurate and equitable values for all properties within a municipality. The equalization of the values within a City or Town creates a fair distribution of the tax burden. The purpose of a Revaluation is not to raise taxes. The purpose is to create an equitable distribution of the tax load.

What happens during a revaluation?

A: If the project requires it, a physical inspection of both the interior and exterior of each property is conducted. Since data on all properties is maintained by the assessor's office, this step is not necessarily required for valuation or statistical updates although inspections of sale properties or a certain percentage of houses may be conducted as a part of the project. While data collection is being conducted, appraisers are studying the recent market sales in order to gain a full understanding of the real estate market in your City or Town. This study of recent property sales allows the appraisers to establish parameters to estimate the value of property that has not been sold using comparisons with recent sales. The appraisers then gather and review these parameters and apply them to all non-sale properties in order to approximate the market value of each property that they are charged with appraising.

Collect Required Physical Data

A: During this phase, Listers, otherwise known as data collectors, go to each property and physically inspect the interior and exterior of each building. They note the buildings location, size, age, and quality of construction, #of bedrooms and bathrooms, improvements, topography, utilities, zoning restrictions, if any, and numerous other characteristics both inside and out. If the property recently sold, the lister will inquire about the terms of the sale. If the property is a potential income producing property (apartment, office building, etc.) the lister may inquire about rental information. In order to obtain proof that a property was inspected, the owner is asked to sign the data collection form to verify that the inspection took place. The entire process typically takes approximately 15 minutes. If you are unsure about letting a person in, listers should carry proper identification and will have their information on file at the police department and the assessors' office. **Due to the cost required to physically visit properties, this step is not undertaken on every project.**

Collect / Verify Specific Market data

A: During this time, mailers are often sent in order to gain further insight on properties that have recently sold, existing property data and commercial/industrial property lease information. Click on the links below to view sample mailers.

Quality control procedures

A: As data is being collected, managers from both the company as well as the City and Town often revisit a property to double check the data collection process.

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Analysis

A: A variety of resources are used to analyze the real estate market. While the physical data is being collected by Listers, experienced appraisers will be analyzing recent sales as well as lease information to determine which market factors influenced property values. Once all the data is collected and reviewed for accuracy, the appraisers will begin to set values using information gathered from past market activity. Valuation is done using one of the three widely accepted valuation methods which are the market, cost or income approach.

Why did my land value change differently than my building value?

A: Since the last revaluation, real estate values have changed significantly. Over the same period, building construction costs have increased at a slower rate than property values have appreciated. Since building costs have not increased as much as total values, the bulk of the total increase, if any, is attributable to land. This makes perfect economic sense, as it is land that is limited supply.

If hearings are being held, how do I prepare for one?

A: When you come to a hearing, bring whatever information that you may have (property information and/or data changes, comparable sales that sold for less than your property, pictures of your property, etc.) to the hearing. If the revaluation required a physical inspection of the property, make sure you allowed a physical inspection to be conducted or you may lose your right to an appeal.

What is an informal hearing?

A: Please note Informal hearings are typically held on full revaluations, but are always conducted in Connecticut and New Hampshire. Towards the end of the revaluation, every property owner receives a notice of their proposed valuation. If they have a question or concern about the proposed valuation, they are asked to call the Assessor or their contractor to set a date and time for an informal hearing. This appointment is meant to allow a brief discussion about the valuation process, review the specifics of the property in question and to answer general questions the owner may have. Most hearings last about 10-15 minutes. Homeowners are asked to come prepared with their questions and have compared their property to other comparable ones in their neighborhood. They are also encouraged to provide the hearing officer with copies of any documentation they may have regarding specific issues with their proposed assessments. It is important to remember that an informal hearing is not a forum to discuss taxes or town politics nor is it an in-depth class on appraisal practices and theory. It is strictly meant to answer general questions on the proposed property assessments. The hearing officer will take notes during your meeting to document the information you have discussed. They will later determine if further review of your property assessment is necessary based on these notes. The proposed values are not final until all hearings and any data or value changes resulting from the hearings are completed.

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How will I know if a change was made to my assessment after my hearing?

A: At the conclusion of the hearings for your town, appraisal staff will review the notes from your hearing and any information you have provided on your property. They will make changes to the data and/or value of the property if appropriate. After this final review process is complete for all properties, a change notice is sent to you. The new value on this change notice will reflect the changes made based on your hearing. This value will now be considered your new assessment and will be reflected in the Assessors records.

If I disagree with my assessment after a hearing, what are my options?

A: Please note that each City or Town may proceed with this process in a different manner. The following is a typical scenario. If any property-owner believes the assessment on their property is in excess of its fair market value they should first notify the assessor's office. They may then appeal before the municipality's board of assessment appeals. The board of assessment appeals will review the case and make a determination as to the disposition of the appeal. Should the property-owner still feel the assessment is incorrect, they may appeal to the superior court for the judicial district in which the municipality is located. All appeals typically have time deadlines. Always contact your local City or Town Hall with any questions pertaining to the filing dates for appeals.

Will a revaluation increase taxes?

A: A revaluation may result in an increase or decrease of individual assessments depending on how a property value increased or decreased relative to the average change in assessment. It does not mean that all property taxes will increase or decrease. Remember assessments are only the base that is used to determine the tax burden. The tax burden is the amount that the municipality must raise to operate the local government and support the many services each of us has come to expect, such as schools, police, etc. As an example, if the same amount of money is to be raised after the revaluation as the previous year and each assessment doubles, the tax rate would merely be cut in half.

What is market value and who determines my property value?

A: Market value is determined by people, by the activity in the real estate market and the general economy. The value of your property is based on an analysis of the entire market for a specified period of time before the completion of the revaluation project. The market can generally be defined as, you, the person who sold the property to you, and the person willing to buy it from you. It is the appraiser's job to research and analyze the values in any particular area or neighborhood. In effect, they do what you would do to determine the selling price when putting your property up for sale. However, the appraiser has specific guidelines to follow during their research. Some factors that are examined for each property are: location, size, quality of construction, age of improvements, topography, utilities, zoning restrictions, if any, etc.

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Will all property values change?

A: Most likely, yes. However, not all property values will change at the same rate. Market value may have increased more for some neighborhoods and property types than for others. Some neighborhoods and property types may have decreased in value and others may have remained the same. One purpose of a revaluation is to make sure that the assessed values reflect the changes that have occurred in the real estate market.

What is market value?

A: Market value is defined as the amount a typical, well-informed purchaser would be willing to pay for a property. For a sale to be a market value (arms-length) sale, the seller and buyer must be unrelated, the buyer must be willing (but not under pressure) to buy, the property must be on the market for a reasonable length of time, the payment must be in cash or its equivalent, and the financing must be typical for that type of property.

I have recently built my home. Will the actual construction costs be considered?

A: Your construction cost is a historical figure that may or may not reflect the current market value of your property. It is only one element that will be considered.

What will happen to my assessment if I improve my property?

A: Generally speaking, improvements that increase the market value of a property will increase the assessment. The following examples are typical items that may increase the assessed value of your property. - Adding living or rentable area - substantial modernization of kitchen or baths - extensive remodeling - adding features such as A/C, finished basement rooms, garages, pools, etc.

What sales did you compare to my home to arrive at my value?

A: This question, although common, highlights one of the clear differences between the revaluation appraisal process and the more well-know "bank" appraisal. Most homeowners have had a "bank" appraisal on a property before and are familiar with the process involved and the resulting report. Many assume that the revaluation company uses the same process. Although the appraisal concepts are the same and the results similar, the process is different. To answer this question it is important to understand that in a revaluation, the value of your property is based on an analysis of the entire real estate market for a specified period of time before the completion of the revaluation project (usually a one or two year period). This study of recent property sales allows the appraisers to establish valuation parameters (construction rates, land rates, market adjustments, etc.). Ideally, when these valuation parameters are applied to the properties that sold, the calculation will result in an appraised value that is very close to the sales price. The revaluation appraisers are required by the State to test that the parameters being used are consistently producing values that closely approximate the sale prices across all types of properties throughout the town. When this is accomplished, the appraisers can then apply these same valuation parameters to all of the "non-sale" properties in the town. In doing so, they are approximating the market value of each property using the information derived from all of the sales. Therefore, no particular sale or group of sales was used to determine the value your property. This is because ALL of the recent sales were included in the analysis that set the parameters used in the revaluation of your town.

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What if there hasn't been a recent arms - length sale of my property?

A: The next best evidence is the arm's length sales of reasonably comparable properties. These are properties similar to yours in location, age, style, condition, and other features that affect market value, such as the number of bedrooms and bathrooms and size of garage.

What if there are no reasonably comparable sales?

A: We will then consider all other factors that may affect the market value of your property. The cost to replace your building(s), less any depreciation, plus the value of the land could be used to estimate market value. For income producing properties, the income and expenses could be considered.

Will my assessment go up if I repair my property?

A: Normal maintenance will help retain the market value of your property, but generally will not affect your assessment.

How can my assessment change when I haven't done anything to my property?

A: General economic conditions such as interest rates, inflation rates, and changes in the tax laws will influence the value of real estate. As property values change in the marketplace (sales), those changes will eventually be reflected on the assessment roll.

Do all assessments change at the same rate?

A: There are differences between individual properties and between neighborhoods. In one area, the sales may indicate a substantial increase in value in a given year. In another neighborhood, there may be a lesser change in property values. Different types of properties within the same neighborhood may also show different value changes. For example, one - story houses may be more in demand than two - story houses or vice versa. Older homes in the same area may be rising in value more slowly than newer homes. Among the numerous factors to be considered that will cause values to differ are location, condition, size, quality, number of baths, basement finish, garages, and many others.

Will the person who inspects my property be able to tell me my new assessment?

A: No. If an inspection is necessary on your property, we have to analyze all of the information we gathered before placing a value on your property. We will then further review this information to ensure that your assessment corresponds fairly to the assessments of other properties.

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Nobody inspected the inside of my home, so how could you reassess it?

A: The Assessor's Office maintains a complete record for each property. Information is kept current through permit inspections, sales inspections, periodic re-inspections and exterior reviews. The records are available for your review. This information is used to develop the new assessments.

I've heard you develop values by computer. Is this correct?

A: Just as in many other fields, computers are useful in the assessment process. Assessors are trained to look for relationships between property characteristics and market value. By coding these characteristics and studying sale prices, assessors can estimate value by developing formulas and models. Computers are much faster and are capable of advanced analysis in this area. Despite these capabilities, common sense and assessor judgment are always required to verify assessments. Assessors most familiar with the neighborhoods and properties review all assessments.

Field Review and Value Correlation

A: Field Review is the method of checking and re-checking both the values that have been determined and the data that has been collected. During this review, properties are viewed in the field by experienced appraisers who double check uniformity and accuracy of information. This typically involves a visual view from the street as opposed to a physical inspection of the property.

Informal Hearings

A: Once the Field Review is completed, a Notice of New Values may be mailed to each property owner. At this time, anyone with questions concerning their value, the revaluation process or about the data collected on their property has an opportunity to meet with someone to discuss their property value. The steps outlined here (**How Can I Tell If My Assessment Is Correct?**) will help you to evaluate your situation and help you to decide if you even need to schedule a hearing.

Project Completion

A: During this phase, the company has made all final changes resulting from the steps outlined above. In order for the project to be complete, the Town must formally accept all values. Once this is complete, all information is formally turned over to the City or Town. Typically tax bills are produced using the new values to calculate individual taxes.