JAFFREY, NH VALUATION UPDATE

INTRODUCTION

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Presentation Outline

- > Discuss benefits of the revaluation
- ➤ Describe valuation process
- Mass Appraisal vs. Fee Appraisal
- > Status report on project
- > Questions

Benefits of a Revaluation

- > Adjusts value for market shifts
- ➤ Corrects disproportionate taxation
- ➤ Captures all new construction
- ➤ Required by State Statutes

Mass Appraisal vs. Fee Appraisal

- Fee Appraisals are usually for a single property and purpose
- Mass Appraisal The process of valuing a group of properties as of a given date, using standard methods, employing common data, and allowing for statistical testing
- Both are Opinions of Value

Valuation Process

- ➤ Measure and List Sale Properties from 4/1/2013 to 4/1/2015.
- ➤ Analysis of Sale Properties for Arms Length Sales
- > Property changes after sale disqualifies sale
- Valuation Modeling and Testing
- ➤ Informal Meetings (Taxpayer Input)

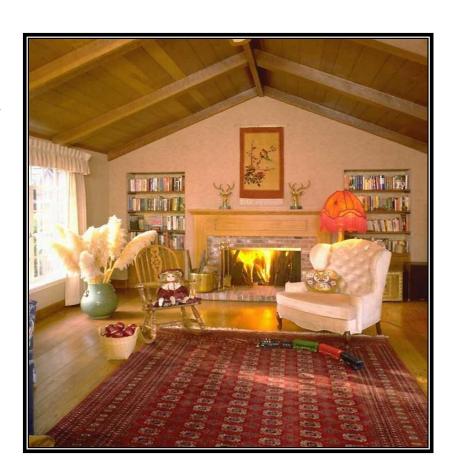
Exterior Inspection

- > Style
- ➤ Grade (Quality)
- > Story Height
- ➤ Roof Structure
- ➤ Roof Covering
- ➤ Wall Construction
- > Year Built
- > Condition



Interior Inspection

- > Room Count
- **>** Bathroom Count
- ➤ Wall Finish
- > Floor Finish
- > Heating
- ➤ Bath Style
- ➤ Kitchen Style
- **Condition**



Sales Analysis

- ➤ Real Estate Sales Determine Values
- ➤ No Preconceived Estimates of Value
- ➤ In-Depth Study of Real Estate Sales
- ➤ Determine Land Prices
- ➤ Determine Building Value and Depreciation
- ➤ Develop Appraisal Models Based On Market

Land Valuation Model

Land Units

- x Unit Price
- x Condition Factor
- x Neighborhood Adjustment
- x Site Adjustment
- = Total Land Value

Building Valuation Model

Beginning Per Square Foot Price

- +/- Size Adjustment
- +/- Grade of Construction
- +/- Other building components
- +/- Number of Bedrooms
- = Adjusted Cost per Square Foot

Adjusted Cost per Square Foot x Building Square Footage

- +/- Other Building Features (Bathrooms, Fireplace, Garages, etc.)
 - <u>Depreciation Adjustment</u> (Based on condition)
- = Building Value

Standards for a Revaluation (IAAO)

Median Ratios

	Minimum	Maximum	COD
Vacant Land	90%	110%	20%
Single Family	90%	110%	15%
Multi Family	90%	110%	15%
Commercial	90%	110%	20%

Informal Meeting Process

- ➤ Notification to Taxpayers of New Assessment
- ➤ Informal Meetings Begin
- ➤ Valuation Review, if necessary
- Change Notice as a result of Hearings
- ➤ Abatement Review



Review Values

- On Line at VGSI.com
- Valuation Books at Town Hall
- Valuation Books at Library

Hearing Preparation

- Similar /Comparable properties
- Recent Appraisals (within last year)
- Deed Restrictions that affect value
- Correct Data on Property Record Card
- Any other factors that could affect value

Status Report

Task	Scheduled Completion

Data Collection of Sales 50% Complete

Review Sale Properties 50% Complete

Develop Appraisal Models 20% Complete

Field Review July 1 – July 30

Informal Meetings August 24-27

Project Completion September 30th