City of Portsmouth
2017 Full Statistical Revaluation
Informational Meeting
Appraisal Companies

Residential Update
Vision Government Solutions
Michael Tarello, MAI, ASA
Director of Appraisal Operations

Commercial Update
Steve Traub
Property Valuation Advisors
Statutory Requirements

• RSA 75:8 Revised Inventory. –
  Annually, and in accordance with state assessing guidelines, the assessors and selectmen shall adjust assessments to reflect changes so that all assessments are reasonably proportional within that municipality. All adjusted assessments shall be included in the inventory of that municipality and shall be sworn to in accordance with RSA 75:7.

• RSA 75:8-a Five-Year Valuation. –
  The assessors and/or selectmen shall reappraise all real estate within the municipality so that the assessments are at full and true value at least as often as every fifth year.
Department of Revenue Standards

- Sale date range - April 1, 2016 – March 31, 2017
- Purpose of Update is to maintain Assessment equity
- Statistical reports standards
  - Stratification groupings within 5% of overall median
  - Coefficient of Dispersion no greater than 20%
- Assessment Date is April 1, 2017
Measurements of Equity

- **Assessment Ratio**
  - A ratio of a property's assessed valuation to its market value. An assessed valuation is the value of a property as determined by an appraisal conducted by the municipality. The market value is the price for which one can sell a property on the open market. For example, if the assessed valuation of a piece of real estate is $990,000 and its market value is $1,000,000, its assessment ratio is 0.99 or 99%.
Measurements of Equity

- **MEDIAN RATIO** is the middle ratio in a sorted (low to high) array of sales ratios; 50% of the ratios lie above the median and 50% fall below it. The median ratio is the most commonly used measurement because it is less influenced by outliers.

- **Coefficient of Dispersion (COD)** is a measure of uniformity of appraisal for all properties in the city. The COD measures the average deviation between the selling prices of recently sold properties from the average town-wide level of appraisal.

- **PRICE-RELATED DIFFERENTIAL (PRD)** is used to measure value related inequities in the appraisal system, referred to as regressivity or progressivity. Appraised values are regressive if high value properties are under appraised relative to low value properties and progressive if high value properties are over appraised relative to the low value properties. The PRD is found by taking the mean (average) ratio of the sample and dividing by the weighted (aggregate) mean ratio.
New Hampshire Standards

- Median Assessment Ratio: 90% - 110%
- Coefficient of Dispersion: <20%
- Price Related Differential: 0.98 – 1.03
Median Percent Change in Market Value by Sale Price

**Condominiums – 13% increase**

- **2015 Median Sale Price:** $312,100
- **2017 Median Sale Price:** $354,000

**Residential SFR + Multi Families -19% increase**

- **2015 Median Sale Price:** $385,000
- **2017 Median Sale Price:** $460,000
2016 Prior Assessment Ratio vs 2017 Current Assessment Ratios Residential Properties

All Sales 2016 vs 2017
Condominiums 2016 vs 2017
Residential 2016 vs 2017

Old A/R  New A/R
Residential Sales Price Quartile

<table>
<thead>
<tr>
<th>Price Range</th>
<th>2016 Sales Price Quartile</th>
<th>2017 Sales Price Quartile</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-265K</td>
<td>0.83</td>
<td>0.99</td>
</tr>
<tr>
<td>270-394K</td>
<td>0.82</td>
<td>0.99</td>
</tr>
<tr>
<td>399-599K</td>
<td>0.76</td>
<td>0.99</td>
</tr>
<tr>
<td>600-2.1M</td>
<td>0.8</td>
<td>0.99</td>
</tr>
</tbody>
</table>

**Legend:**
- **SALES PRICE QUARTILE 2016**
- **SALES PRICE QUARTILE 2017**
Residential Groups

• Group I – East of Downtown, South End, Sagamore Creek, Little Harbor

• Group II – Portsmouth Traffic Circle North, I-95 Corridor, Route 1 Bypass

• Group III – South Portsmouth Area (Middle Road South)

• Group IV – West of Downtown, North Mill Pond
Residential Groups by Neighborhood

- Group 1 - East of Downtown, South End, Sagamore Creek, Little Harbour
- Group 2 - Portsmouth Traffic Circle North & I-95 Corridor
- Group 3 - South Portsmouth Area (Middle Road South)
- Group 4 - Rte 1 Bypass, West of Downtown, North Mill Pond

2016

- Group 1: 0.77
- Group 2: 0.83
- Group 3: 0.83
- Group 4: 0.76

2017

- Group 1: 0.99
- Group 2: 0.99
- Group 3: 0.99
- Group 4: 0.99
Residential Group I

Group I – East of Downtown, South End, Sagamore Creek, Little Harbour
Residential Group II
Residential Group III

Group III – South Portsmouth Area (Middle Road South)
Residential Group IV
2016 Prior Assessment vs. 2017 Current Assessment
Commercial/Industrial Properties

- All Comm/Ind/Apts: 85.9% (Old A/R), 98.5% (New A/R)
- Offices Only: 90.7% (Old A/R), 98.5% (New A/R)
- Office Condos Only: 94.4% (Old A/R), 98.5% (New A/R)
- Non-Office C/I Only: 81.6% (Old A/R), 98.5% (New A/R)
Draft
Residential vs. Commercial
% of Total Value

54% Residential
46% Commercial
2015 Revaluation vs. 2017 Revaluation
% of Total Value

- 2015 Revaluation
  - Residential: 54%
  - Commercial: 46%

- 2017 Revaluation
  - Residential: 57%
  - Commercial: 43%
Remaining Tasks & Dates

Residential Impact Notice Mailed - August 21<sup>st</sup>
Commercial Impact Notice Mailed – September 1st
Web site updated - August 22nd
Appointments Residential Informal Hearings – Aug.24th
Appointments Commercial Informal Hearings – Sept.5th
Residential Hearings - August 28<sup>th</sup>
Commercial Hearings – September 11
Second Impact Notice mailed - September 27th
Project Completed - September 30th, 2017.
Formal Appeal Process

Property Owners may file an abatement application by March 1, 2018.

Assessor’s office reviews abatements applications and notifies property owners by July 1, 2018.

Property owner’s who then wish to appeal the decision further file with either the State of New Hampshire Board of Tax and Land Appeals or Rockingham County Superior Court no later than September 1, 2018.