

SECTION A
Letter of Transmittal

November 20, 2015

Rosann Maurice-Lentz
City Assessor
City Hall
1 Junkins Avenue
Portsmouth, NH 03801

LETTER OF TRANSMITTAL

Dear Municipal Official:

The following report is intended to document the entire process associated with the sales data collection, review, analysis and reporting necessary to render a credible opinion of value(s) of all residential properties in accordance with RSA 21-J:14-b, and "Standard 6" of the most recent Uniform Standards of Professional Appraisal Practice.

The Intended Use of this Report: is to provide a basis for the update of all residential real property in the City of Portsmouth as required by the contract, dated 08/11/2014, signed between the City of Portsmouth and KRT Appraisal. A copy of this contract is retained in Appendix "A".

The Intended Client of This Report: are the Municipal Officials.

Other Users of This Report: include the public, property owners, municipal officials, and the DRA.

The Date of Value Utilized in this Report: is April 1, 2015, as required by RSA 74:1 and RSA 76:2.

Type and Definition of Value Utilized in this Report: The type of value expressed in this report is "market" value, and is defined in RSA 75:1 as: "the property's full and true value as the same would be appraised in payment of a just debt due from a solvent debtor".

An expanded definition of "Market Value" as defined within the NH Department of Revenue, Property Appraisal Division's "600 Rules", establishes the market value of a property must meet the following criteria:

- (a) Is the most probable price, not the highest, lowest or average price;

- (b) Is expressed in terms of money;
- (c) Implies a reasonable time for exposure to the market;
- (d) Implies that both buyer and seller are informed of the uses to which the property may be put;
- (e) Assumes an arm's length transaction in the open market;
- (f) Assumes a willing buyer and a willing seller, with no advantage being taken by either buyer or seller; and
- (g) Recognizes both the present use and the potential use of the property.¹ (NH Department of Revenue, Property Appraisal Division, "600 Rules"; Rev 601.14.)

Identification of the Property Rights Assessed in this Report: The type of property rights is "fee simple". Fee Simple Estate is defined as:

"Absolute ownership unencumbered by any other interest or estate; subject only to the limitations imposed by the government powers of taxation, eminent domain, police power, and escheat (the right of government to take title to property when there are no apparent heirs)." ² (The Dictionary of Real Estate Appraisal, Third Edition, 1993, Page 140.)

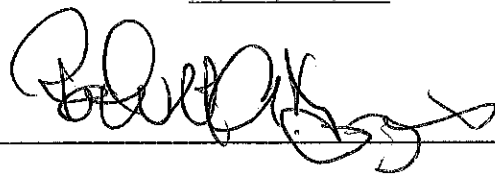
Extent of Property Inspections: As required by the contract, dated 08/11/2014, signed between the City of Portsmouth and KRT Appraisal, the City was responsible for the measure and list on 100% of all properties that sold between 04/01/2013 and 03/31/2015 in the City of Portsmouth. All residential properties in the City of Portsmouth were field reviewed for data accuracy.

Certification of Value:

The undersigned certifies that, to the best of my knowledge and belief:

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- 4) I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
- 5) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6) My compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 7) The analyses, opinions and conclusions were developed, and this report has been prepared in conformity with "Standard 6" of the most recent Uniform Standards of Professional Appraisal Practice.
- 8) I have not made a personal inspection of the properties that are the subject of this report. Those individuals providing significant mass appraisal assistance to the individual signing this report are identified in Appendix "B", at the back of this report.
- 9) My opinion of the total market value of all 7,095 residential properties, pursuant to RSA 75:1, and the NH Department of Revenue, Property Appraisal Division "600" Rules, Rev. 601.14, for the assessed property identified in Section II of this report, as of April 1, 2015 is:

\$2,535,128,200



Robert A. Tozier, Vice President
KRT Appraisal