



Portsmouth Partial Update Adjustment Presentation to the City Council

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Vision Government Solutions

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August 6, 2018

Department of Revenue Administration (DRA) Requirements Partial vs Full

Partial Update

- means the process of analyzing market sales throughout the entire municipality to identify and implement needed value changes to the affected areas, or classes of property, to bring those properties to the municipality's **general level of assessment** utilizing the existing base tax year and providing an addendum to the existing USPAP compliant report.

Full Update

- means the process of a revaluation of all taxable and nontaxable properties in a municipality, using existing property data, to arrive at full and true value as of April 1.

Timetable

- Values finalized August 27th, 2018
- Web update August 30th, 2018
- Impact notice mailed - August 30th, 2018
- Appointments taken for hearings Aug 31st, – September 17th, 2018
- Follow up Council Meeting – September 4th – 6:30 pm
- Taxpayer Forum Meeting – September 10th – 6:30 pm
- Informal Hearings September 6th – September 20th, 2018
- Project Completed and database turned over to the Assessor's Office by October 12th, 2018
- Second Impact Notices mailed by October 16th, 2018

Portsmouth Partial Update 2018 Sales Market Analysis

- City Market Data Determines Values
- In-Depth Study of City Sales
- Determine Building Value and Depreciation
- Determine Rental Rates, Vacancy Rates, Cap Rates and Expense Ratio's
- Determine Land Prices
- Delineated Neighborhoods
- Determine Condo Complex Adjustments
- Develop Computer Models Based On Market

Portsmouth Partial Update Valuation Dates and Assessment Ratios

- Valuation Date 4/1/2018
- Sales Utilized 1 Year for Residential
- Sales Utilized 2 Years for Commercial
- 2017 State Equalization Study- Overall Assessment Median Ratio was Approximately at 97% of the Sales Prices
 - 2018 Overall Assessment to Sales Ratio as of 4/1/2018 - 93% Median Ratio

Market Analysis Commercial

- Cost Approach
- Reviewed Land Values; Stable –Minimal Sales, Sales and Income Residuals
- Compared Building Cost Levels Against M&S; Only minor adjustments 1-3% upward adjustment depending on type of property
- Depreciation – Stable
- Income Approach
- Reviewed Actual Income, Expense and Vacancy Information
- Based on local and Regional data increases vary from 0-3%

Market Analysis Commercial

- Income Ave. Rents Major Categories 2017 to 2018
 - Office (NNN) \$13.75 to \$14.00
 - DT Retail (Net) \$28.50 to \$28.50
 - Retail (NNN)\$16.00 to \$16.00
 - Retail Strip (NNN) \$18.00 to \$18.50
 - Apartments Studio (Gross) & 1 Bed Room 5% Increase in Rents
 - Industrial (NNN)\$6.50 to \$6.50
 - Office/Warehouse (NNN)\$8.00 to \$8.50
 - Service Shop (NNN) \$9.25 to \$9.50
- Capitalization Rates- Overall Stable
 - Rates Rising
 - Market Demand still high for the area
- Specialty Properties- Hotels, Nursing Homes, Assisted Living
 - Analyze Specific Income Stream
 - RE Expenses-Distributed, Undistributed, Fixed, Reserves
 - Non-RE Expenses- Business Component, Personal Property

Portsmouth Median Commercial Sales Price & Assessment Ratio

- Comparison of 2017 sales to initial review of 2018 sales
- Qualified Commercial, Industrial, Mixed Use, Apartments
 - 4/1/2015- 3/31/2017 45 Sales Ratio@ 96%
 - 4/1/2017-3/31/2018 16 Sales Ratio @ 92%
- Also reviewing additional sales, such as multiple parcel sales and sales with physical changes

Residential Median Sales Price & Assessment Ratio

- All Classes- Overall Median Ratio 93%
- Single Family
 - 2017 -134 Sales- 99%
 - 2018 Prior to Analysis - 92%
 - 2018 -153 Sales – \$495,000 Goal 93%
 - Stratifications needs to be within 5% of Overall Median
- Condominiums
 - 2017 -154 Sales - 99%
 - 2018 Prior to Analysis-139 Sales -94%
 - 2018 139 Sales \$366,000 Goal 93%
 - Stratifications needs to be within 5% of Overall Median

Residential Analysis Process

- Base year remains the same
- Review the land curve – Stable
- Review the Building costs - Stable
- Review the sales stratifications
- Style Price Quartile
- Neighborhood Age
- Building Size
- All stratifications remained stable except for the neighborhood which indicated a portion of them needed to be reviewed and adjusted

Residential Results from Partial Update NBHD Analysis

- Portsmouth has 30 Residential Neighborhoods
- 18 neighborhoods – stable (no change)
- 2 neighborhoods went down 3-7%
- 8 neighborhoods went up 2-7%
- 2 neighborhoods went up 11-14%
- Preliminary Old to New indicates 2% increase

Neighborhood Adjustments Made

Nbhd Index	2017 Adj	2018 Adj	+-Factor diff	Old to New by Nbhd %Change	Sale Count	Prior Ratio	New Ratio
120	.80	.90	+10	2	2	.85	.90
117	1.00	1.10	+10	7	2	.89	.92
125	1.10	1.20	+10	5	7	.90	.93
130	1.10	1.20	+10	5	9	.89	.93
133	1.10	1.15	+5	3	2	.87	.91
114	1.20	1.10	-10	-3	6	.96	.95
129	1.20	1.30	+10	6	16	.90	.95
128	1.20	1.30	+10	6	3	.84	.89
115	1.25	.95	-30	-7	5	1.02	.95
123	1.30	1.35	+5	2	2	.91	.93
104	1.85	2.15	+30	11	12	.86	.92
105	1.80	2.15	+35	14	16	.83	.94

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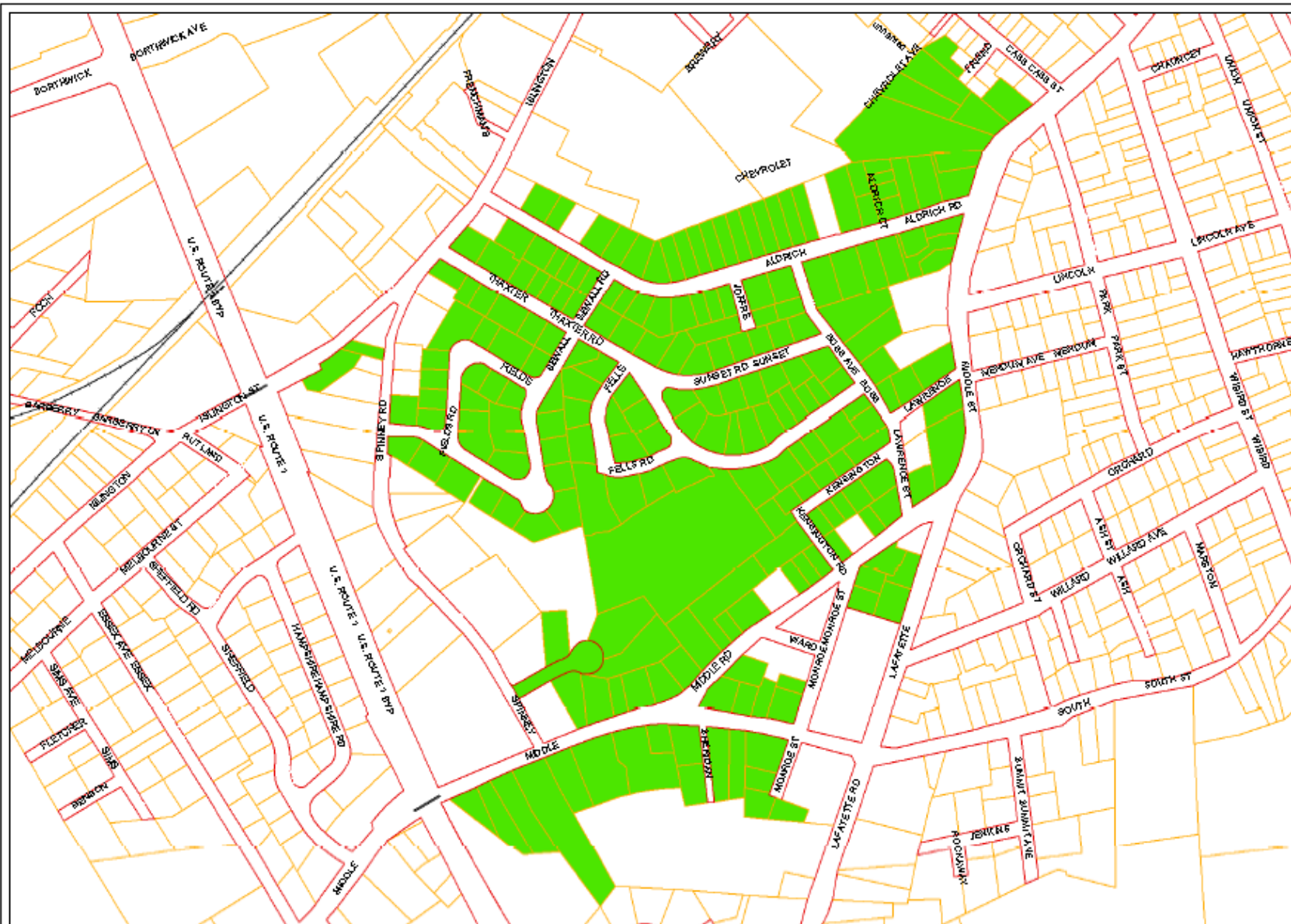


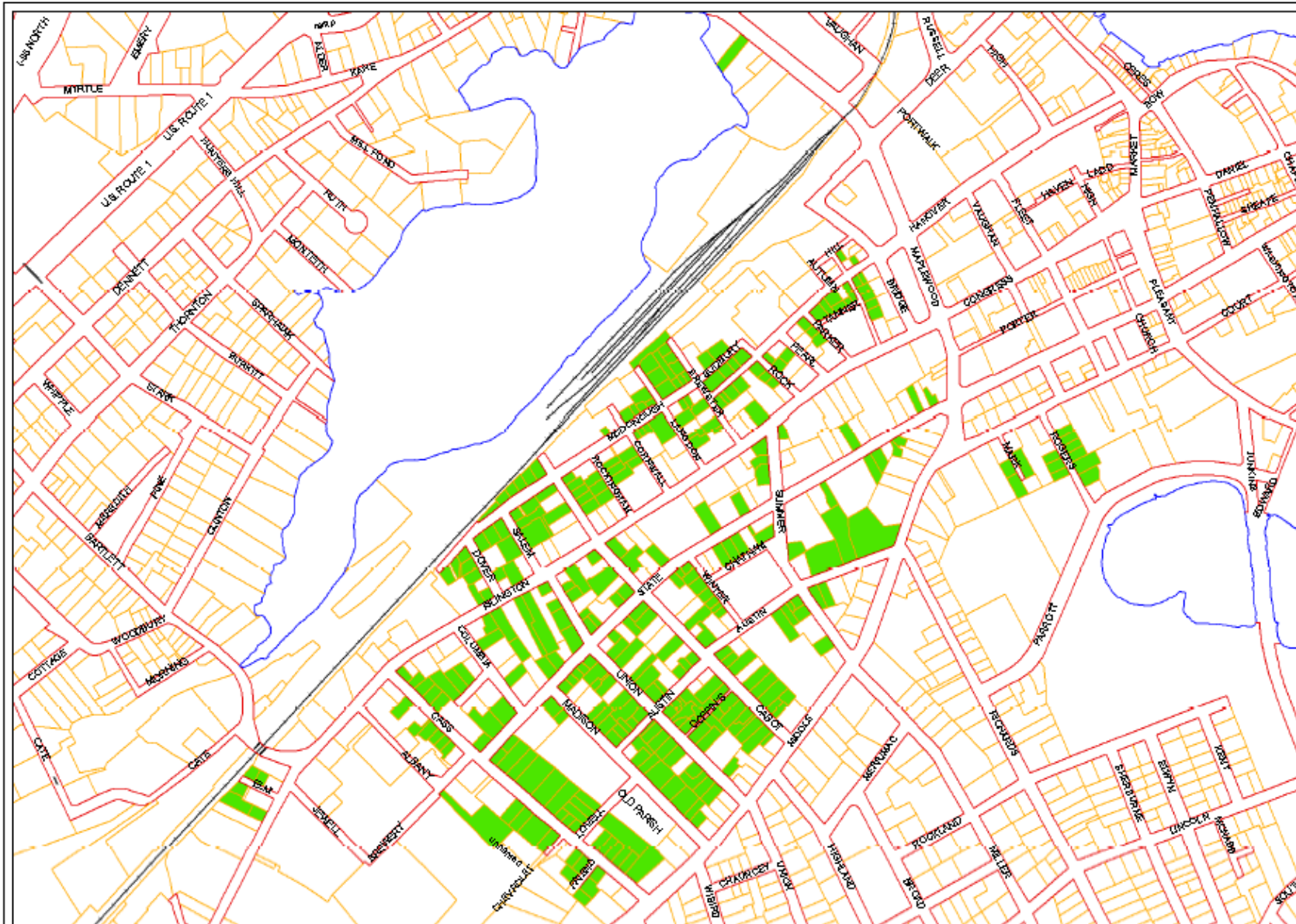
Tax Assessor's
Market
Delineation

ALDRICH CT
ALDRICH RD
BOSS AVE
CHEVROLET AV
CHEVROLET AVE
FELLS RD
FIELDS RD
ISLINGTON ST
JOFFRE TER
KENSINGTON RD
LAFAYETTE RD
LAWRENCE ST
MIDDLE RD
MIDDLE ST
MONROE ST
MONROE ST EXT
SANDERSON DR
SEWALL RD
SHERIDAN AVE
SOUTH ST
SUNSET RD
THAXTER RD

0 115 230 460
Feet

Date: 5/11/2017





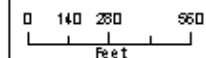
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Tax Assessor's Market Delineation

AUSTIN ST
BREWSTER LN
BREWSTER ST
CAROT ST
CASS ST
CATE ST
COFFINS CT
COLUMBIA CT
COLUMBIA ST
CORNWALL ST
DOVER ST
EDMCT
FRIEND ST
HANOVER ST
HILL ST
ELINGTON ST
LANGDON ST
LOVELL ST
MADISON ST
MAPLEWOOD AVE
MARK ST
MCDONOUGH ST
PARKER ST
PEARL ST
ROCK ST
ROCKINGHAM ST
ROGERS ST
SALEM ST
STATE ST
SUDBURY ST
SUMMER ST
TAMER CT
TAMER ST
UNION ST
WINTER ST



Date: 5/11/2017

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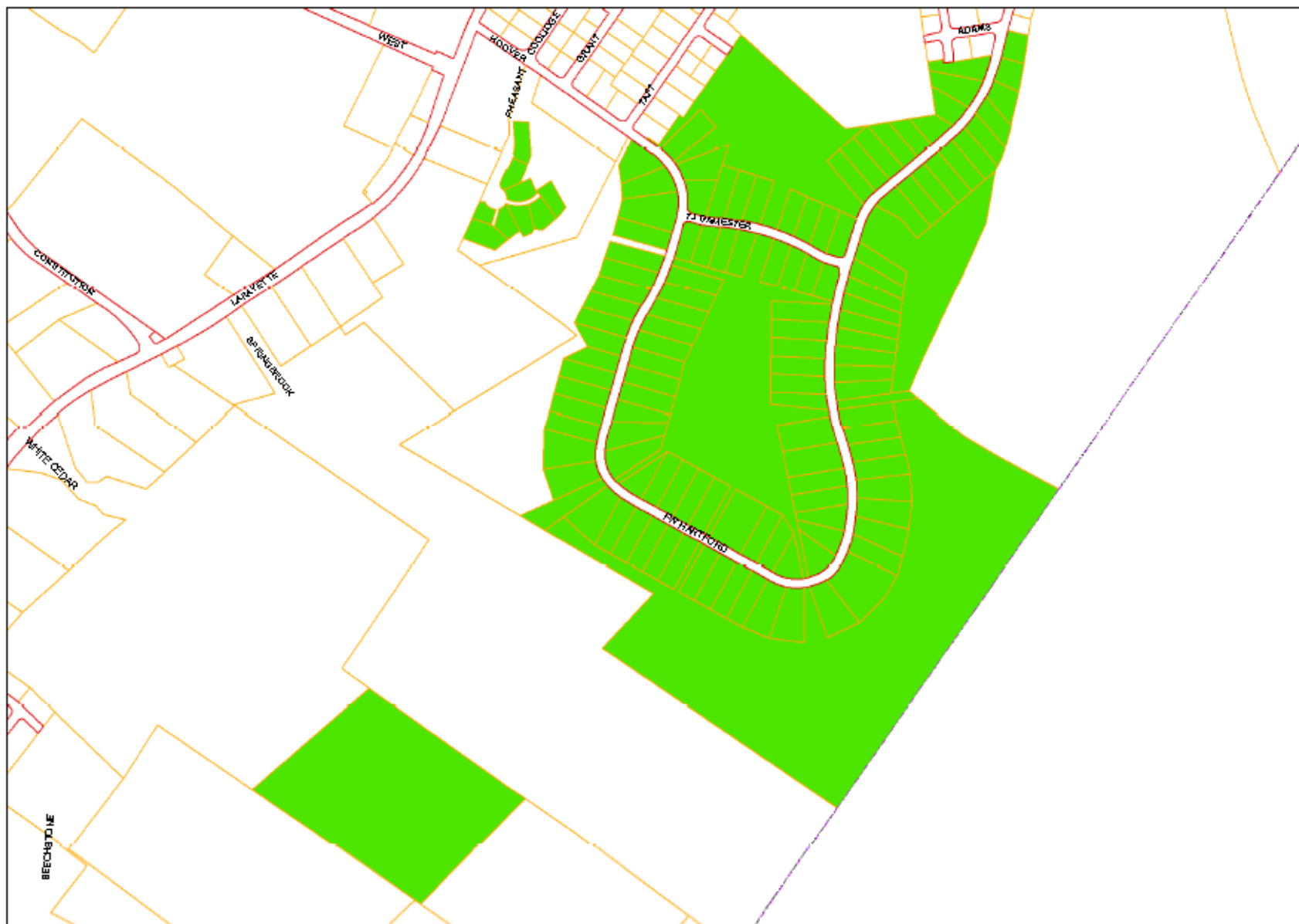
Tax Assessor's
Market
Delineation

ADAMS AVE
ARTHUR RD
CLEVELAND DR
COOLIDGE DR
DWIGHT AVE
ELWYN RD EXT
FILLMORE RD
GARFIELD RD
GRANT AVE
HARDING RD
HARRISON AVE
HAYES PL
HOOVER DR
MCKINLEY RD
NIXON PARK
POLK AVE
TAFT RD
TAYLOR LN
TRUMAN PL
TYLER PL
VAN BUREN AVE
WILSON RD

0 120 240 480
Feet

Date: 5/11/2017





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Tax Assessor's
Market
Delineation

FW HARTFORD DR
LAFAYETTE RD
PHEASANT LN
TJ GAMETER AVE

0 180 360 720
Feet

Date: 5/11/2017

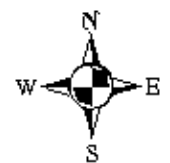


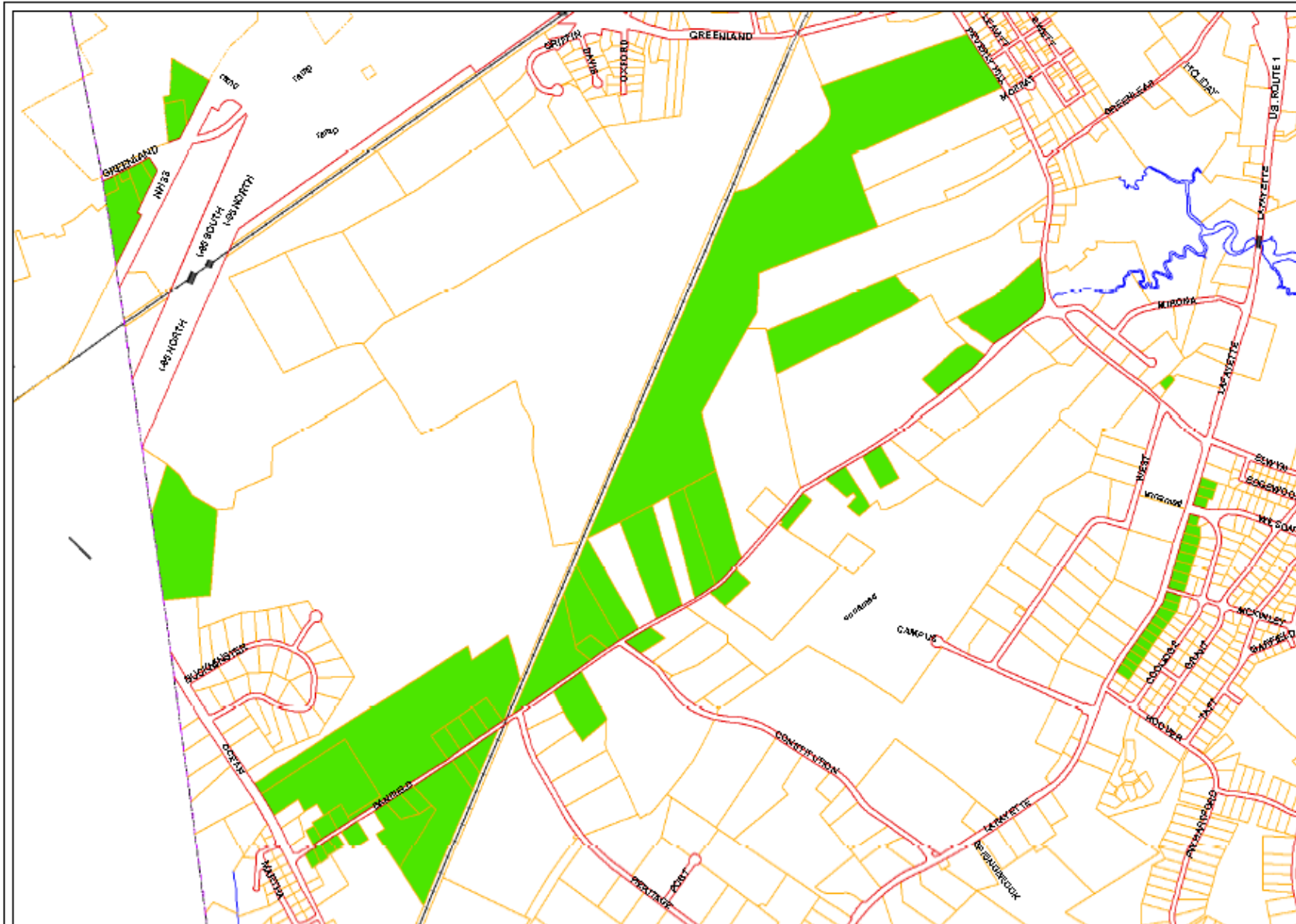
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Tax Assessor's
Neighborhoods

BuckminstersWay
Ocean Rd





120

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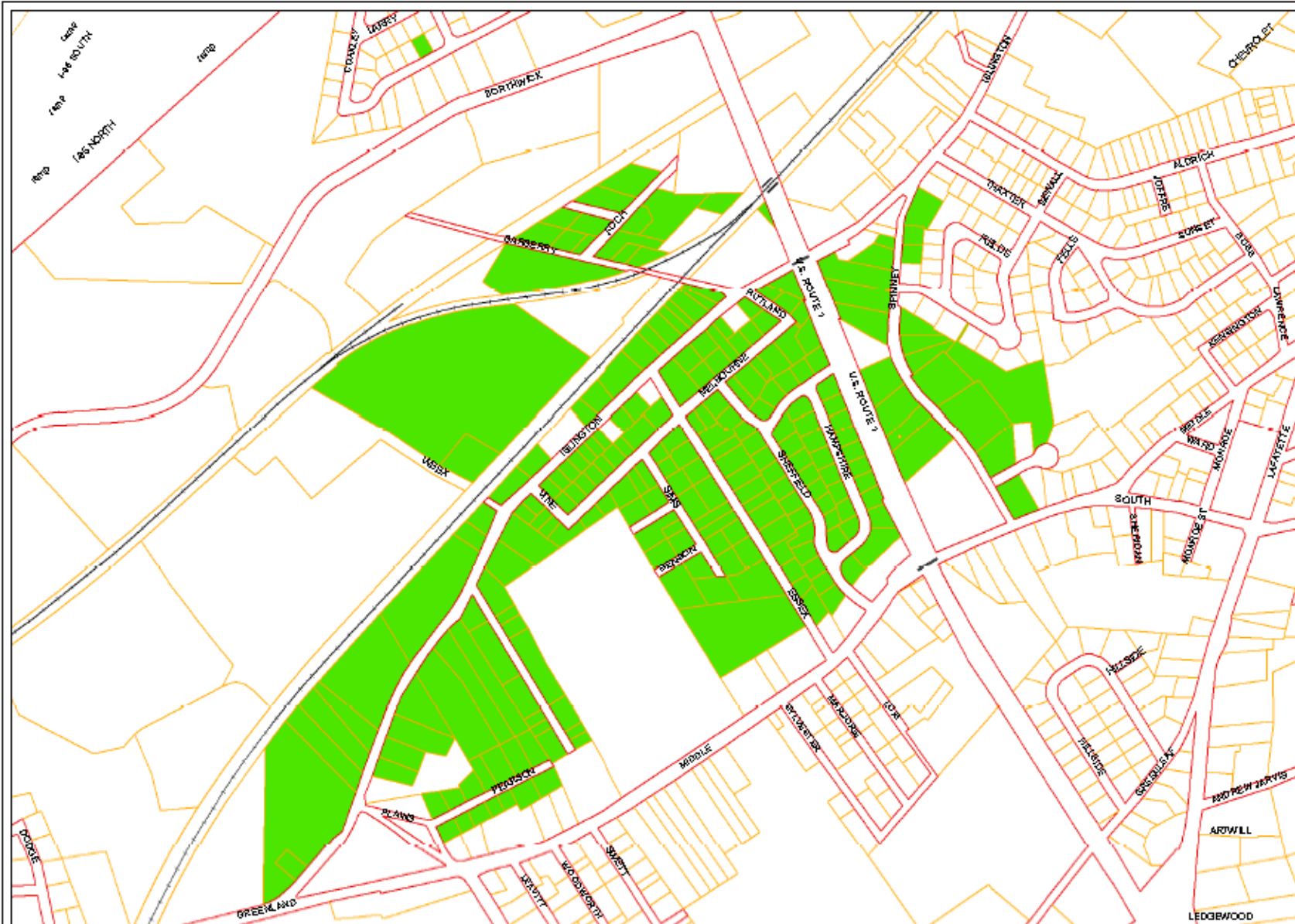


Tax Assessor's
Market
Delineation

BANFIELD RD
GREENLAND RD
LAFAYETTE RD
OCEAN RD
PEVERLY HILL RD

0 325 650 1,300
Feet

Date: 5/11/2017



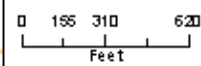
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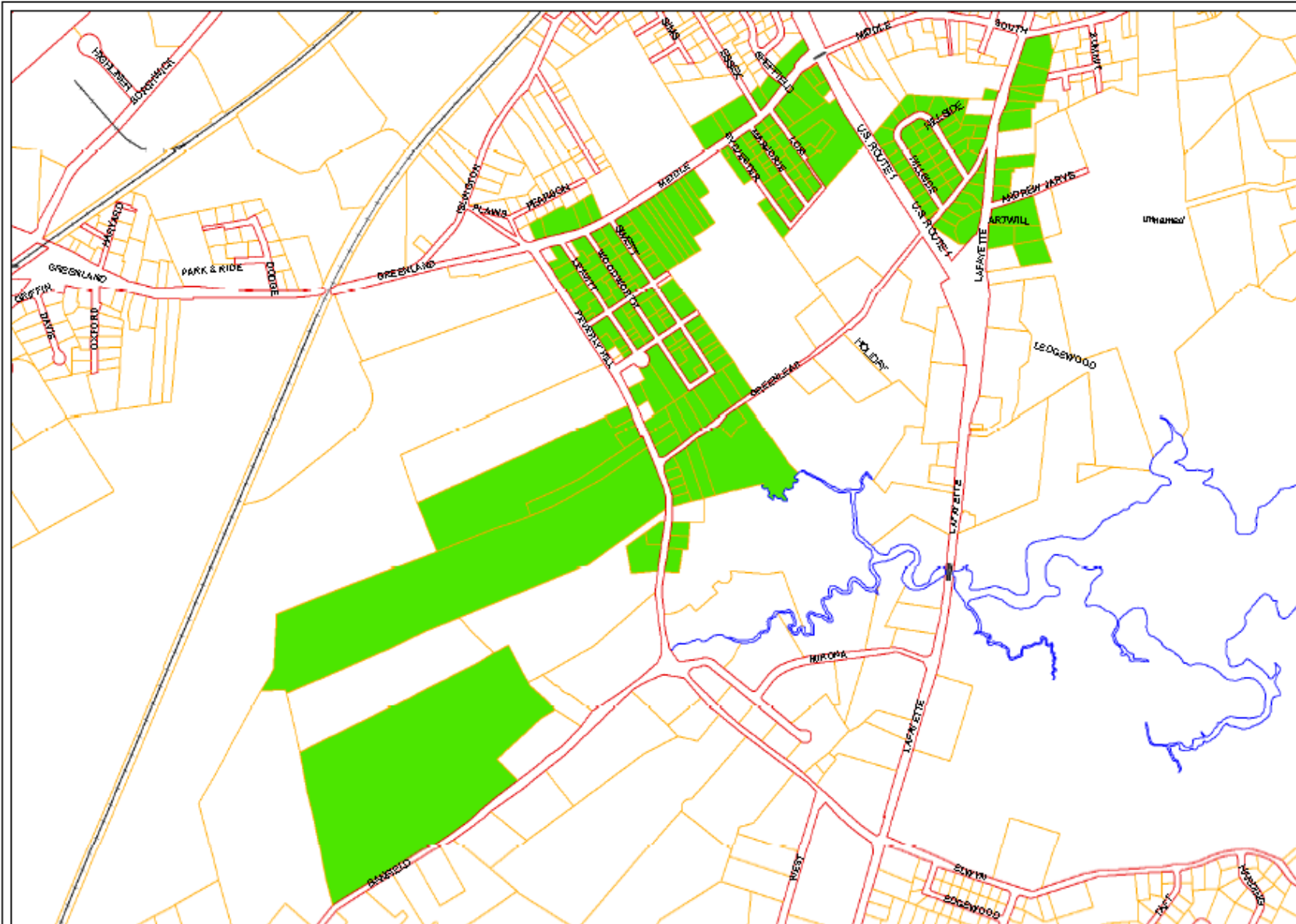


Tax Assessor's
Market
Delineation

BARBERRY LN
BENSON ST
COAKLEY RD
ESSEX AVE
FLETCHER ST
FOCH AVE
HAIG AVE
HAMPSHIRE RD
ISLINGTON ST
JOFFRE AVE
MELBOURNE ST
PEARSON ST
PLAINS AVE
RUTLAND ST
SANDERSON DR
SHEFFIELD RD
SHERBURNE ST
SIMS AVE
SPINNEY RD
US ROUTE 1 BYP
VINE ST



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Tax Assessor's
Market
Delineation

ANDREW JARVIS DR
ARTWILL AVE
BANFIELD RD
GREENLEAF AVE
HILLSIDE DR
LAFAYETTE RD
LEAVITT AVE
LOIS ST
MARJORIE ST
MCCLINTOCK AVE
MIDDLE RD
MORFAT ST
PEVERLY HILL RD
SWEET AVE
SYLVESTER ST
US ROUTE 1 BYP
WOODWORTH AVE

0 250 500 1,000
Feet

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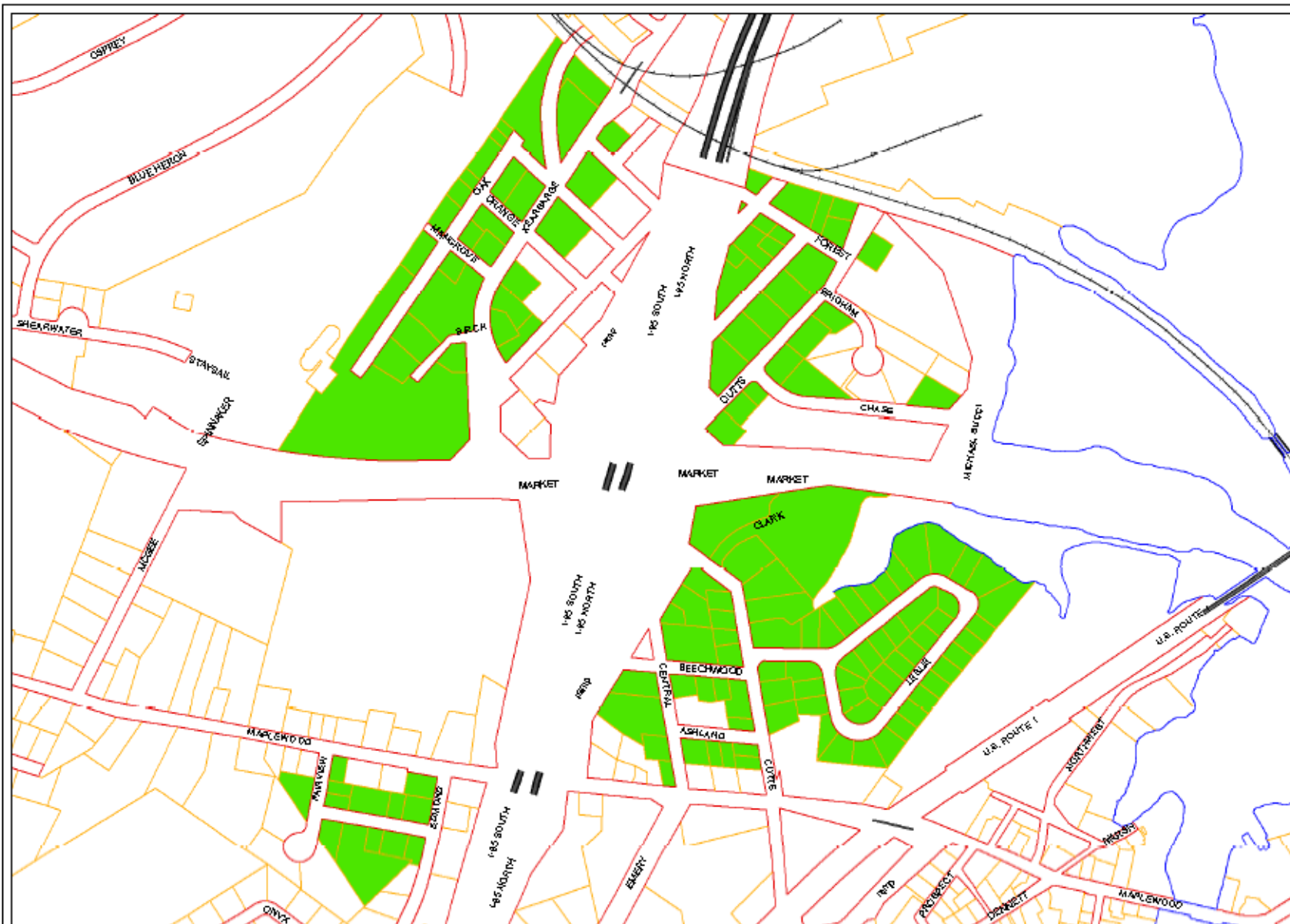


Tax Assessor's
Market
Delineation

ASHLAND ST
BEECHWOOD ST
BIRCH ST
CENTRAL AVE
CENTRAL ST
CHASE DR
CLARK DR
CUTTS AVE
CUTTS ST
EDMOND AVE
ELM ST
FAIRVIEW AVE
FOREST ST
Kearsarge Way
LESLIE DR
MANGROVE ST
MARKET ST
OAK ST

0 125 250 500
Feet

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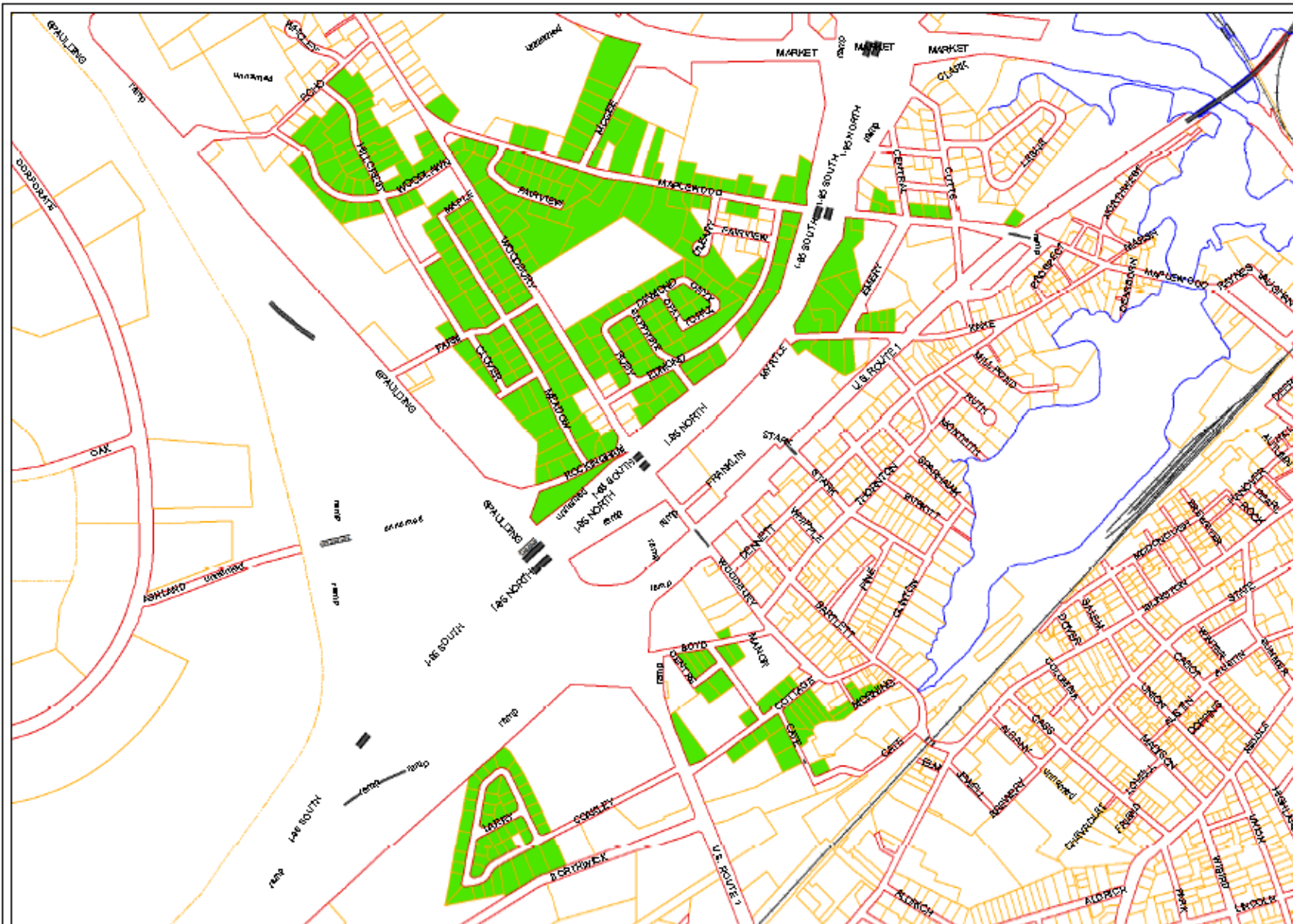


Tax Assessor's Market Delineation

BOYD RD
CATE ST
CLOVER LN
COAKLEY RD
COTTAGE ST
DIAMOND DR
EDMOND AVE
EMERY ST
FAIRVIEW DR
FARM LN
GARDEN ST
HILLCREST DR
LARRY LN
LONGMEADOW LN
MAPLE ST
MAPLEWOOD AVE
MOGEE DR
MEADOW RD
MORNING ST
MYRTLE AVE
OLEARY PL
ONYX LN
OPAL AVE
ROCKINGHAM AVE
RUBY RD
SAPPHIRE ST
TOPAZ PL
WOODBURY AVE
WOODLAWN CIR

0 235 470 940
Feet

Date: 5/11/2017



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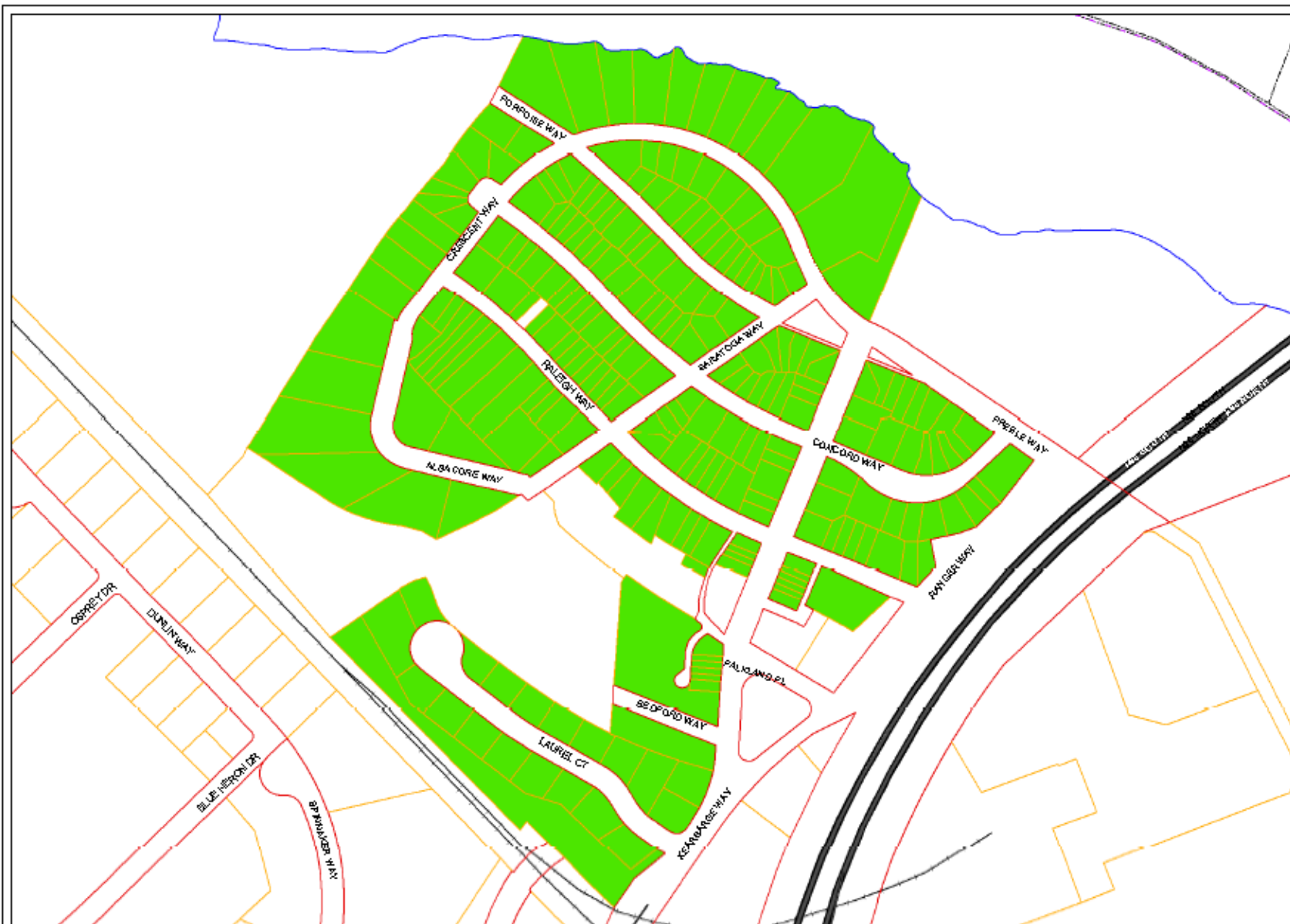


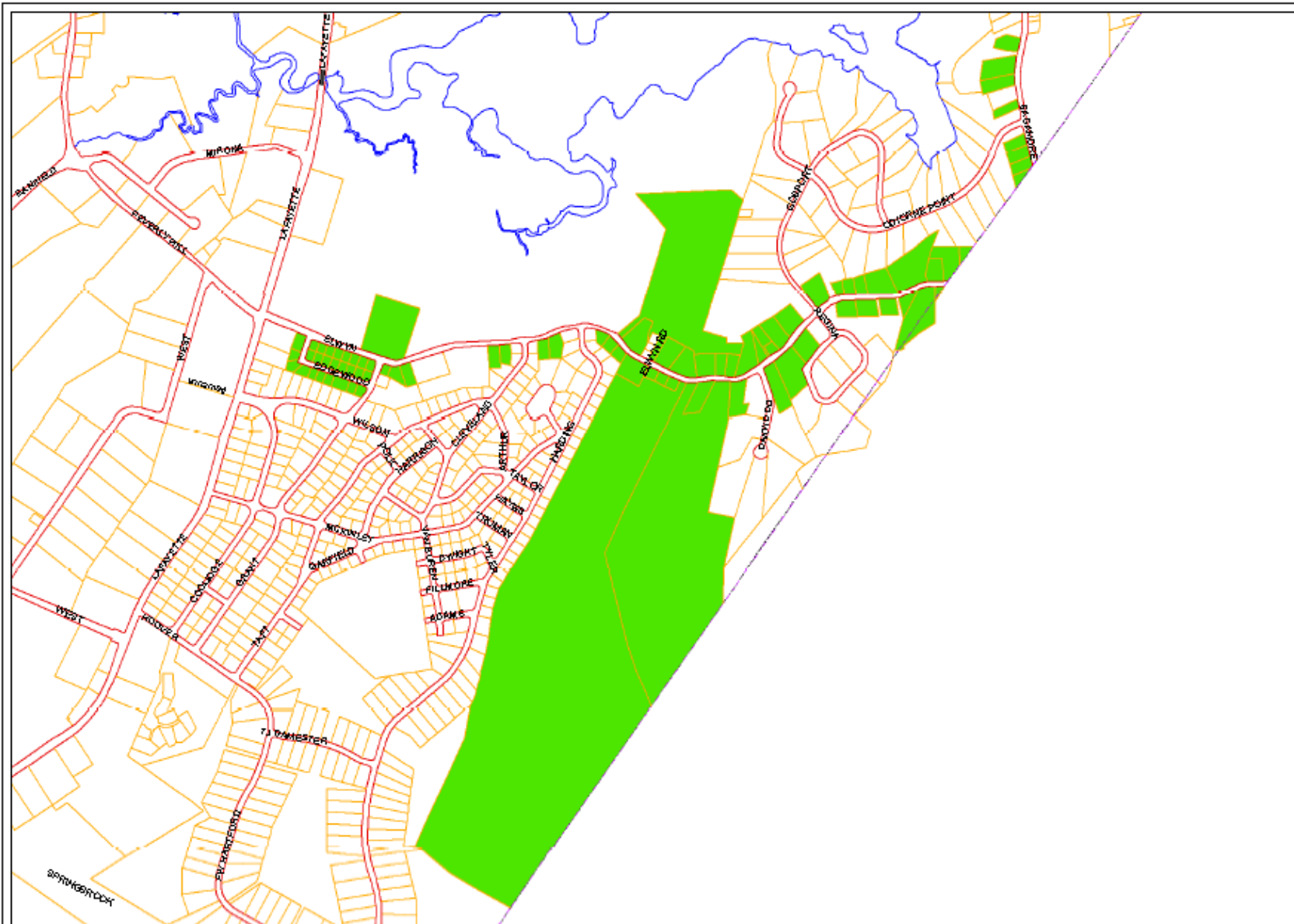
Tax Assessor's
Market
Delineation

ALBACOREWAY
CONCORD WAY
CRESCENT WAY
RAIKLAND WAY
KEARSARGE WAY
LAUREL COURT
PORPOISE WAY
PREBLE WAY
RALEIGH WAY
SARATOGA WAY

0 70 140 280
Feet

Date: 5/11/2017





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Tax Assessor's
Market
Delineation

EDGEWOOD RD
ELWYN RD
SAGAMORE AVE

0 270 540 1080
Feet

Date: 5/11/2017

Condominiums

- 323 Condo Complexes including 101 Mix use/Commercial Complexes
- Condominiums – Individual complexes reviewed and analyzed
- Complexes that have no sales are reviewed for comparability to complexes with sales
- Waterfront, water view, downtown locations reviewed
- Overall Preliminary Old to New indicates a 2% increase in Condominium class
- Individual Complex may go up or down depending on the findings of the analysis

Sales Reports/Web Site

- Detailed Sales reports for Residential, Commercial and Condominiums by various stratifications will be available, at the hearings as well as on the City's website once finalized and approved.
- All new proposed values will be available on the City's web site which links to Vision's website.