

City of Portsmouth 2022 Statistical Revaluation

Introduction



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March 21, 2022

City of Portsmouth 2022 Statistical Revaluation

Topics



- Statistical vs. Partial Revaluation
- Revaluation Standards
- Definition of Market
 Value
- Market Data
- Revaluation Team
- Time Line
- Questions

City of Portsmouth 2022 Statistical Revaluation

Statistical Revaluation vs Partial Update



Statistical Revaluation — Last One Completed 2019

 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.

Partial Update — Last One Completed 2017

 means the process of analyzing market sales throughout the entire municipality to identify and if necessary 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.

Revaluation Standards Adopted by NH Assessing Standards Board

- Level of Assessment The overall median ratio of the municipality should fall between **0.90 and 1.10.** Measures how close assessed values are to the market value.
- 3 Strata (Property Type) The median ratio of each group should be within 5% of the overall median ratio. Measures proportionality.
 - Improved Residential up to and including 4-family units
 - Improved non-residential (Commercial)
 - Unimproved property (Vacant Land)
- Uniformity of Assessment Overall Coefficient of Dispersion (COD) is not greater than 20.0
- Price Related Differential (PRD) Measures if lower end properties are being valued disproportionality to higher end properties or vise versa. PRD should fall between .98 and 1.03.

Establishment & Monitoring of Standards

The State of New Hampshire Assessing Standards Board (ASB) adopted the IAAO Standard of Acceptable Appraisal Practices and utilizes these standards to determine acceptable ranges of a municipality's level of assessment and uniformity of assessment.

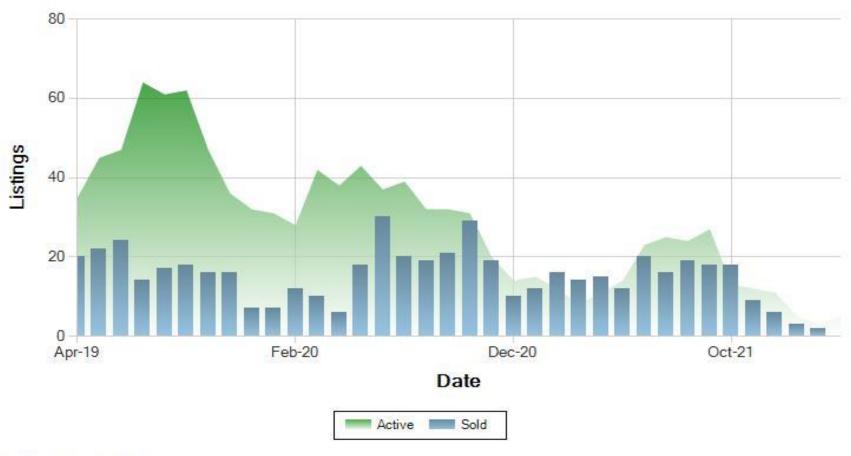
The NH Department of Revenue Administration (DRA) utilizes these standards established by the ASB to measure and analyze mass appraisal performance and reports results to the municipality and the ASB.

The City will also monitor the 2022 Statistical Revaluation with help from Whitney Consulting to assure the above standards are adhered to.

How is Market Value Determined

- Market value is the price a buyer of property, willing but not obligated to buy, and a seller of property, willing but not obligated to sell, would agree on after taking into consideration all uses to which the property is adapted and might in reason be applied.
- There are three approached used to estimate market value:
 - Sales Approach (Comparable Sales)
 - Cost Approach (Replacement Cost)
 - Income Approach (Capitalized Income Potential)

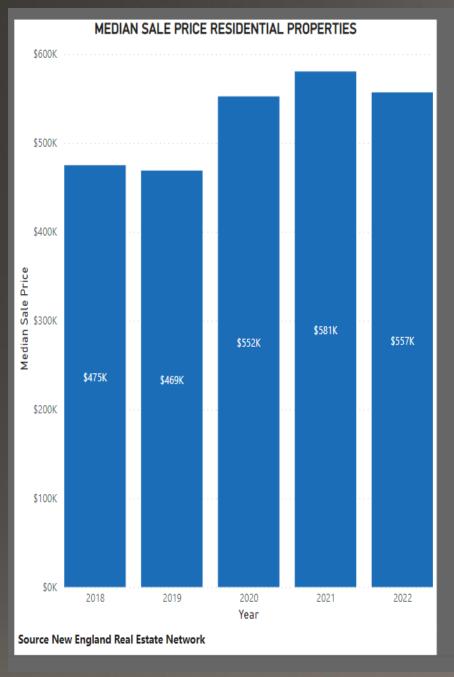
Inventory and Sales New England Real Estate Network Apr 2019 - Mar 2022

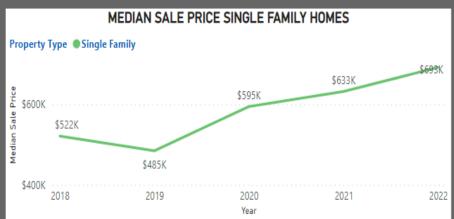


Date Created: 3/10/2022

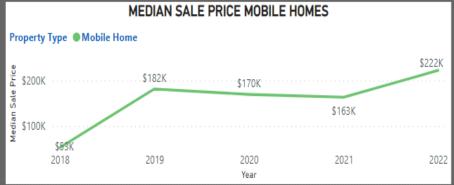
Source: New England Real Estate Network
All information is deemed reliable but is not guaranteed and should be independently verified.

Criteria: Area (Minor)=Rockingham AND Class=RE AND Date Range=04/01/2019-03/31/2022 AND State=NH AND City=Portsmouth AND Type=SNGFM







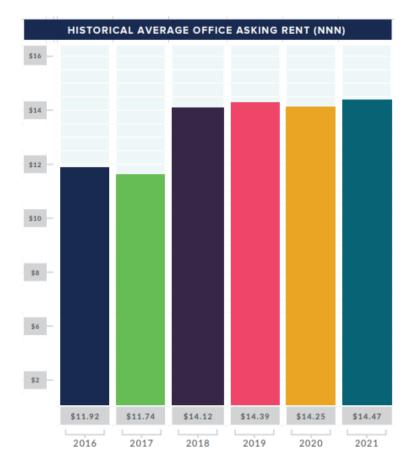


SEACOAST OFFICE

2021 SEACOAST NH OFFICE MARKET SNAPSHOT					
SUBMARKET	TOTAL SQ. FT.	VACANT (SQ. FT.)	VACANCY (%)	AVERAGE ASKING RENT (NNN)	
Dover	1,784,426	83,369	4.7%	\$11.25	
Durham	184,688	178,003	96.4%*	\$11.75	
Exeter	521,089	64,264	12.3%	\$13.00	
Greenland	70,947	5,112	7.2%	\$11.50	
Hampton	484,819	4,502	0.9%	\$11.50	
Newington	103,402	8,624	8.3%	\$14.25	
Newmarket	77,053	3,225	4.2%	\$12.00	
North Hampton	93,459	5,103	5.5%	\$11.50	
Pease	2,198,706	225,470	10.3%	\$17.00	
Portsmouth	2,396,244	248,623	10.4%	\$19.00	
Rochester	566,028	87,450	15.4%	\$7.50	
Seabrook	70,854	-	0.0%	\$10.50	
Somersworth	250,992	-	0.0%	\$9.50	
Stratham	434,946	93,490	21.5%	\$12.50	
TOTAL OFFICE	9,237,653	1,007,235	10.9%	\$14.47	







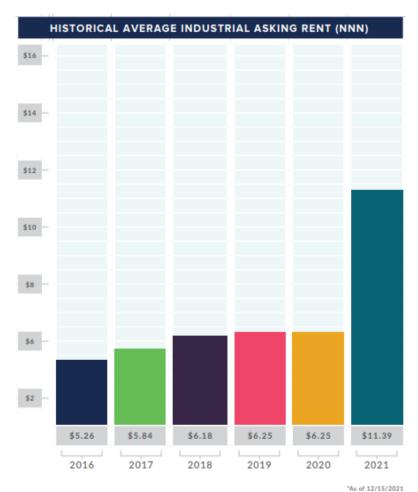
*As of 12/15/2021

SEACOAST INDUSTRIAL

2021 SEACOAST NH INDUSTRIAL MARKET SNAPSHOT					
SUBMARKET	TOTAL SQ. FT.	VACANT (SQ. FT.)	VACANCY (%)	AVERAGE ASKING RENT (NNN)	
Dover	2,415,642	2,969	0.1%	\$9.00	
Durham	310,000	263,000	84.8%*	\$11.75	
Exeter	1,180,534	75,747	6.4%	\$11.75	
Greenland	774,145	-	0.0%	\$10.00	
Hampton	906,170	3,906	0.4%	\$10.00	
Newington	1,285,399	-	0.0%	\$10.50	
Newmarket	140,204	-	0.0%	\$8.00	
North Hampton	186,282	3,600	1.9%	\$9.00	
Pease	1,596,849	-	0.0%	\$11.00	
Portsmouth	2,144,313	21,940	1.0%	\$9.75	
Rochester	2,448,671	-	0.0%	\$8.00	
Seabrook	1,769,754	45,100	2.5%	\$10.00	
Somersworth	1,805,846	1,102	0.1%	\$8.50	
Stratham	1,058,735	-	0.0%	\$10.00	
TOTAL INDUSTRIAL	18,022,544	417,364	2.3%	\$11.39	



*This vacancy represents one large building.



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Conducting and Supervision of Revaluation

- Commercial and Residential Property
 - Vision Government Solutions
 - Mike Tarello
- Utility Property
 - Brian Fogg
- Supervision
 - City Assessor
 - Rosann Lentz
 - Whitney Consulting
 - Emily Goldstein
 - Steve Hamilton

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Tentative Timeline

- Start Up Meeting February 2022
- Sales Review, Commercial and Residential Analysis March 2022 thru June 2022
- Presentation to City Council on 2022 Statistical Revaluation—March 21, 2022
- Field Review- Starts June 2022
- Assessor Review of Analysis and Values May 2022 thru August 2022
- Work Session with the City Council on Preliminary Assessments August, 2022
- Taxpayer Notice of Preliminary Assessments Week of August 15th, 2022
- Taxpayer Hearings Beginning August 24, 2022 thru September 9, 2022
- Final Notices if Changes to Preliminary Values Week of September 26, 2022
- MS-1 City Valuation October 2022
- Tax Rate Set October 2022
- Tax Bills November 2022 (Reflecting New Assessments)

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Questions