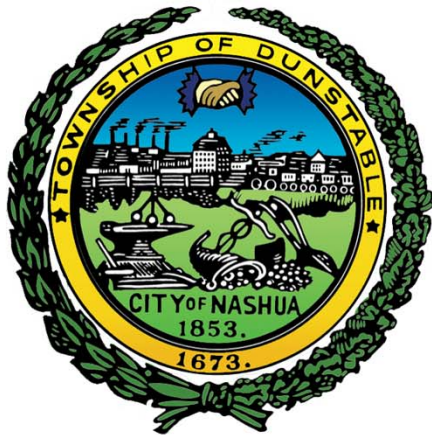


# City of Nashua, NH 2018 Revaluation Informational Meeting



**Nashua**  
NEW HAMPSHIRE'S GATE CITY



# Legal Requirements

## **Constitutional Duty of the City:**

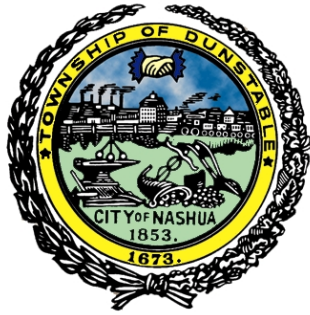
### **“[Art.] 6. [Valuation and Taxation.]**

The public charges of government, or any part thereof, may be raised by taxation upon polls, estates, and other classes of property, including franchises and property when passing by will or inheritance; and there shall be a valuation of the estates within the state taken anew once in every five years, at least, and as much oftener as the general court shall order.”

## **Statutory Duty of the City:**

### **“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 market value at least as often as every fifth year....”



# Standards for the Revaluation

- Purpose of the Revaluation is to maintain assessment equity
- Assessment Date is April 1, 2018
- Sales used in analysis occur between April 1, 2017 and March 31, 2018
- Median assessment ratio must be between .90 and 1.10
- Coefficient of Dispersion must be less than 20%
- Price Related Differential must be between 0.98 and 1.03



# Measurements of Equity

## Assessment Ratio

The relationship of an assessed value to its sale price. For example, if the assessed value of a piece of real estate is \$200,000 and it sold for \$250,000, the assessment ratio would be 0.80 or 80%.

## Median Ratio

The middle ratio in a sorted (low to high) array of sales ratios. Half of the ratios are above the median and half are below the median. The median ratio is the most widely used measurement as it is less influenced by outliers.



# Measurements of Equity

## **Coefficient of Dispersion (COD)**

Measures the uniformity of assessments by measuring the average percentage deviation from the median ratio. The lower the COD, the more uniform the ratios within the property group.

## **Price-Related Differential (PRD)**

Tests for appraisal equity between lower and higher value properties or price-related bias. A PRD below 1.00 tend to indicate assessment progressivity, the condition which assessment ratios increase with price. A PRD above 1.00 tends to indicate regressivity, in which assessment ratios decline with price. The PRD is calculated by dividing the mean ratio by the weighted mean.



# Revaluation Process

- Began project with a start-up meeting with the City and DRA
- Review all residential qualified sales from 4/1/2017 to 3/31/2018
- Analyze all sales through various ratio studies
- Update all tables as indicated from the sales analysis
- Review all properties in the field
- Submit final values to the City for review
- Letters to notify property owners of the new assessments
- Conduct informal meetings
- Deliver a compliant USPAP Manual to the City and DRA



# Goals of a Revaluation

- Corrects disproportionate taxation by valuing all property at its fair market value as of April 1, 2018
- Adjust value for market shifts
- Ensures that various classes of property are valued at the same level of assessment
- Creates uniformity and assessment equity
- Create a mass appraisal model using a systematic approach for consistency



# Revaluation History

**Last Revaluation: 2013**

Date of Value: April 1, 2013

Residential Median Sale Price in April of 2013:  
\$205,000





# Current Revaluation

## Current Revaluation: 2018

Date of Value: April 1, 2018

Residential Median Sale Price in April of 2018:  
\$268,000

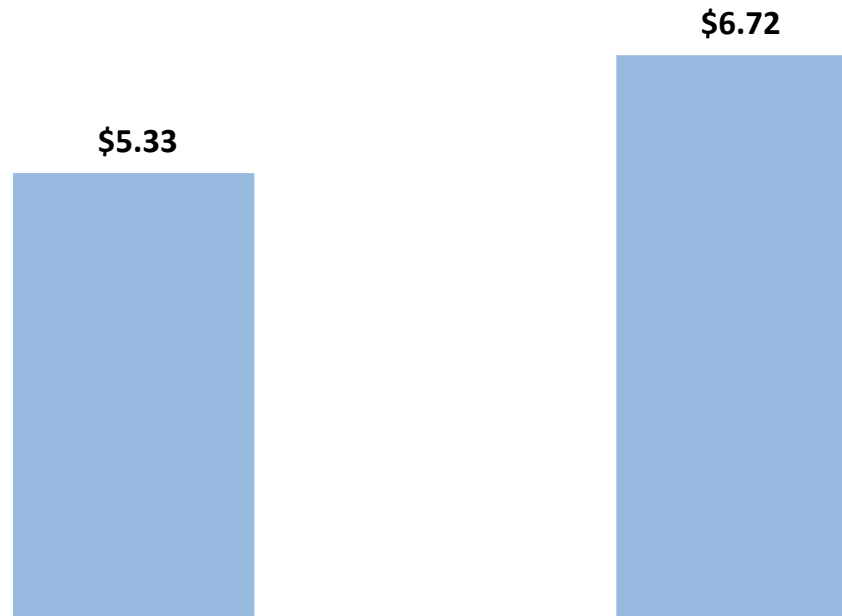
The median sale price over the last 5 years has increased by **30.73%**.



# Assessed Value

Residential Assessed  
Value  
Tax Year 2017

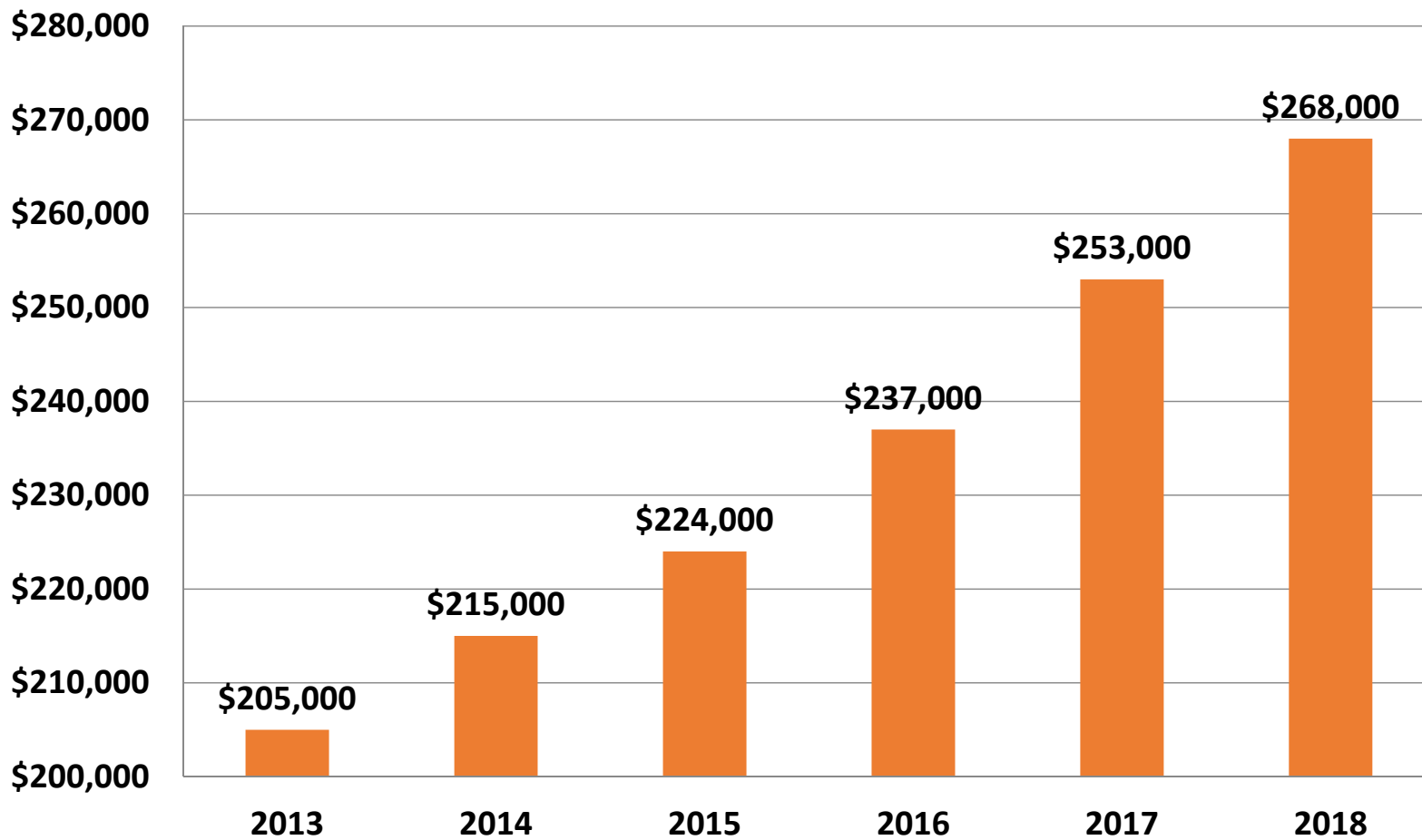
New Residential  
Assessed Value  
Tax Year 2018



\*Dollar amounts in Billions



# Residential Median Sale Price





# Residential Sales Analysis and Percent Change

<u>Class</u>	<u>Sale Date Range</u>	<u># Sales</u>	<u>Median</u>	<u>Cod</u>	<u>% Change</u>
Single Family/No Land	4/1/2017 to 3/31/2018	8	0.974	9.23%	69.13%
Single Family	4/1/2017 to 3/31/2018	647	0.989	6.12%	23.39%
Two Unit	4/1/2017 to 3/31/2018	56	0.978	9.78%	29.96%
Three Unit	4/1/2017 to 3/31/2018	10	0.957	7.68%	31.81%
Four Unit	4/1/2017 to 3/31/2018	16	0.964	12.82%	40.10%
Condominiums	4/1/2017 to 3/31/2018	431	0.980	5.22%	29.07%
Vacant Land	4/1/2016 to 3/31/2018	13	0.962	14.21%	16.13%
Mobile Homes	4/1/2017 to 3/31/2018	33	0.972	9.23%	19.14%



# Residential Percent Change by Class

<u>Description</u>	<u>Parcel Count</u>	<u>Old Value</u>	<u>New Value</u>	<u>% Change</u>
Single Family/No Land	139	\$9,911,700	\$16,738,800	68.88%
Single Family	15,364	\$3,710,207,532	\$4,625,504,779	24.67%
Two Unit	1,578	\$313,339,800	\$407,390,400	30.02%
Three Unit	358	\$75,652,300	\$100,009,300	32.20%
Four Unit	294	\$63,576,000	\$89,064,200	40.09%
Condominium	6,835	\$1,080,629,000	\$1,395,612,400	29.15%
Vacant Land	554	\$27,569,340	\$31,206,052	13.19%
Mobile Home	866	\$49,787,400	\$59,374,800	19.26%
<b>Totals:</b>	<b>25,988</b>	<b>5,330,673,072</b>	<b>6,724,900,731</b>	<b>26.15%</b>