

## Why Valuations Change

State law requires assessors to estimate the fair market of all properties within their jurisdiction. With this mandate comes the requirement that assessors conduct annual revaluations. Revaluations not only respond to the ever-changing real estate market but are opportunities for assessors to improve the quality of property data, estimate values that more closely correspond to the market as evidenced by property sales, and improve the underlying valuation methods used to estimate valuations.

If you observe a change in your valuation, the difference can be attributed to one or more of the following:

- appreciation in the market value of your property;
- resolution of emerging inequities that have caused your property to be over or undervalued;
- building permit related construction and building improvements;
- an updated property record showing updates found through a data validation program;
- internal data quality reviews designed to insure consistent recording of property features
- conversions to a new assessment system having a different value calculation method

Surging property values as evidenced by sales transactions have resulted in most assessed valuations being understated. Significant increases in assessed valuations across town have been made to bring them into line with the market. Understand, that increased valuations do not result in a revenue windfall. Rather, tax rates are adjusted to bring the overall property tax collections down to those anticipated when the Town's budget was approved.

Assessed valuations are not intended to predict what a property might sell for in the future. Assessors are only concerned with what properties were worth on the assessment date - the January 1<sup>st</sup> preceding the fiscal year of taxation. Properties having sold in the 12-month period preceding the assessment date influence our valuation model – the system of land and building rate tables used to formulate values.

Our office monitors the correlation between assessments and sale prices on sold properties insuring that all property owners are assessed fairly and that no class of property is over or under assessed. Assessments are not simply factored up by a uniform rate. To do so, would defeat a revaluation program's goal of improving property valuations.

All assessments are estimates that approximate market value. Many factors influence what a buyer might pay for a property, but only those that are readily quantifiable are used in estimating your valuation. For example, your assessment is based on features like location, land area, building area, type and grade of construction, age and condition, and amenities like garages, swimming pools and finished basements. Examples of property features not considered in your assessment include curb appeal, home décor, and landscaping. We recognize that these latter features might well impact on a home's sale price but are not readily measured and difficult to defend.

If you believe your property to be overvalued, you may file an abatement application with the local Board of Assessors. Forms can be found on the Assessors website. Be careful to file the application by the deadline noted on your tax bill.