



# 2014 CITY-WIDE REVALUATION

FULL REVALUTION  
VS  
STATISTICAL REVALUATION



# Why Must We Assess All Property in Claremont and How Often Is It Done??

## State Statute RSA 75:8-a -- Appraisal of Taxable Property

The goal of the revaluation is to ensure that all properties in the city are accurately assessed to allow for an equitable distribution of the tax burden.

The assessors and/or selectmen shall reappraise all real estate within the municipality so that the assessments are at full and true value ***at least as often as every fifth year.***



# When Did We Do the Last Revaluation?

The City's last revaluation was completed in 2009, therefore, according to NH State Statutes, the City is due to revalue properties within the City in the year 2014.



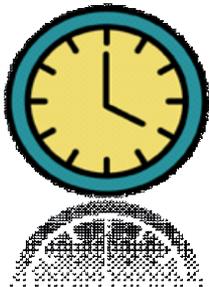
The City must reappraise all real estate within the City so that the ratio between assessed values and market values is as close to 100% as possible. We are currently at 110.6%.



# Two Methods to Revalue All Property in the City

## *Statistical Revaluation*

- 5,461 parcels within City limits to be inspected from *exterior*
- 18-24 months of sales prior to 4/1/2014 viewed and analyzed
- Neighborhoods reviewed and updated
- Unit building costs updated using Marshall and Swift Cost Manuals



Statistical Analysis is same  
for both methods – takes  
same amount of time

## *Full Revaluation*

- 5,461 parcels within City limits to be inspected from *interior and exterior*
- 18-24 months of sales prior to 4/1/2014 viewed and analyzed
- Neighborhoods reviewed and updated
- Unit building costs updated using Marshall and Swift Cost Manuals



# Two Key Statistics Used by the NH DRA to Measure Equity Proportionality

## *COD – COEFFICIENT OF DISPERSION*

## *PRD – PRICE-RELATED DIFFERENTIAL*

- **Median COD is 15.4**
  - Measures the variation of individual assessment ratios around the median (middle) level of assessment
  - A lower COD indicates a more uniform and fair distribution of the tax burden
  - NH DRA recommends a COD between 5.0 and 25.0
- **PRD is 1.05**
  - Measures the differences in the appraisal of low-value and high-value properties in assessments
  - PRDs >1.03 tend to indicate lower-valued properties are assessed at a higher ratio than high-valued properties
  - NH DRA recommends a PRD which falls between .98 and 1.03

The City's COD is within the NH DRA's recommendation  
PRD is slightly above indicating that our property record information is in good condition requiring some limited adjustments

# How Much Does it Cost to Revalue All the Properties in Claremont?

## **Statistical Revaluation**

Could cost  
between \$120,000  
to 150,000

## **Full Revaluation**

Could cost as  
much as \$400,000  
to \$500,000 or  
more.



# Revaluation – Revenue Neutral to City

- City does not receive any additional revenue from this process alone
- Some tax bills could go up – some tax bills could come down
- Shift of values within or between classes of properties, i.e., commercial, industrial, residential (capes, colonials, ranches, multi-families, manufactured homes, etc.)

# What Happens Once You've Revalued?

- Property owners will be notified of new proposed assessed values.
- Hearings for property owners to discuss new values will be conducted by the revaluation company personnel.
- Once that is done, new values will be established for all the properties.
- Data entry of the changes to values will be handled by the revaluation company personnel in conjunction with assessing office staff.

