

The 2009 Assessment Report and Market Review



Focus of 2009 Reassessment

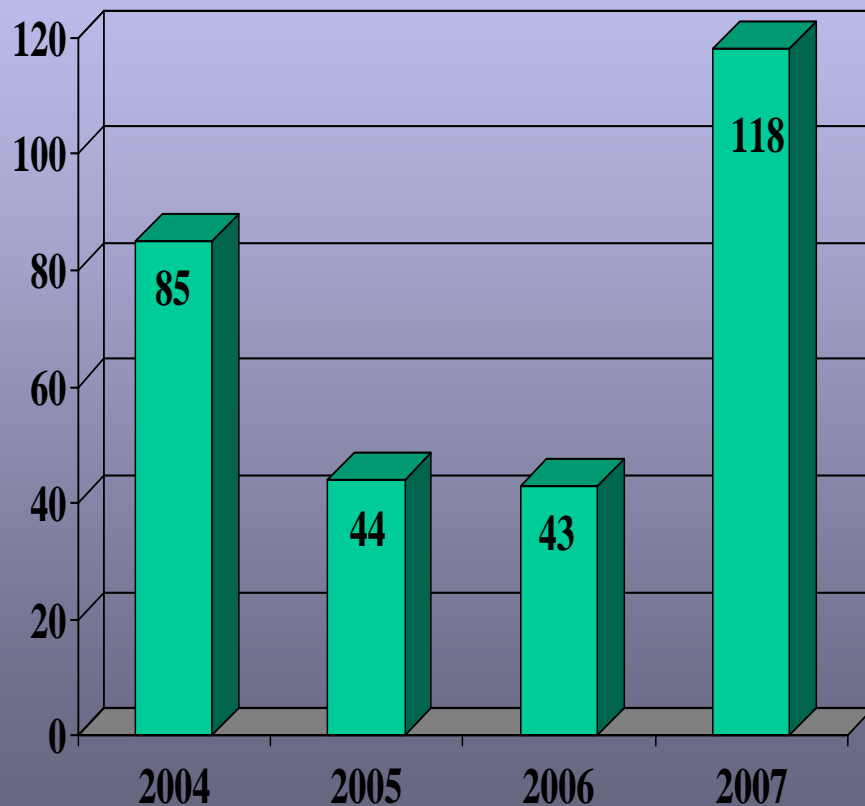
Prescribed by Law

- The purpose of the assessment process is to distribute the burden of taxation evenly and equitably
- Code requires assessments to be uniform on the same class of property within geographic limits
- Strive for 100% market value

Goals and Objectives

- Improve equity & uniformity
- Emphasis on 2007 market activity (January – Dec)
- Analyze the impact of foreclosures
- Identify oversights
- Fully utilize technology to improve data accuracy
- Standardize common characteristics

Number of Foreclosures by Calendar Year

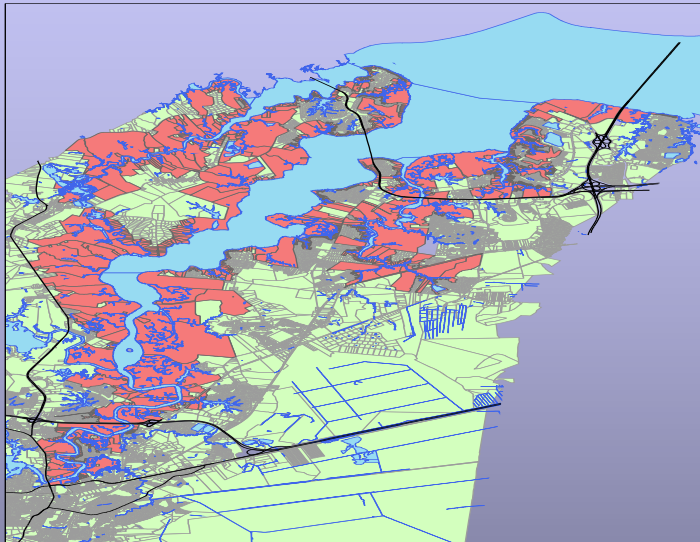


The number of foreclosures more than doubled from 2006 to 2007 but were less than 1/2 % of the total number of taxable parcels

Factors Fueling a Market Correction

- Risky lending practices
- Rise in unemployment
- Region's economy grew by only 2.6% , below the region's 40-year average growth rate of 3.4%
- Rising cost of oil
- Rise in the price of “affordable housing”
- More than 1 in 3 households, spend one-third or more of their gross income on rent or mortgage
- Additional lending fees for single-family homes

Defining Geographic Boundaries



- Using GIS and aerial photography to display parcels situated along the river, creeks, and lakes (approx. 1,100)
- Employ software procedures to affect parcels with common characteristics

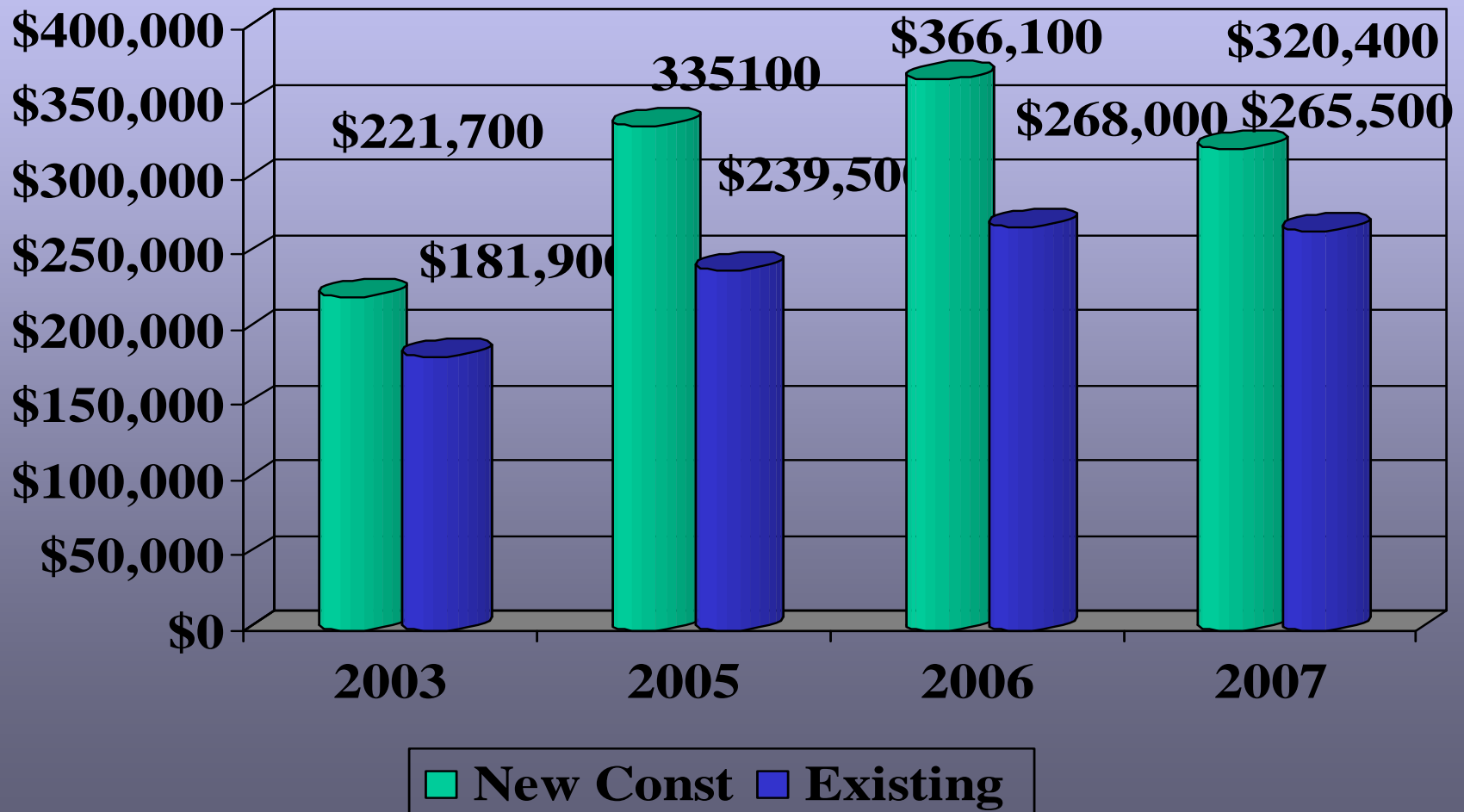
Residential Market Correction

Negative Reassessment

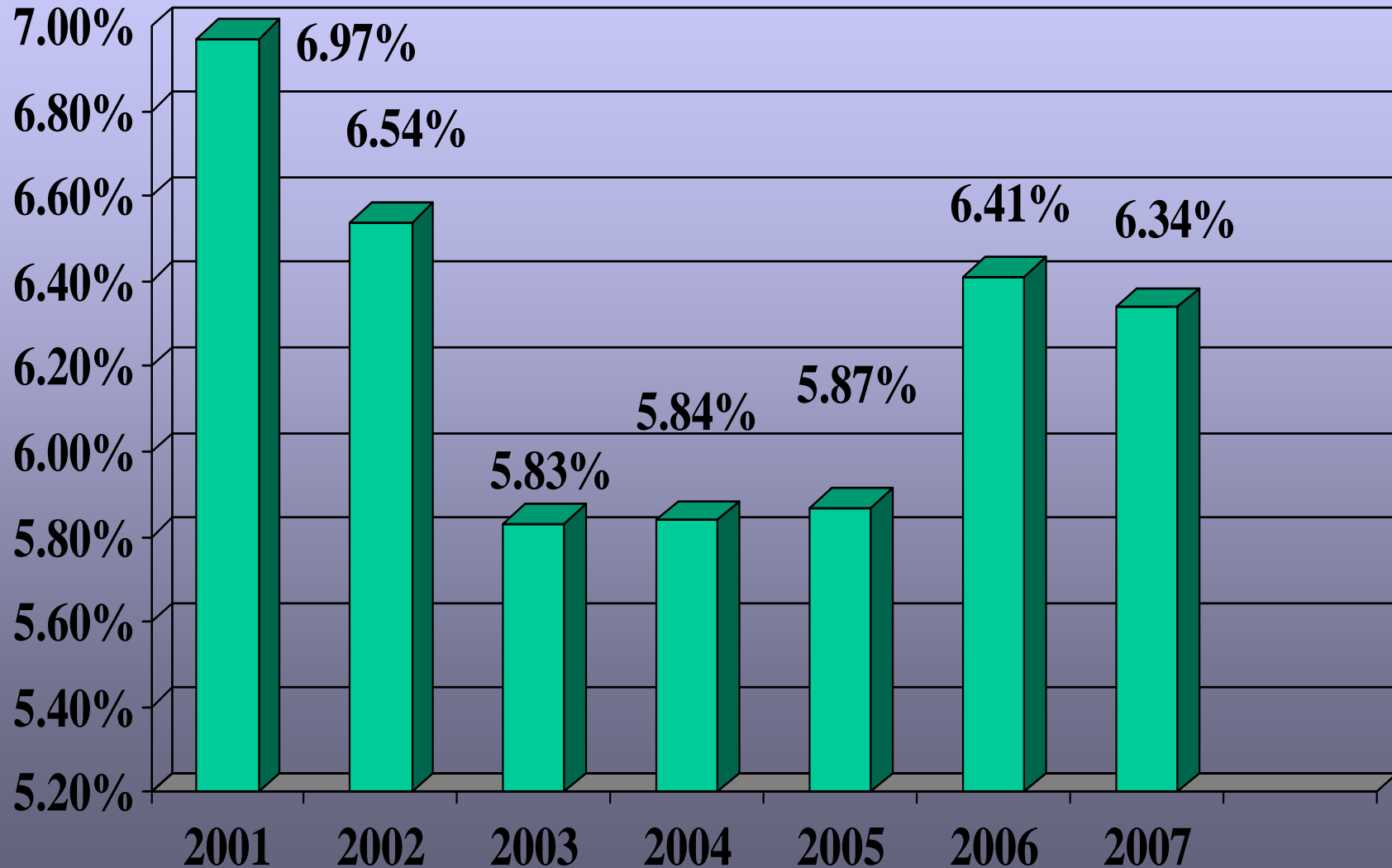
**Steeple Chase
Schooner Cove
Bayberry Cove
Kempton Park
Bob White Landing
Quaker Neck
Mansfield Farms
Hargrove Tavern
Suffolk Meadows
Bridlewood Estates
Driver Station
Olde Mill Creek
The Riverfront
Scottsfield
Bellmont Shores
Bristol Shores**

**Oak Lake
Westhaven Lakes
Kilby Shores
Reid Crossing
Estates of Scottsfield
Watersedge
South Village
Masters (Condominiums)
South Village (Townhomes)
Soundings (Townhomes)
West Village
Madison Place
Burbage Lake Village
Burbage Acres
Cypress Farms
Harbour Breeze Estates**

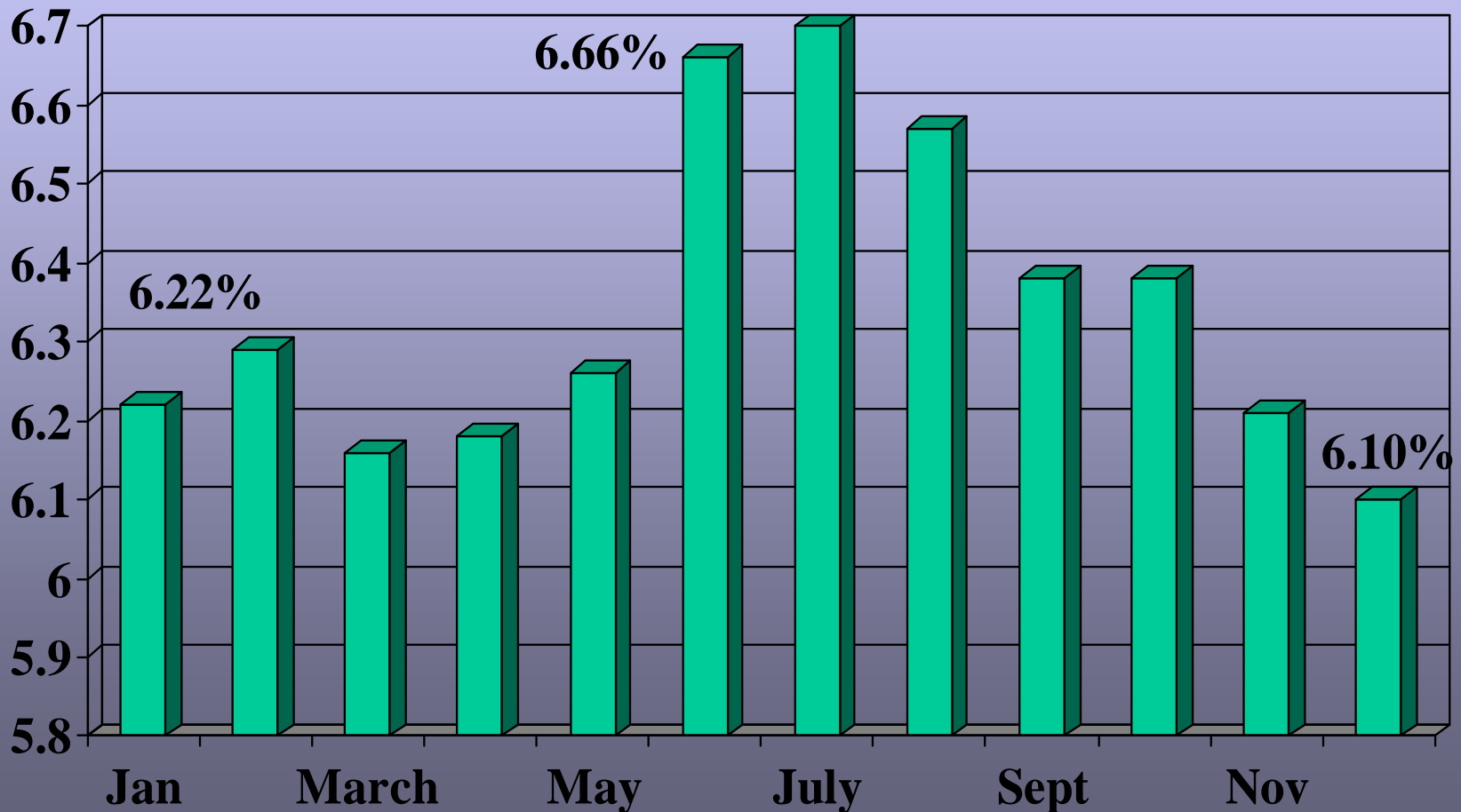
New Construction versus Existing Housing



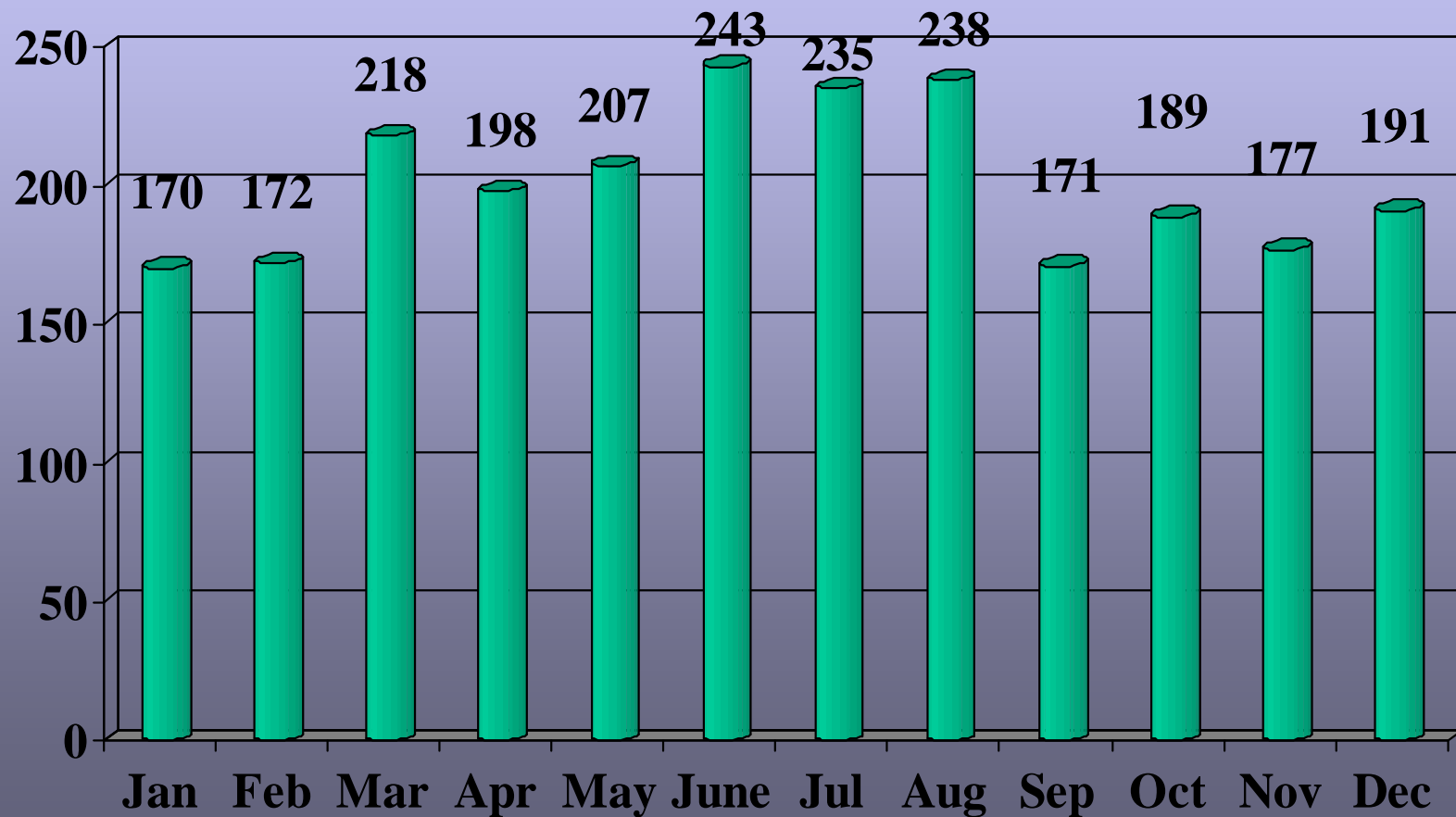
History of 30 Year Fixed-Rate Mortgages



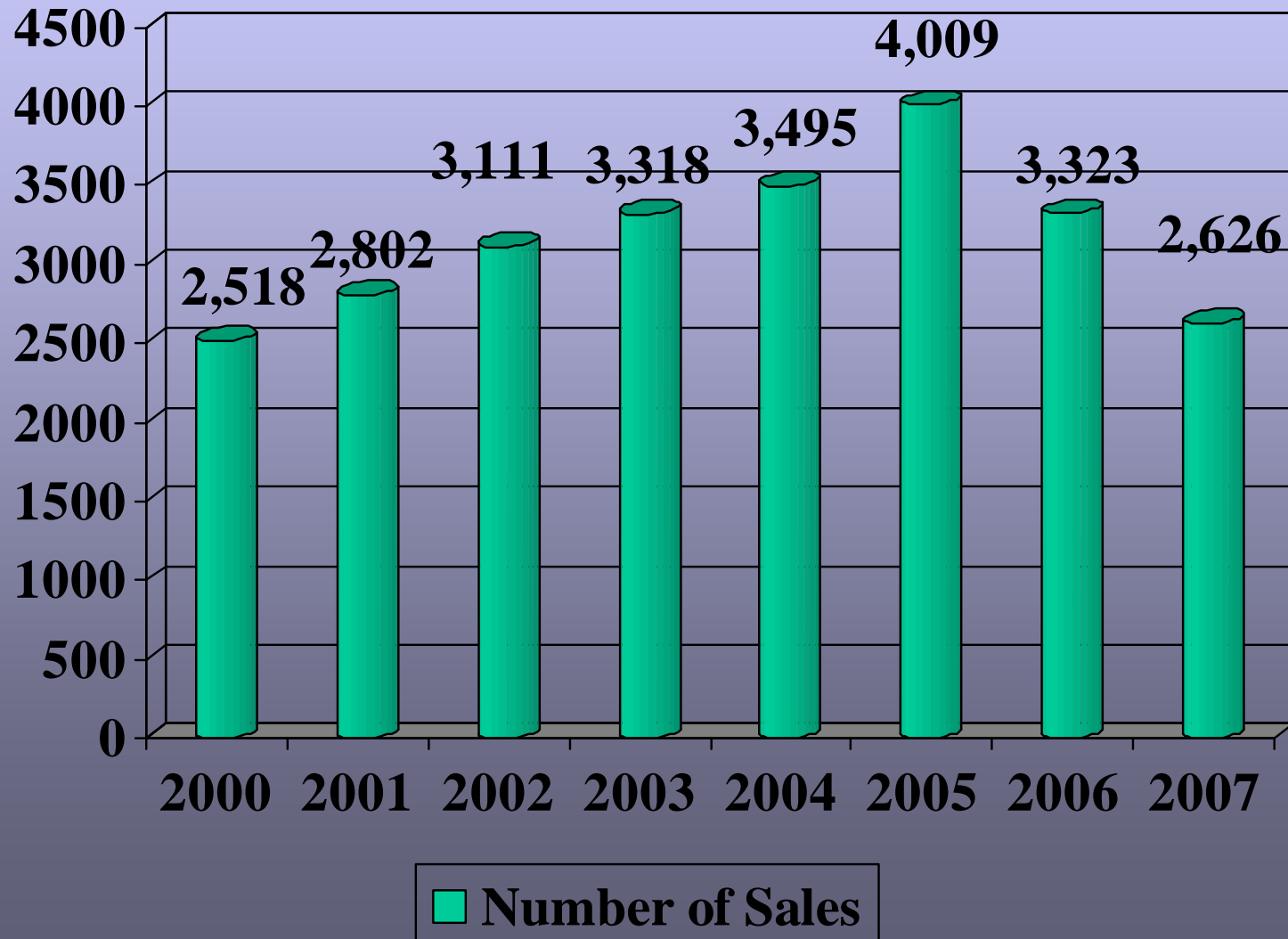
2007 Average Monthly Mortgage Rates (30 Year Fixed-Rate Mortgage)



Monthly Transfers of Single Family Homes During 2007

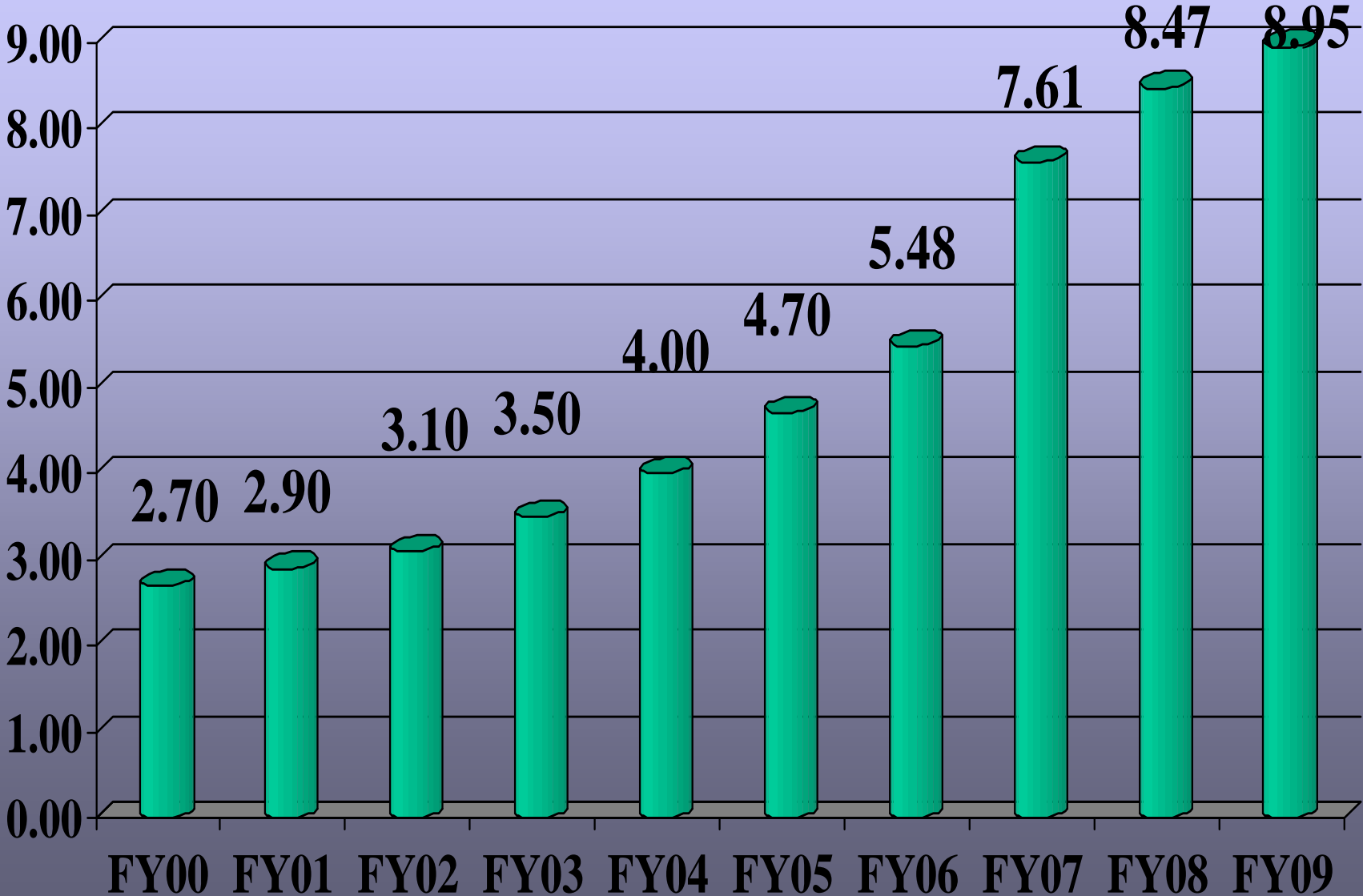


Total Number of Real Estate Transfers From 2000 to 2007



Growth in Assessed Value

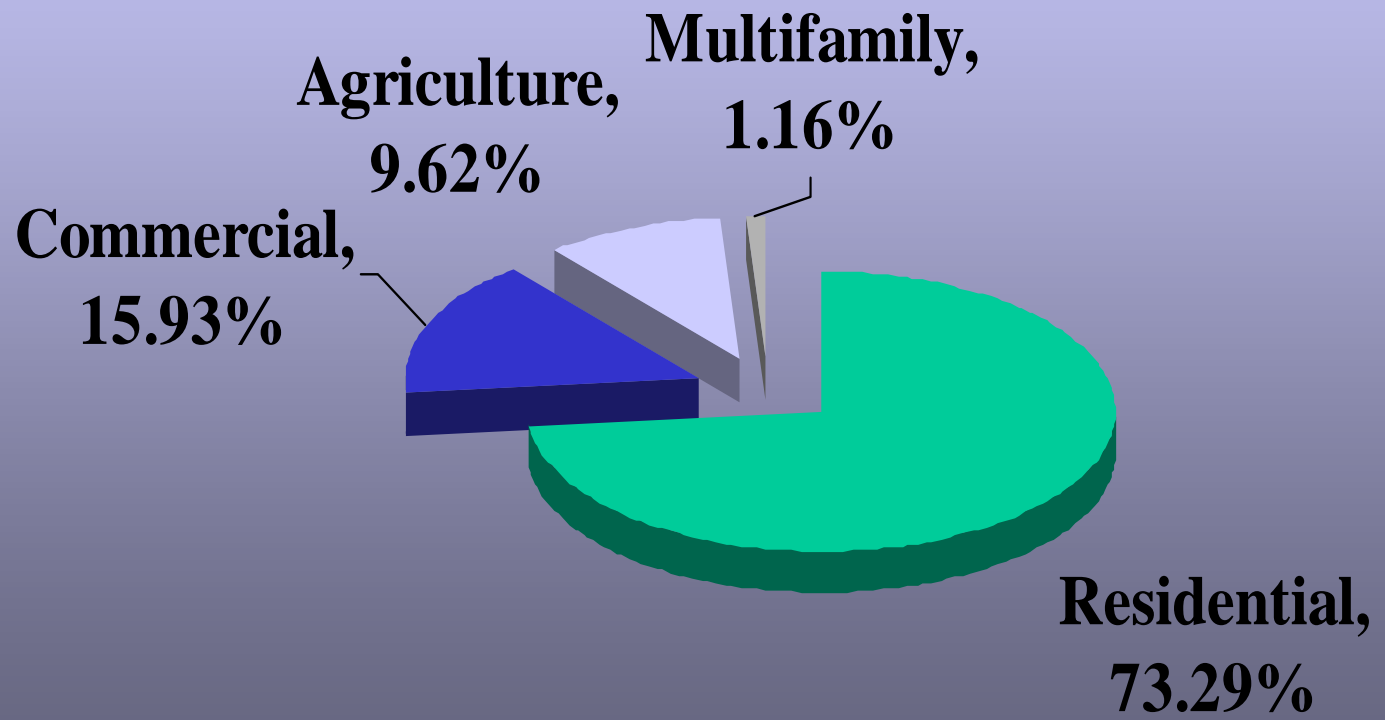
From 2000 – 2008 (billion)



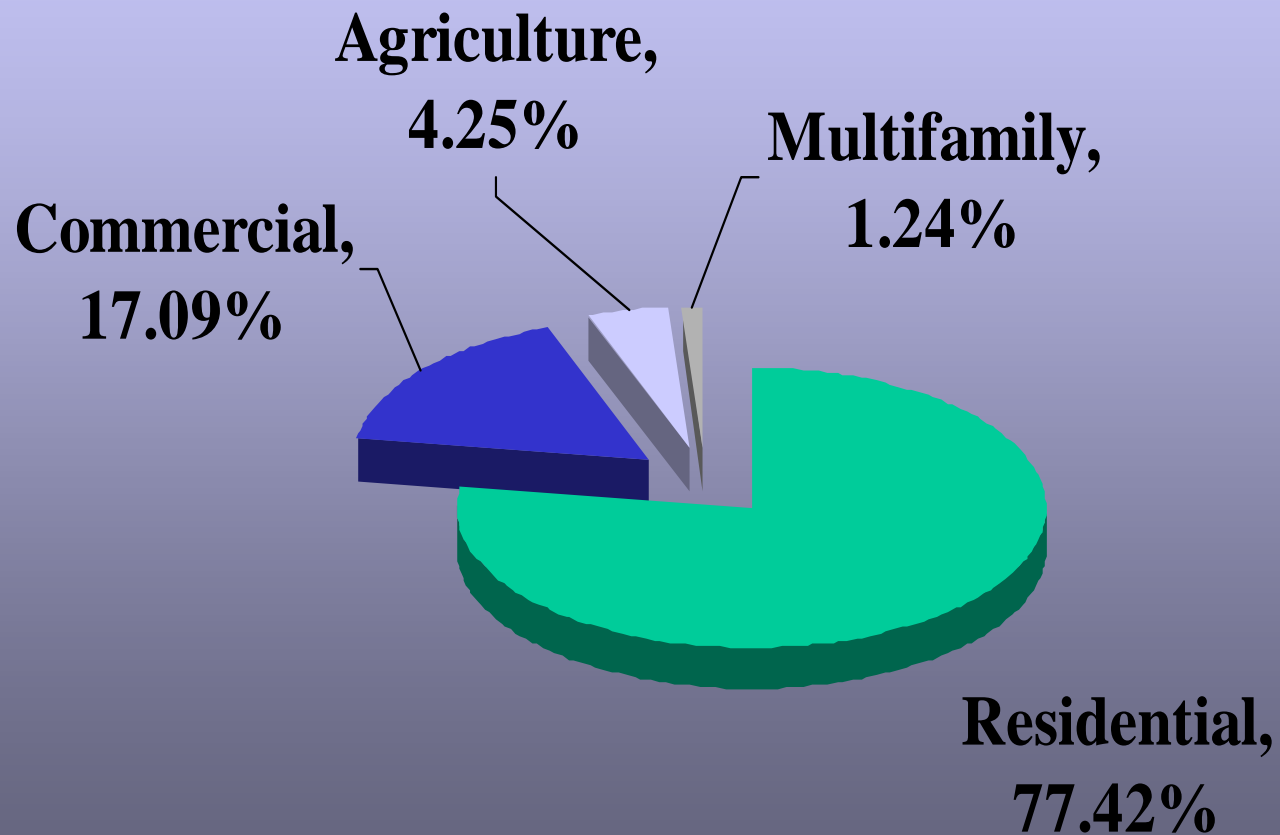
Distribution of Parcels Market and Assessed Value

Classification	No. of Parcels	Market Value	Assessed Value
Residential Urban	2, 711	\$378,096,600	\$373,502,200
Residential Suburban	30,260	\$6,637,125,000	\$6,559,383,000
Multifamily	33	\$110,746,600	\$110,746,600
Commercial	2,411	\$1,622,044,700	\$1,530,311,500
Agricultural (20-99 acres)	1,300	\$480,916,500	\$221,347,300
Agricultural (over 100 acres)	424	\$369,294,300	\$159,348,300
Totals	37,139	\$9,598,223,700	\$8,954,668,900

Distribution of Parcels by Assessed Value FY08



Distribution of Parcels by Assessed Value FY09



Corporate Investments

Rubicon-NGP	REIT	\$67,963,300
Target Corporation	Distribution	\$57,318,700
CVN Distribution	Distribution	\$43,843,300
Wal-Mart Stores	Discount Retail	\$31,648,200
Ciba Chemicals	Chemical Plant	\$31,053,500
SYSCO Food	Food Services	\$30,377,400
The Pergola Group	Multifamily Units	\$28,308,900
Lake Prince Center	Retirement Facility	\$26,714,100
Planters Lifesavers	Food Production	\$25,912,700
Lockheed Martin Corp	Defense Contractor	\$25,620,600

New Investments

\$45 million

Obici ASC

Kohl's

VMASC

Bojangle's

Marriott

Bon Secours Medical Offices

Freedom Retail Center

River Stone Restaurant

Walgreen's



Demographics & Workforce Data

Weldon Cooper Center, UVA

10 Highest Growth Rates Since 2000

- Loudon 62.5%
- Manassas Park 35.6
- Culpeper 32.8
- Spotsylvania 32.6
- Prince William 32.5
- King George 32.2
- Stafford 30.2
- Fluvanna 30.0
- James City 28.3
- **Suffolk 27.5**

10 Largest Population Gains

- Loudon 105,997
- Prince William 91,126
- Fairfax 42,763
- Chesterfield 38,818
- Spotsylvania 29,512
- Stafford 27,941
- Henrico 27,488
- **Suffolk 17,384**
- Chesapeake 17,384
- Frederick 13,740

Preliminary Estimate of Value

Market Value of all Parcels	\$9,598,233,700
Deferred Value of Use Program	626,285,300
Less value of Rehab. Program	17,269,500
Taxable Value of all Parcels	<u>\$8,954,668,900</u>

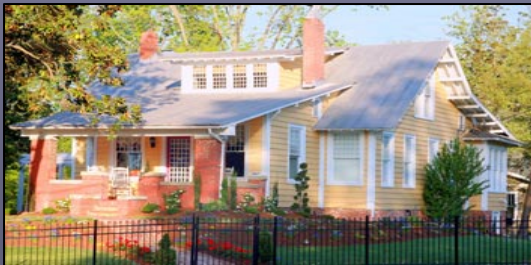
Reassessment Results by Locality

Locality	Overall	Commercial	Residential
Suffolk	4.96%	13.04%	4.37%
Chesapeake	1.41%	5.10%	.70%
Virginia Bch	Not Avail	Not Avail	Not Avail
Norfolk	4.55%	11.66%	3.17%
Hampton	Not Avail	Not Avail	Not Avail
Portsmouth	5.65%	12.00%	5.00%

Abatement Programs

Rehabilitated Structures Program

- 89 Properties participate
- \$17,269,500 in credits for FY09
- Residential and commercial properties are eligible
- Credits remain in place for a period of (10) years



Agricultural Program

- 2,170 Parcels or 145,154 acres participate
- Total Market Value \$774m
- Total Use Value \$160m
- Deferred Revenue \$5.8m
- 5 Acre minimum for all categories except timber



Tax Relief for Seniors



Eligibility for Tax Relief

Must be 65 years of age or older or totally and permanently disabled

Combined income of owners and relatives living in the property cannot exceed \$49,199

Net worth, exclusive of the home and up to ten acres upon which it is situated, cannot exceed \$220,500

The exemption is granted on an annual basis and a new application or recertification required

Applications must be filed by June 30th of the taxable year

- In FY08 1,373 citizens were assisted
- The median home value exempted was \$310,350
- Home values ranged from \$13,100 to \$633,800
- Market value of exempted was \$207,356,600
- \$1,788,879 in relief was provided

Sample Assessment Notice

Notices will be mailed March 28th

City of Suffolk
Real Estate Assessor
108 Commerce Street
Suffolk, VA 23434

NOTICE OF CHANGE IN ASSESSED VALUES

Note: This is not a Tax Bill

Website: www.suffolk.va.us/assessor
Phone Number:

Daniel M. & Helen R. Senkiewicz
123 Main Street
Suffolk, VA 23434

Property Identification
Property Address: 123 Main Street
Account Number: 123 456 789
Tax Map: 12-25
Land Area: 1.50 acres

Proposed Assessment is effective July 1, 2007 through June 30, 2008

Previous Assessment

Fiscal Year Ending June 30, 2007	
Market Land Value	100,000
Agricultural Use Value	
Building Value	300,000
Rehab Credit	
Total Assessed Value	400,000

Proposed Assessment

Fiscal Year Ending June 30, 2008	
Market Land Value	125,000
Agricultural Use Value	
Building Value	315,000
Rehab Credit	
Total Assessed Value	440,000

Expiration of Rehabilitated Structures Credit:
(if a date is not shown the credit is not applicable)

Informal hearings are held in the Assessor's Office by appointment beginning 03/5/2007 through 04/30/2007. Office hours are Monday through Friday from 8:30 am to 5:00 pm. You may also discuss your proposed assessment by phone with a member of the appraisal staff by dialing 757- 923-2400

Tax Relief Programs:

- Tax relief for property owners 65 years of age and older or permanently or totally disabled. For applications call: 757-923-3072
Criteria:
 - Total combined income from all sources not to exceed \$46,856
 - Net combined financial worth not to exceed \$210,000 excluding the dwelling and (10) acres
- The Agricultural Program offers a reduced assessment for land which is devoted to agriculture, horticulture, forest land and open space. A minimum of (5) acres required for all categories except forest which requires a (20) acre minimum. Call 757-923-2401 for more details
- The Rehabilitated Structures Program offers a (10) year credit for homes or commercial structures that are (25) years or older and will undergo significant renovations. Call 757-923-2401 for more information or an application.

Appealing Your Assessment:

- A successful appeal of your assessed value can be accomplished by demonstrating one or more of the points listed below:
- An error in acreage or land units listed on this notice or the assessor's records
 - A lack of uniformity or equity with similar properties
 - Prove the property is assessed in excess of its fair market value
- Providing a copy of one or more of the following documents will assist you in establishing an erroneous assessment:
- A recorded survey
 - Building plans
 - An appraisal performed in the last six months

ALL APPLICATIONS FOR APPEAL TO THE BOARD OF EQUALIZATION MUST BE RECEIVED BY THE ASSESSOR'S OFFICE BY 5:00 P.M. May 1, 2007. THE BOARD OF EQUALIZATION SHALL DISPOSE OF ALL APPLICATIONS BY MAY 31, 2007.

Board of Equalization

Appointed by the Circuit Court

APPEAL FROM RESIDENTIAL REAL ESTATE ASSESSMENT

PLEASE NOTE: THE DEADLINE FOR FILING IS MAY 1ST.

Please complete ONE FORM FOR EACH PROPERTY UNDER APPEAL, and return to the Board of Equalization at the address below.

City of Suffolk, Virginia
Board of Equalization of Real Estate Assessments
108 Commerce Street
Suffolk, VA 23434
Telephone (757) 514-7475

Account Number _____
Tax Map Number _____

FOR OFFICE USE ONLY

PLEASE COMPLETE ALL SECTIONS OF APPLICATION – SEE REVERSE FOR INSTRUCTIONS

Name of Legal Owner _____
(AS LISTED IN OWNERSHIP RECORDS)

Mailing Address _____ Zip Code _____

Location of Property (street and number) _____

In order that the Board does not overlook any significant points in your appeal, it would help to outline pertinent information such as:

1. Date of Purchase _____ Price \$ _____
(If purchased within past three years)
2. In your opinion, what was the value of the property as of January 1ST? \$ _____
3. What do you consider the condition of the property? _____

4. If you know, please list the addresses of properties that you consider similar to yours and are assessed less than your Assessment.

5. What particular points do you think the Board should observe that would cause a change in assessment? _____

ATTACH A SECOND SHEET, IF NECESSARY. LETTER-SIZE DOCUMENTS ARE PREFERRED

It is not necessary that you appear before the Board in person, but if you so desire, please furnish your telephone number in order to be notified of your appointment to appear before the Board.

Do you wish to appear before the Board? _____ Yes _____ No

DATE _____ OWNER'S NAME (PRINT OR TYPE) _____
() _____
HOME PHONE _____ OWNER'S SIGNATURE _____
() _____
OFFICE PHONE _____ AGENT IF APPLICABLE _____

SEE REVERSE FOR INSTRUCTIONS

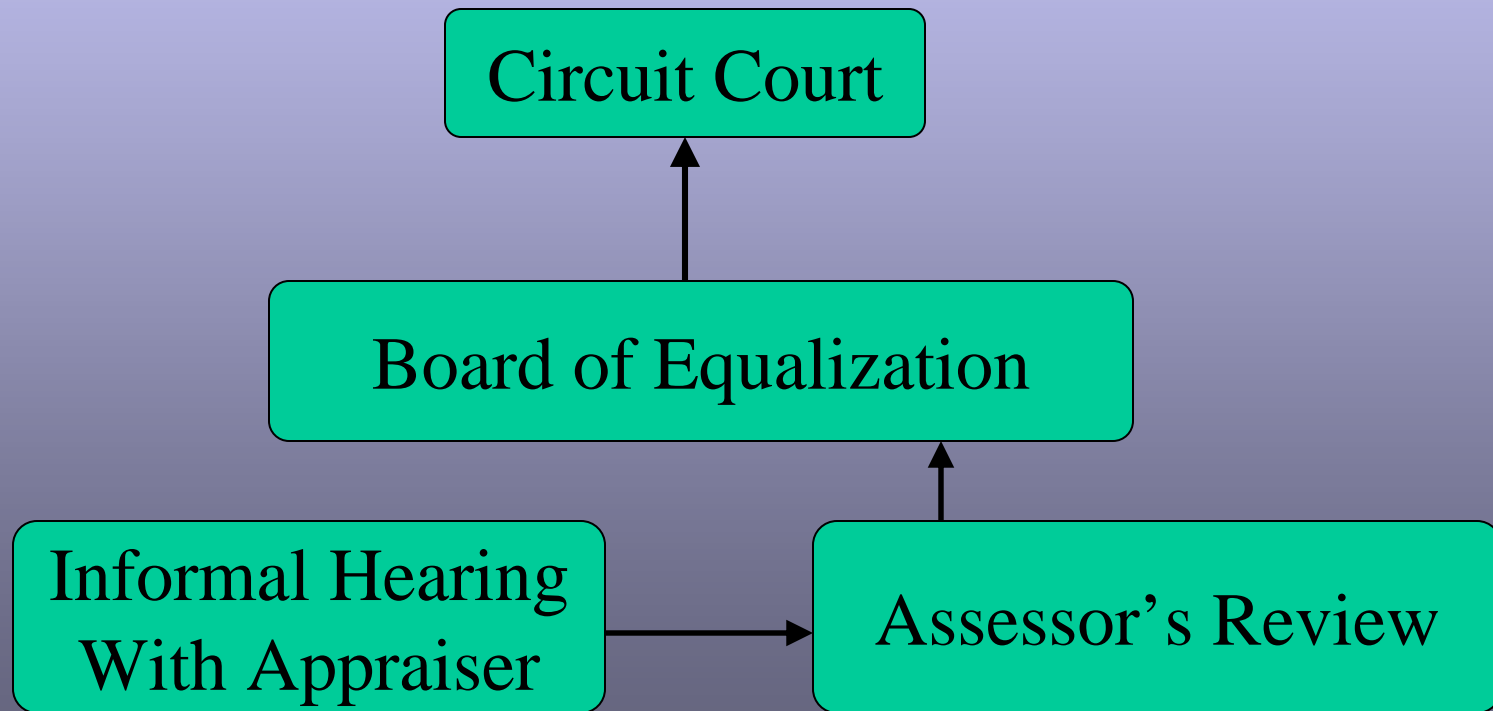
Must:

- hear appeals concerning equity
- errors in acreage
- Receive all applications by May 1st
- conduct its meetings in public
- advertise its meetings
- conclude all business by May 31st

Board of Equalization's Hearing **Schedule**

April 22, 2008	2:00 PM to 4:00 PM
April 23, 2008	9:00 AM to 4:00 PM
April 24, 2008	2:00 PM to 4:00 PM
April 30, 2008	1:00 PM to 4:00 PM
May 19, 2008	9:00 AM to 4:00 PM
May 20, 2008	9:00 AM to 12:00 PM
May 27, 2008	9:00 AM to 4:00 PM
May 28, 2008	9:00 AM to 4:00 PM
May 29, 2008	9:00 AM to 4:00 PM

Local Appeal Process



For More Information

- To discuss the proposed assessment call 514-7475 or the number printed at the bottom of the notice
- Agricultural or rehabilitated structures program call 514-7476
- Tax Relief call 514- 4870
- Website <http://www.suffolk.va.us/assessor>