

# 2009 Revaluation

William A. Rodda, CAE

Forsyth County Tax Assessor/Collector

# 2009 Revaluation

- Forsyth County has conducted revaluations effective in 1988, 1993, 1997, 2001, 2005 and now, 2009.
- The primary purpose of a revaluation is to *equalize* the tax base.
  - Within the real property tax base
  - With other types of property (registered vehicles, business personal property, airplanes, public service property)

# 2009 Revaluation

- G.S. 105-283 states “all property, real and personal, shall as far as practicable be appraised or valued at its true value in money.”
- True value in money is “the price estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used.”

# 2009 Revaluation

- Real property is revalued every 4 years.
- Personal property, motor vehicles and public service property is revalued annually.
- North Carolina requires the use of the same tax rate for all types of property.
- With real property values “frozen” the tax burden typically shifts toward personal property between revaluations.

# 2009 Revaluation

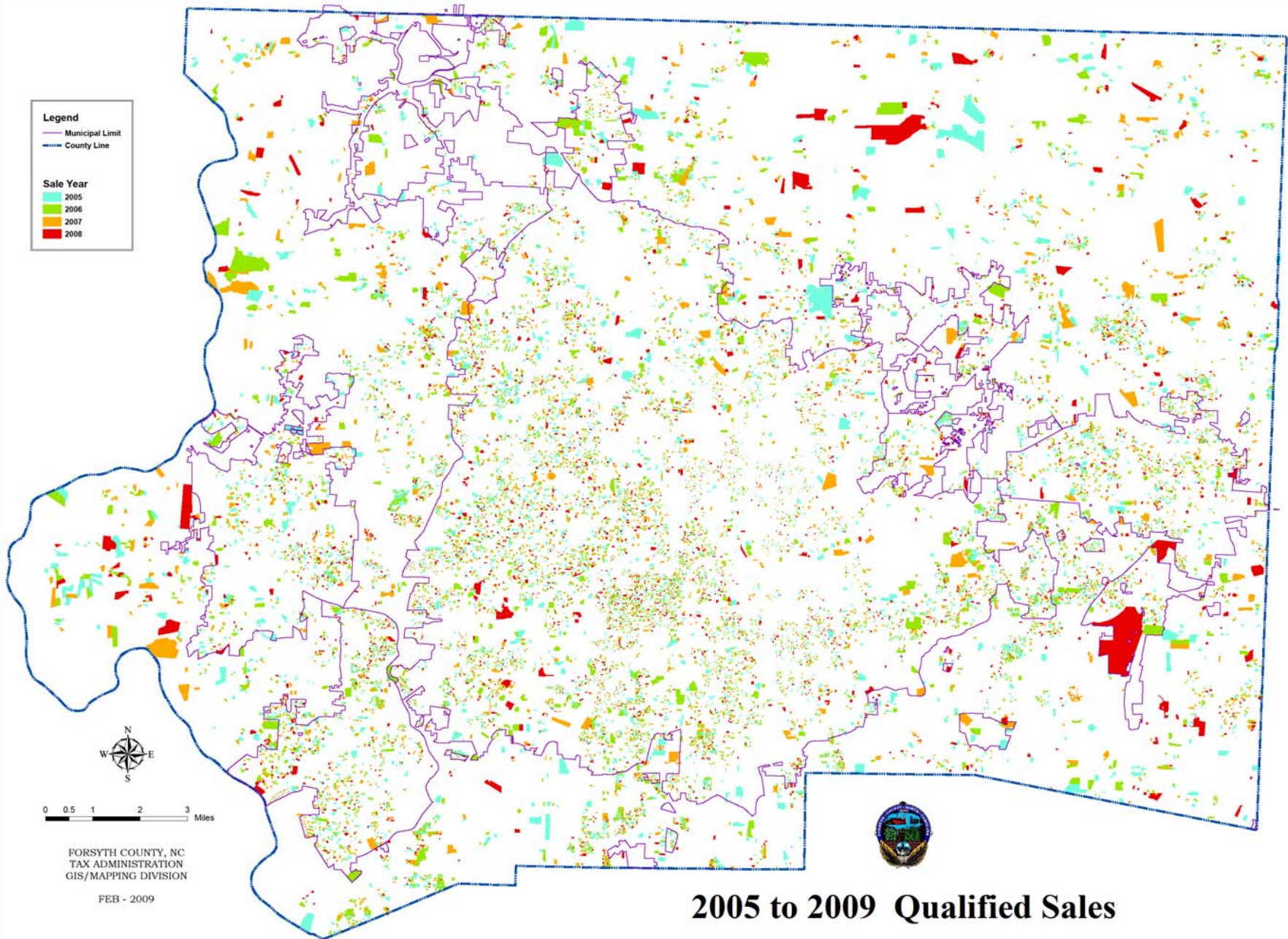
- Every real estate transaction resulting in a change of ownership is reviewed.
  - The sale price and terms of the transaction are verified.
  - True “arms-length” transactions are qualified and placed in our sales file.
  - Our sales file contains over 29,000 qualified sales from 1/2005 through 12/2008.

**Legend**

- Municipal Limit
- County Line

**Sale Year**

- 2005
- 2006
- 2007
- 2008



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## 2005 to 2009 Qualified Sales

# 2009 Revaluation

- Delay in mailing valuation notices allowed sufficient time to review all 2008 sales of real estate.
  - Reviewed all transactions recorded with the Register of Deeds.
  - Reviewed end-of-year residential reports from Michael S. Clapp, MAI and White and Associates.
  - Reviewed all 2008 sales through Multiple Listing Service.
  - Reviewed all 2008 *unsold* MLS listings.
  - Reviewed all foreclosures served by the Sherriff's Office and any subsequent sales.

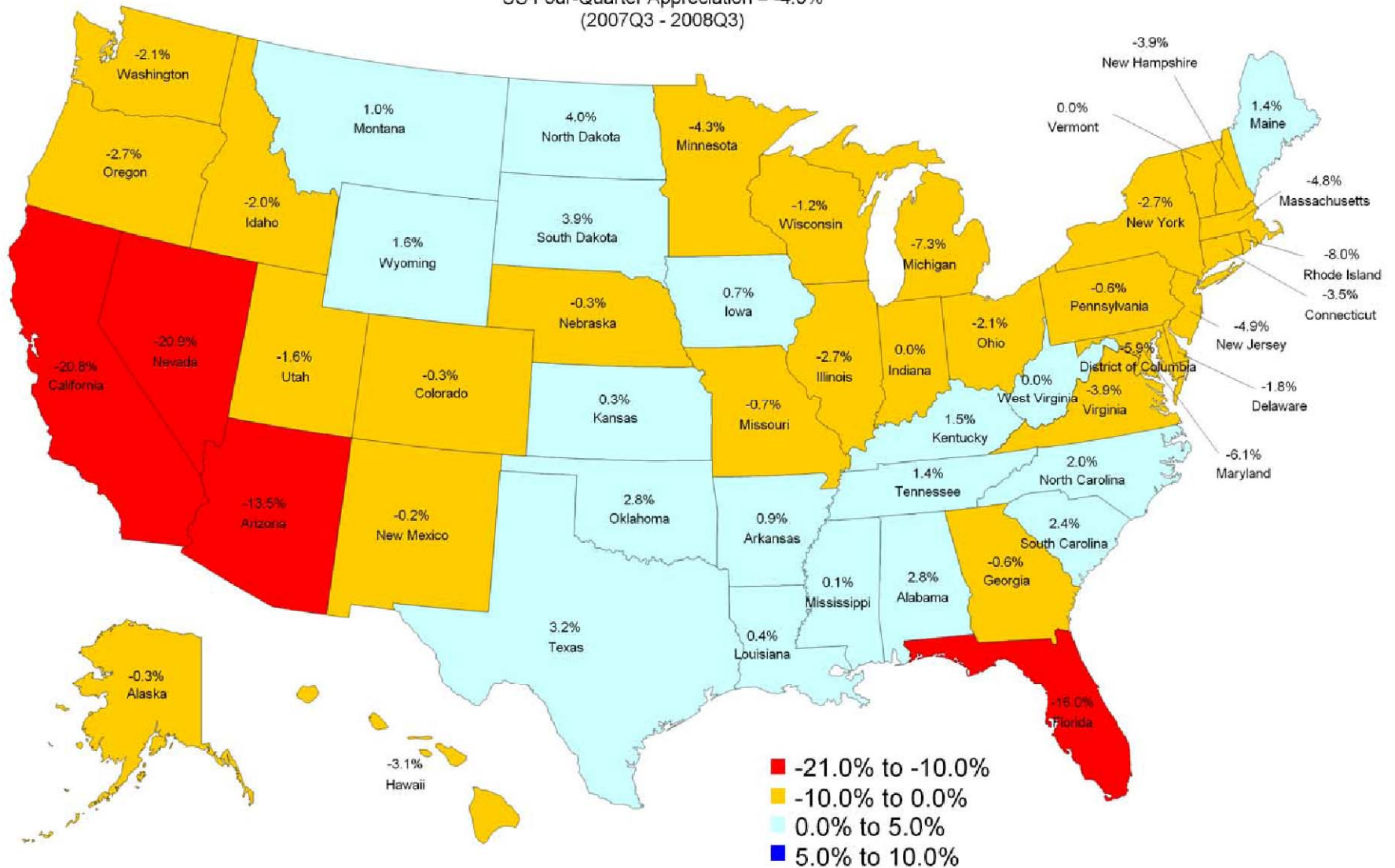
# Office of Federal Housing Enterprise Oversight

*Federal Housing Finance Agency*

<u>State</u>	<u>Rank</u>	Sep-08 to <u>Sep-09</u>	Last <u>Quarter</u>	<u>5 year</u>
North Dakota	1	4.02	0.67	37.58
South Dakota	2	3.89	1.24	31.04
Texas	3	3.19	0.45	25.31
Alabama	4	2.81	0.36	30.92
Oklahoma	5	2.75	-0.32	25.26
South Carolina	6	2.42	-0.45	30.66
<b>North Carolina</b>	<b>7</b>	<b>1.99</b>	<b>-0.63</b>	<b>29.86</b>
Wyoming	8	1.63	-0.82	57.34
Kentucky	9	1.46	-1.14	19.92
Maine	10	1.44	-0.27	36.09

# Four-Quarter Price Change by State: FHFA HPI (Uses Purchase Prices and Appraisal Valuations)

US Four-Quarter Appreciation = -4.0%  
(2007Q3 - 2008Q3)



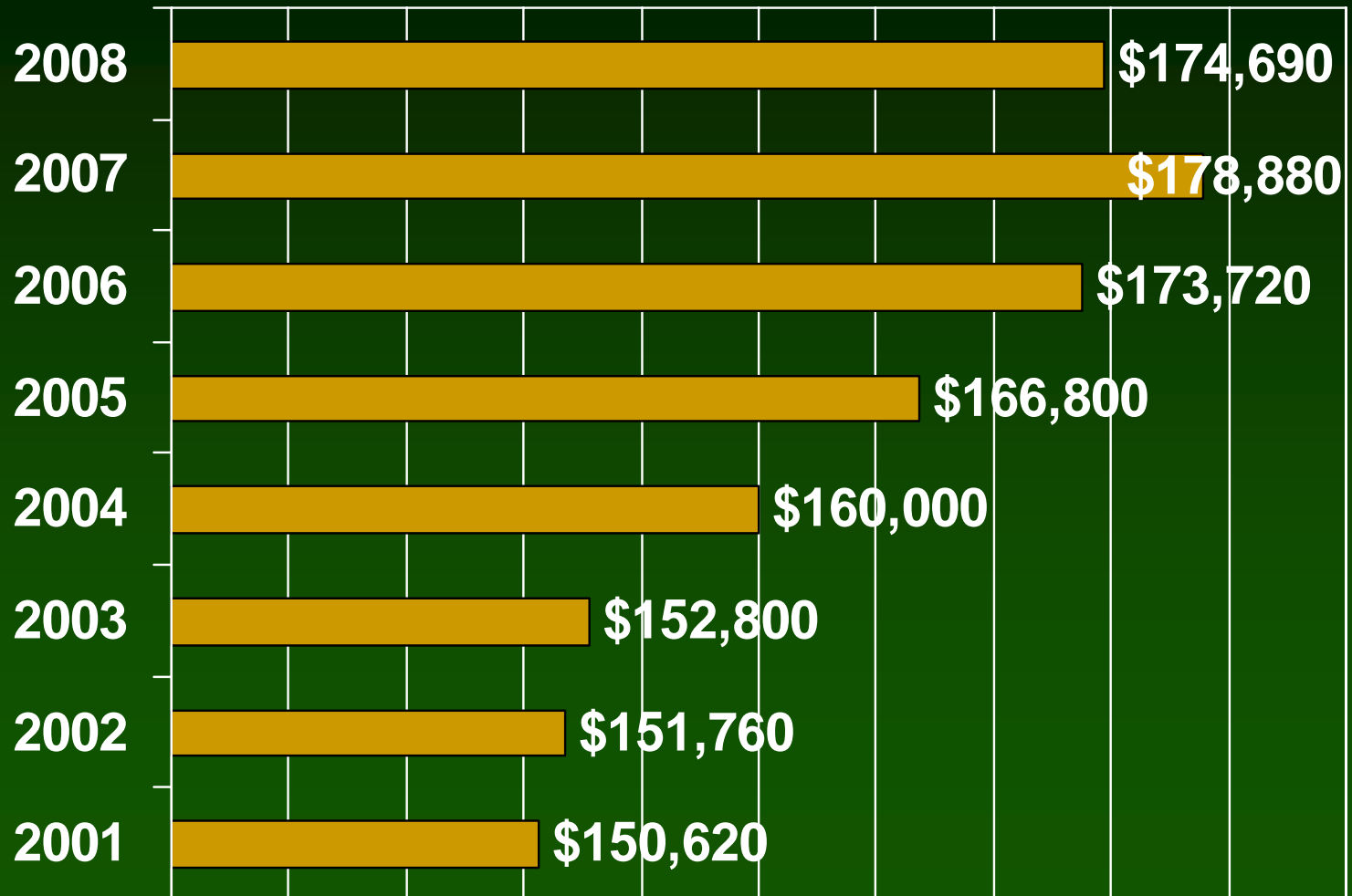
# Office of Federal Housing Enterprise Oversight

*Federal Housing Finance Agency*

<b>Metropolitan <u>Statistical Area</u></b>	<b>Sep-08 to <u>Sep-09</u></b>	<b>Last <u>Quarter</u></b>	<b><u>5 year</u></b>
<b>Asheville</b>	<b>2.12</b>	<b>-0.65</b>	<b>48.74</b>
<b>Charlotte</b>	<b>1.58</b>	<b>-1.71</b>	<b>26.80</b>
<b>Durham</b>	<b>1.53</b>	<b>-1.59</b>	<b>24.40</b>
<b>Fayetteville</b>	<b>1.39</b>	<b>-0.97</b>	<b>27.28</b>
<b>Greensboro-High Point</b>	<b>2.63</b>	<b>-0.06</b>	<b>16.08</b>
<b>Raleigh-Cary</b>	<b>3.84</b>	<b>0.04</b>	<b>27.81</b>
<b>Wilmington</b>	<b>0.14</b>	<b>-1.05</b>	<b>62.12</b>
<b>Winston-Salem</b>	<b>-1.14</b>	<b>-3.46</b>	<b>13.51</b>

# Average Residential Sale Price Triad MLS

*Michael S. Clapp, MAI*



# 2009 Revaluation

- Michael S. Clapp, MAI: estimated value decrease of 2.3% for 2008. (12/31/2008)
- William V. White: estimated value decrease of 1.1% for 2008. (12/31/2008)
- Federal Housing Finance Agency: estimated value decrease of 1.14% from 9/08 – 9/09.
- Zillow estimates a value decrease of 1.2% for 2008.

# 2009 Revaluation

- There is absolutely no evidence that residential property values in Forsyth County have collectively decreased by 10%, 15%, 20%, etc. over the past year or four years.
- There is substantial market-based evidence supported by four independent sources that indicate property values in Forsyth County have generally increased since 2005.

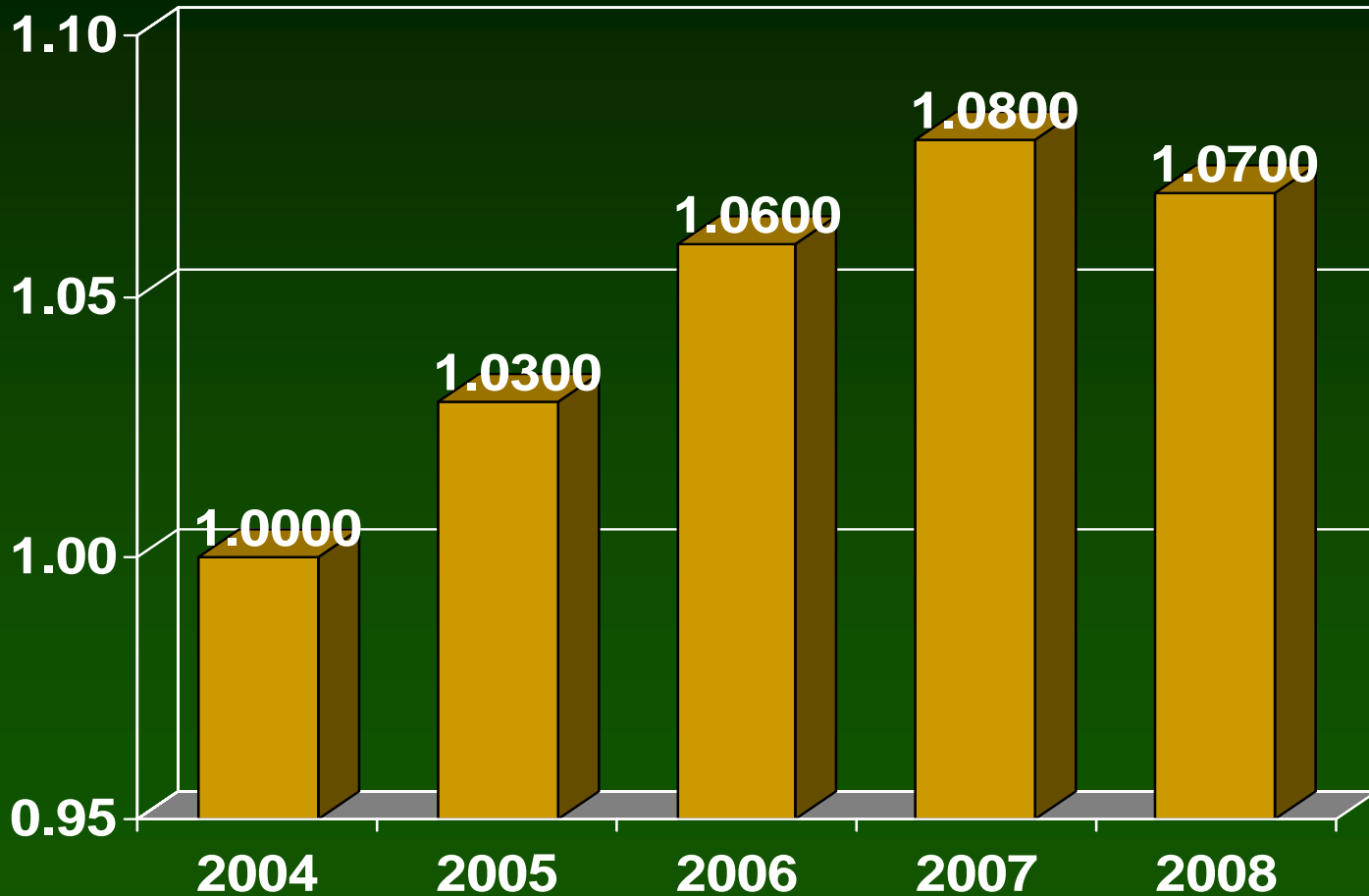
# 2009 Revaluation

- There is substantial market-based evidence that prove property values in Forsyth County have changed differently since 2005.
- Assessment Levels:
  - Overall = 93%
  - Residential = 93%
  - Residential less than \$100,000 = 1.01%
  - Residential \$100,000 to \$150,000 = 94%
  - Residential above \$200,000 = 89%
  - Commercials = 86%

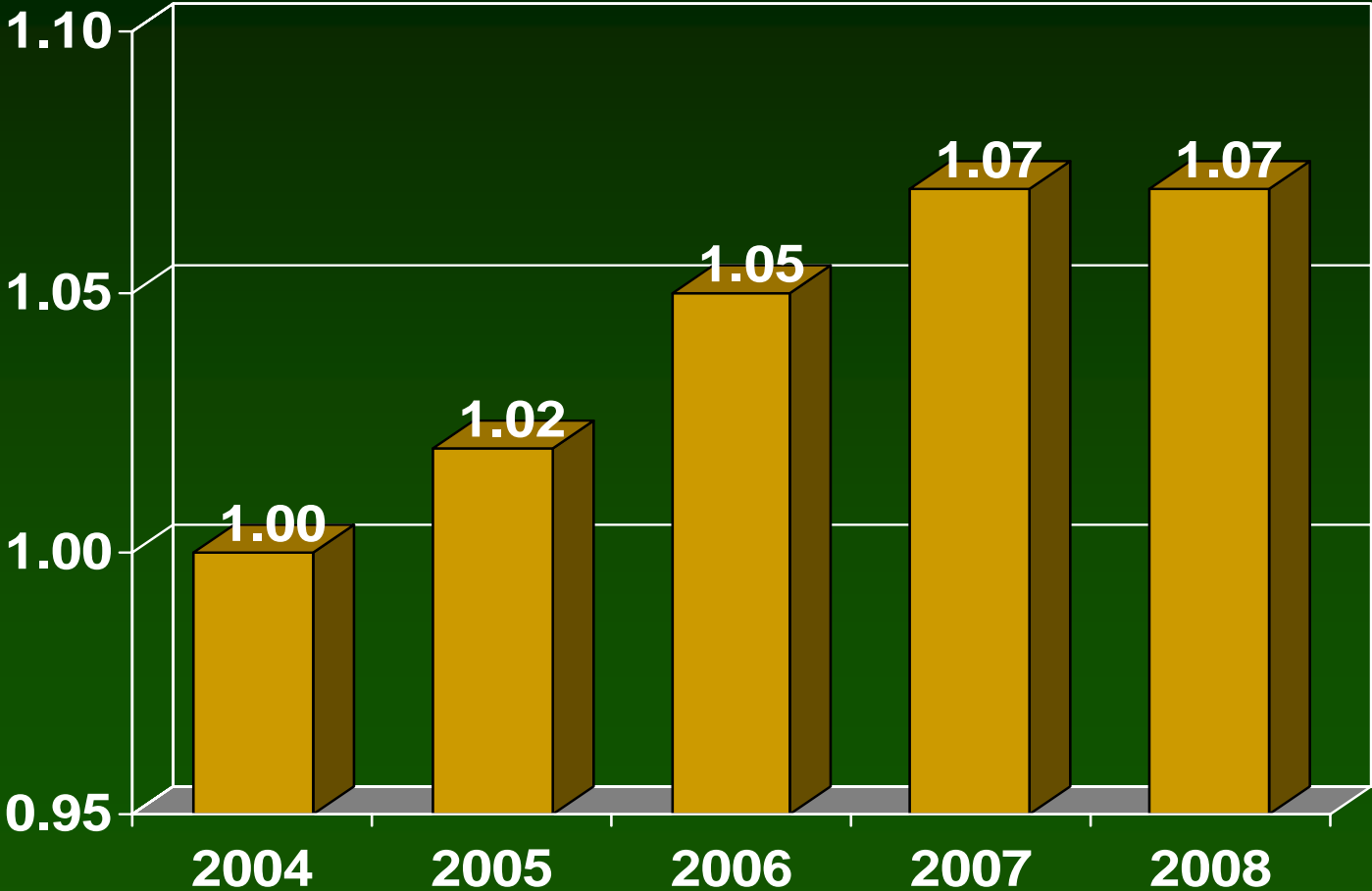
# If We Sent Notices Today (2/25/09):

- 26,004 properties will have a value lower than the 2005 value. (17%)
- 59,757 properties will increase less than 10%. (40%)
- 40,201 properties will increase between 10% and 20%. (27%)
- 23,220 properties will increase more than 20%. (16%)

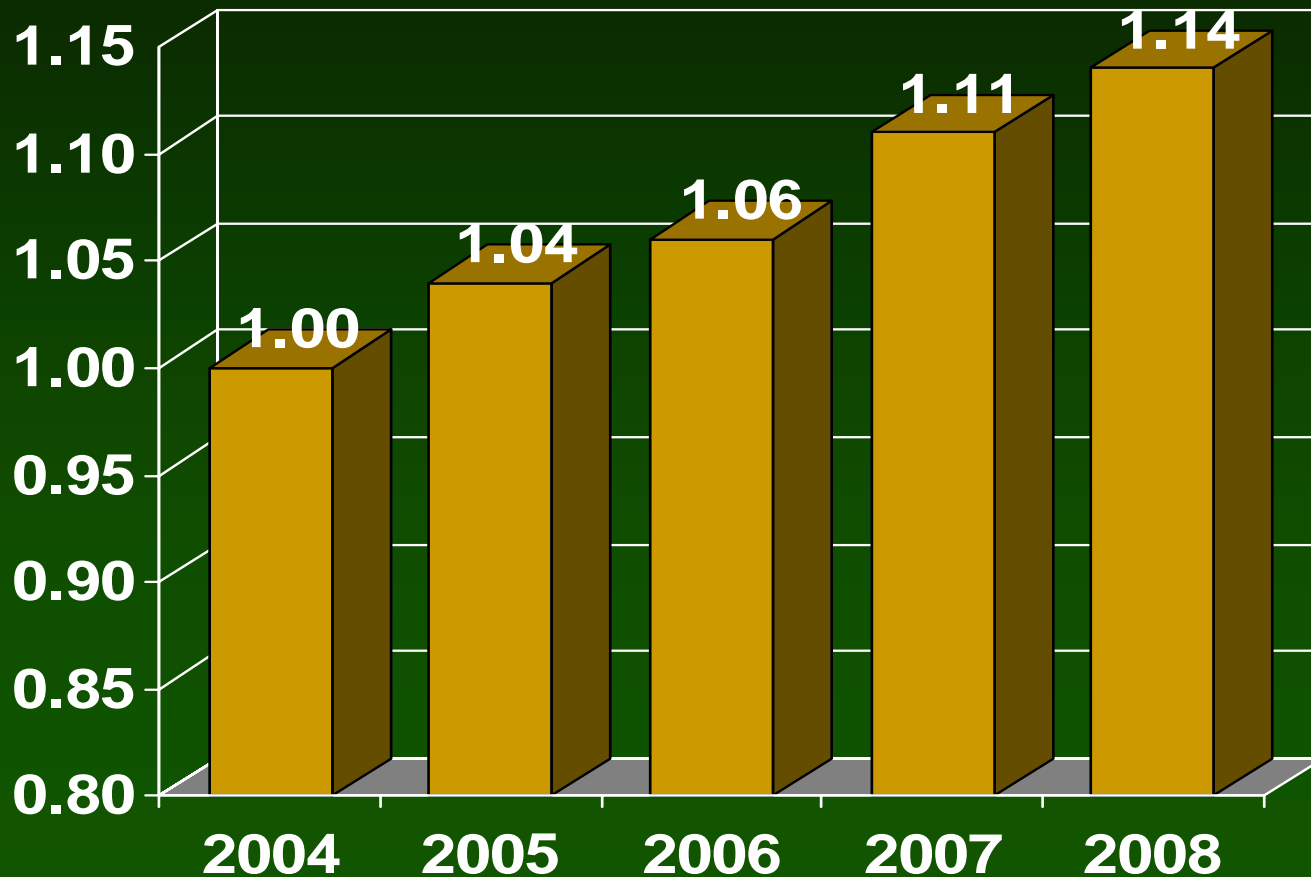
# County-wide Sales to 2005 Tax Value



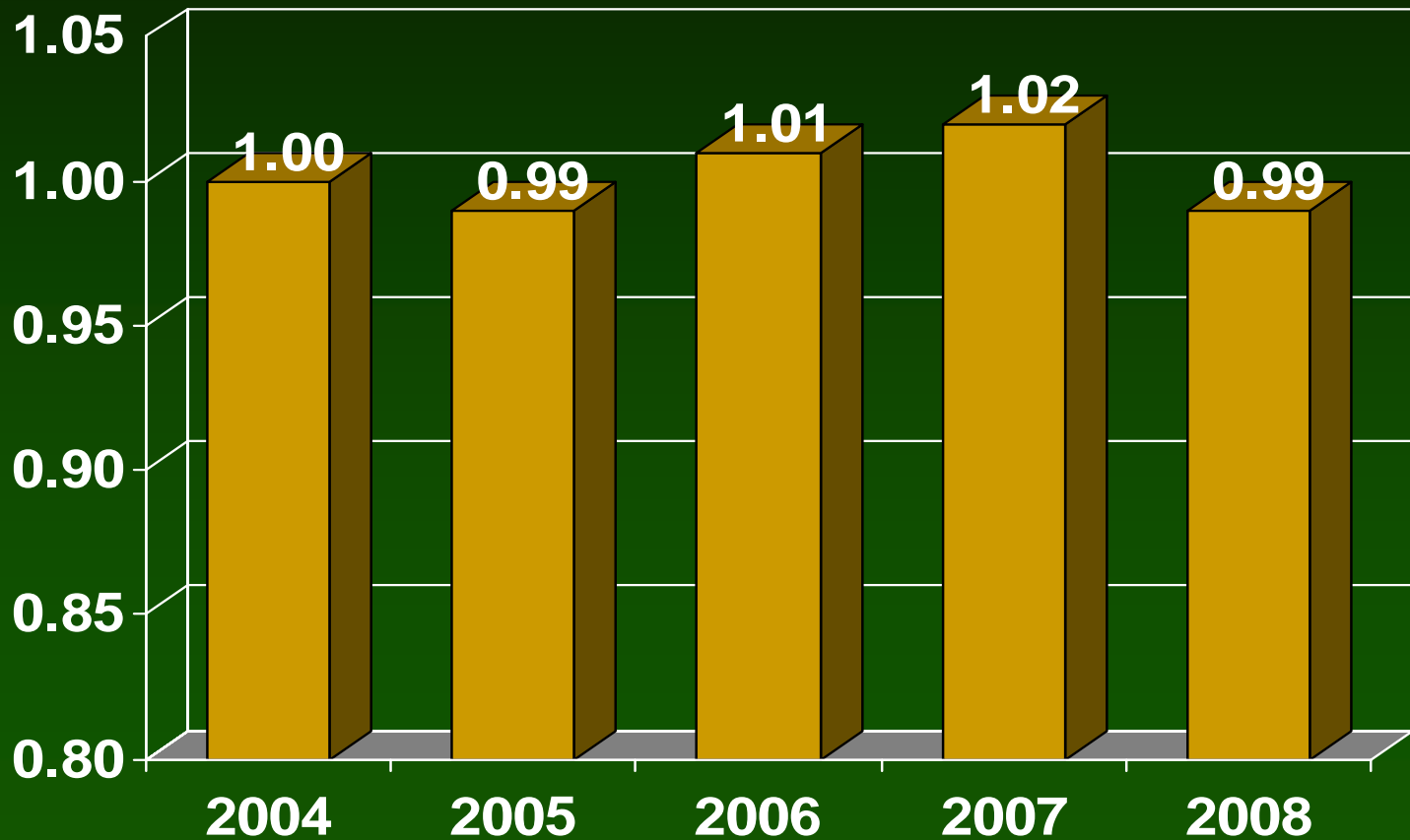
# County-wide Sales to 2005 Tax Values – Improved Residential



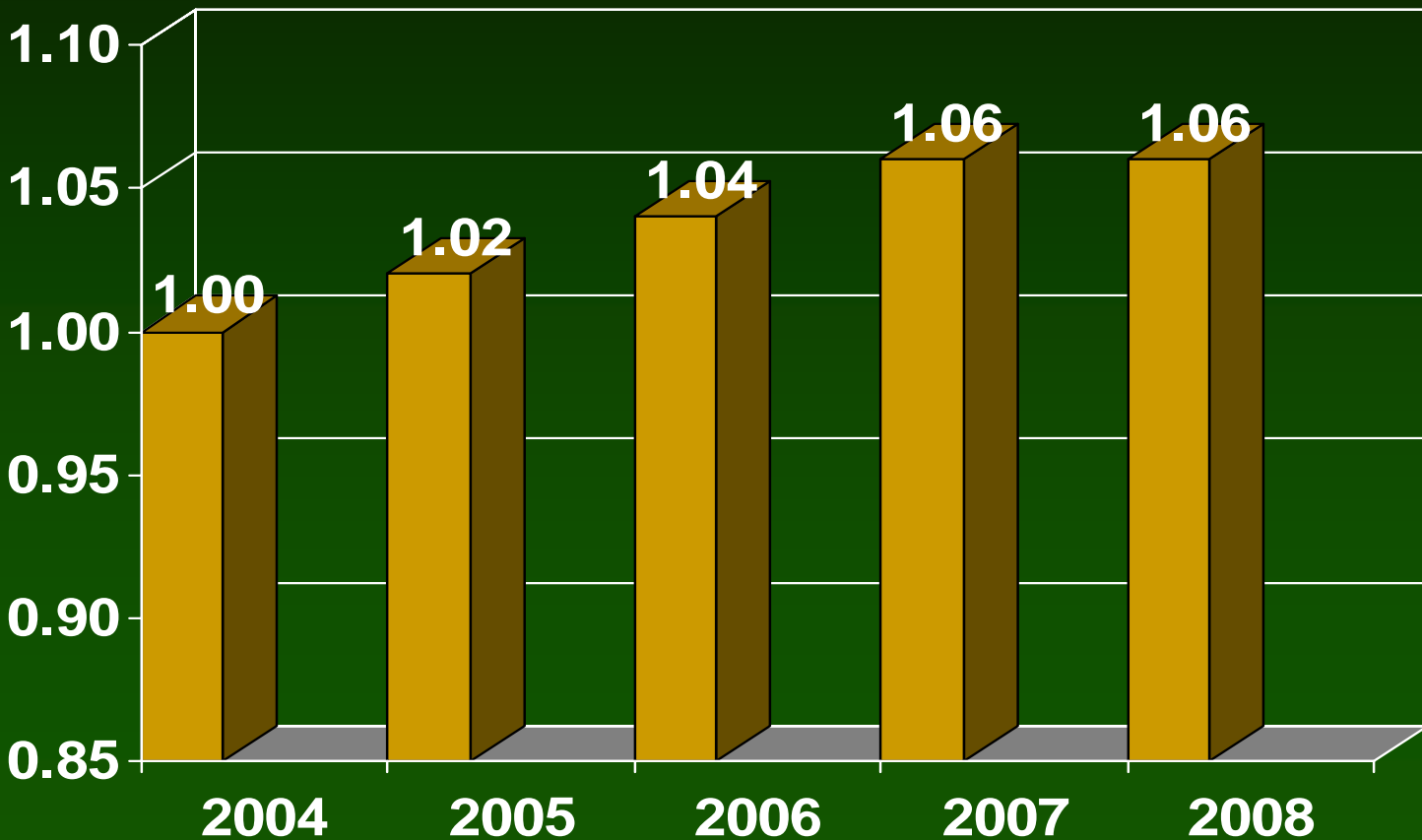
# County-wide Sales to 2005 Tax Values – Improved Commercial



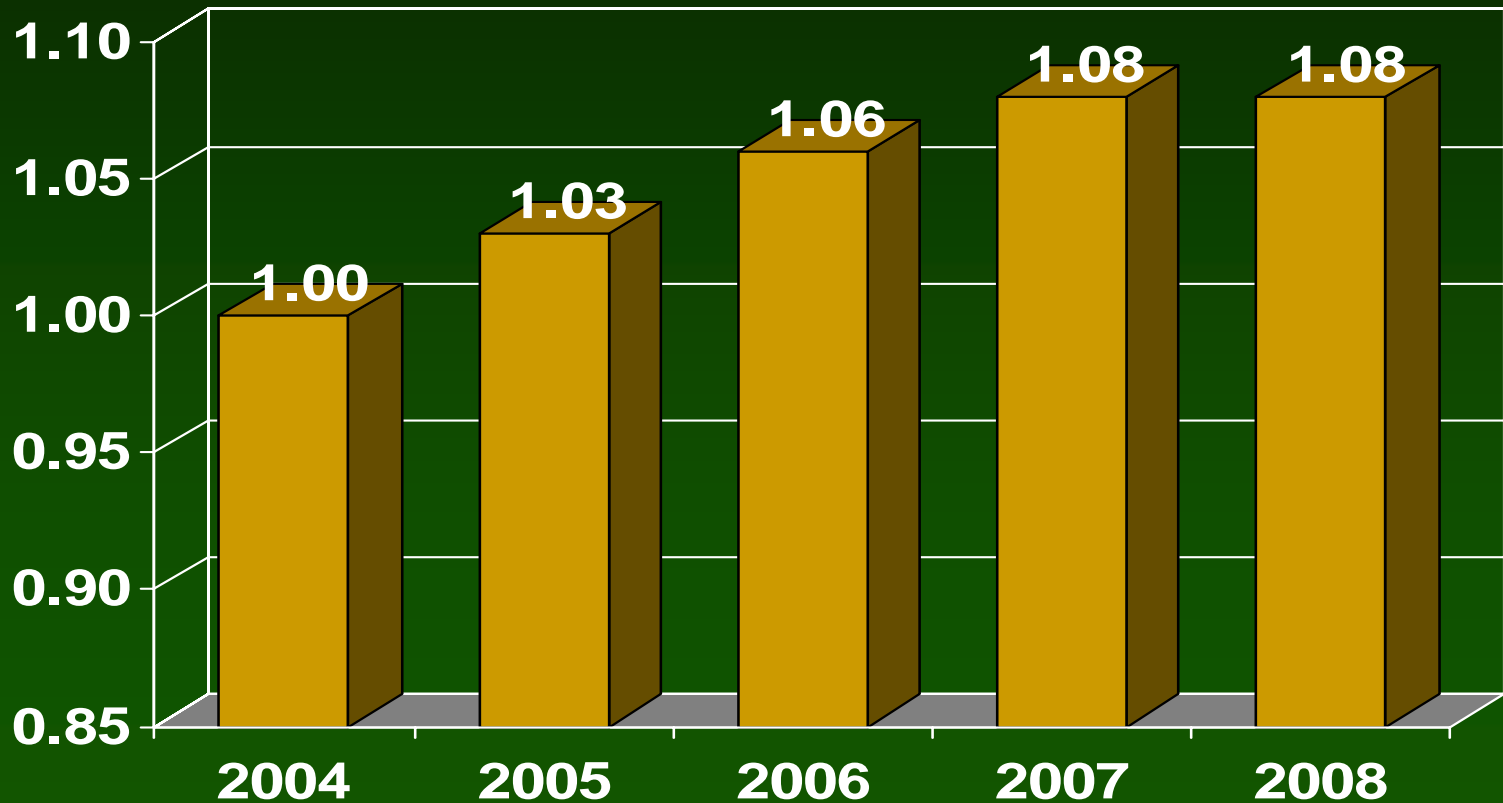
# County-wide Sales to 2005 Tax Values - Improved Residential Sales Less Than \$100,000



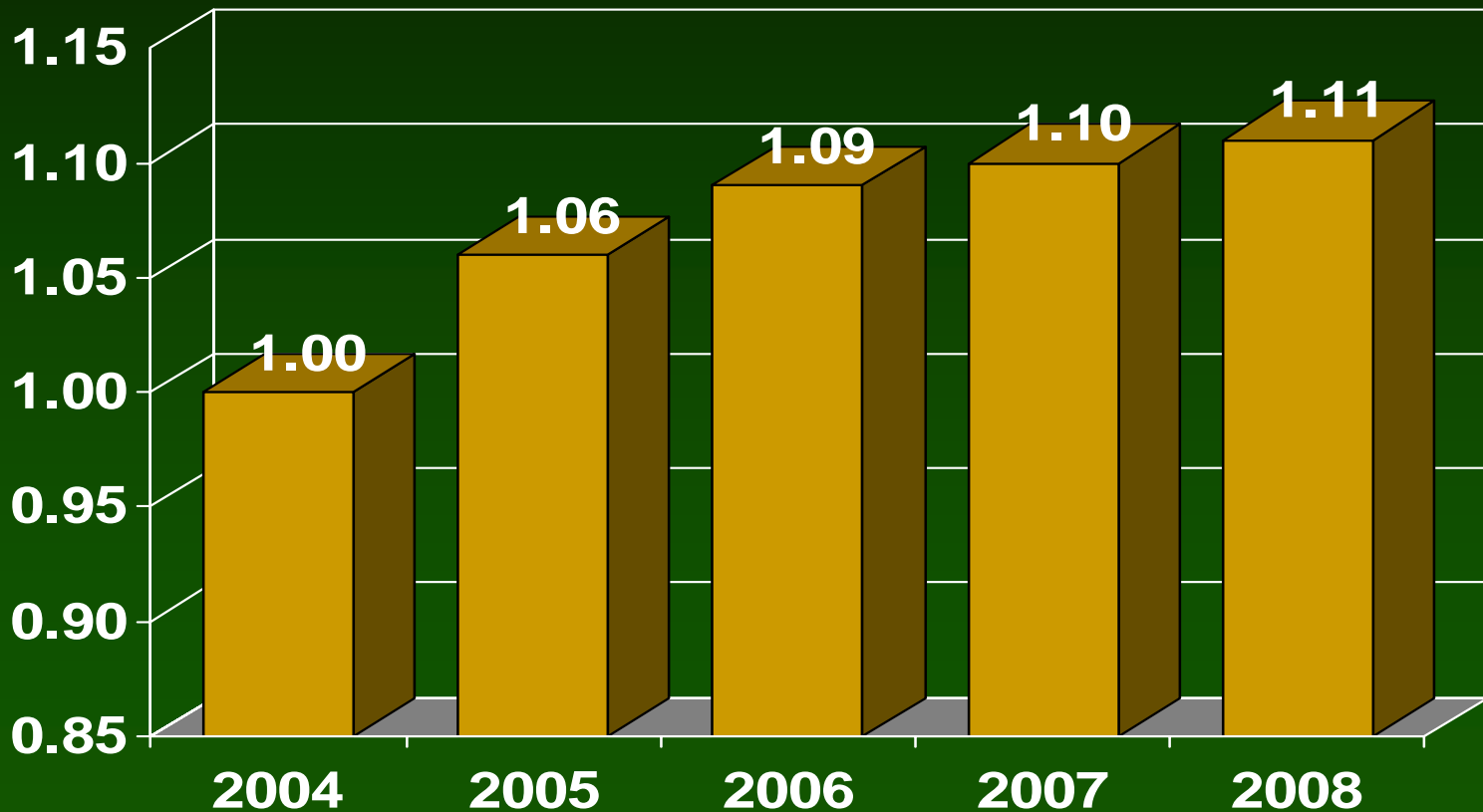
# County-wide Sales to 2005 Tax Values – Improved Residential Sales \$100k - \$150k



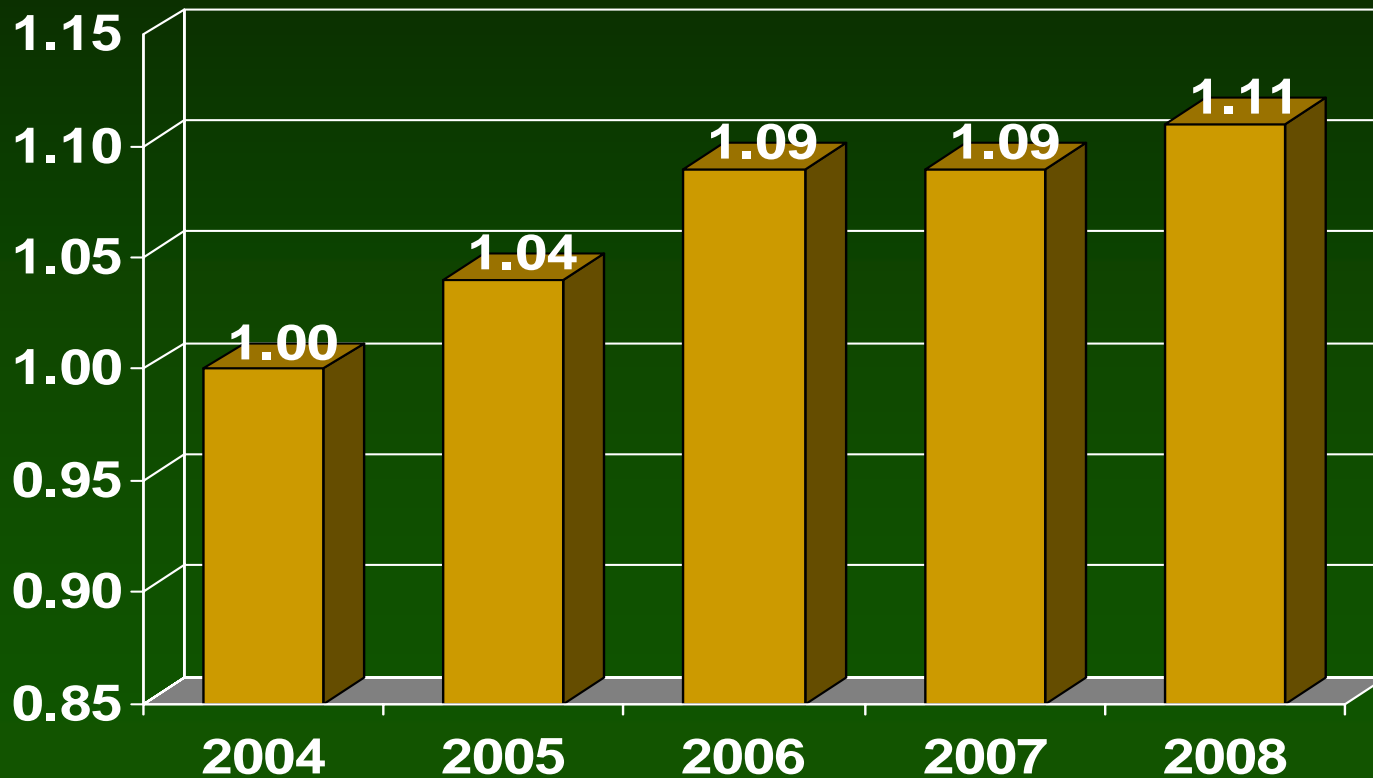
# County-wide Sales to 2005 Tax Values – Improved Residential Sales \$150k – 200k



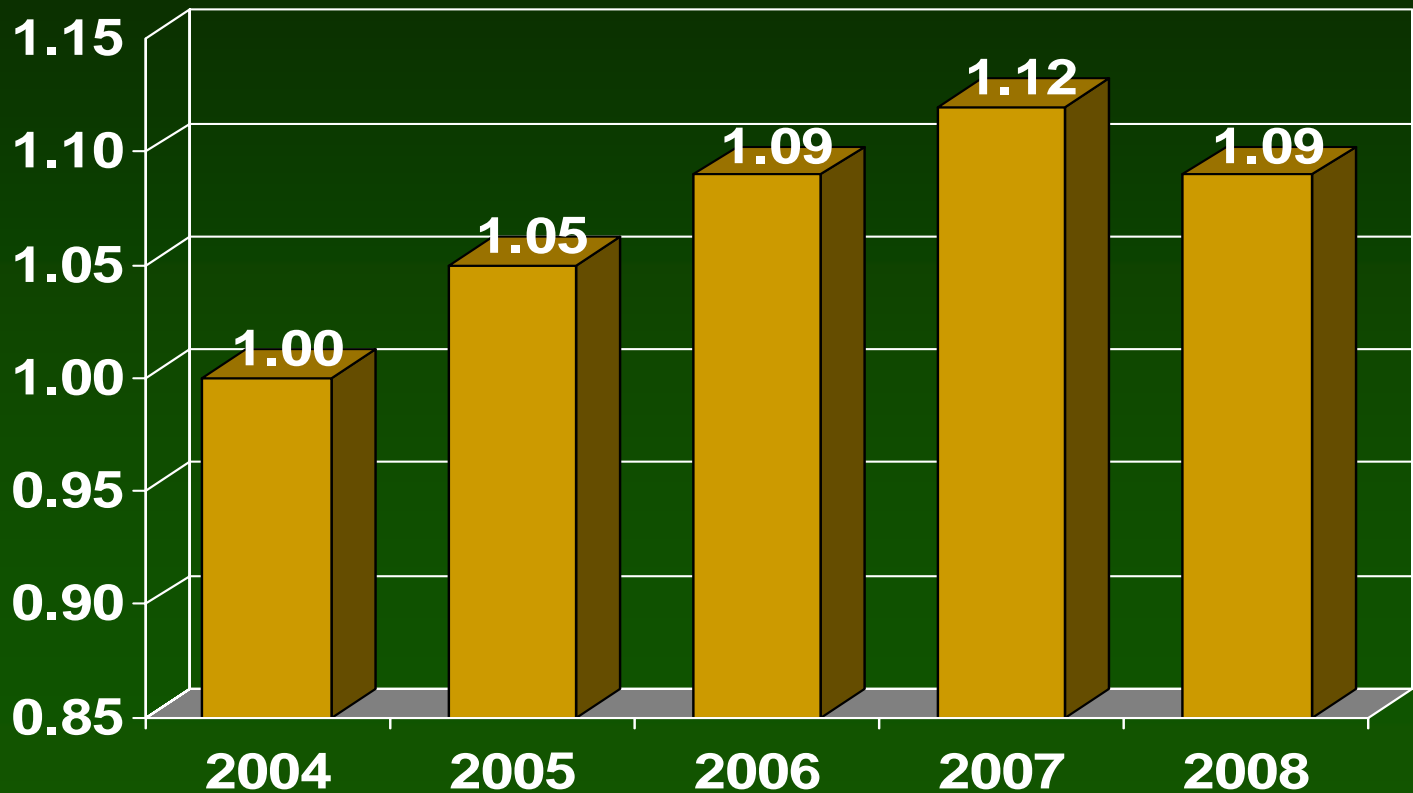
# County-wide Sales to 2005 Tax Values – Improved Residential Sales \$200k - \$250k



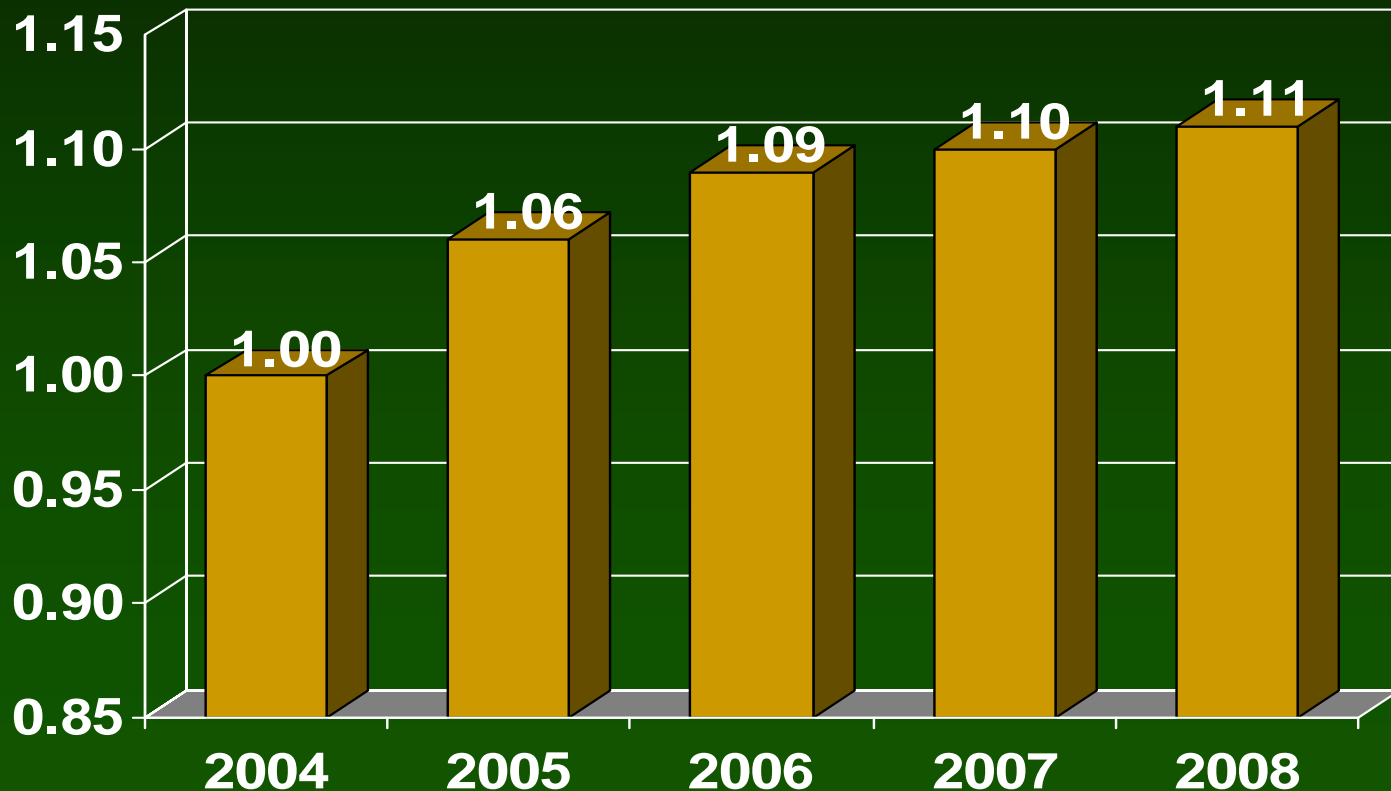
# County-wide Sales to 2005 Tax Values – Improved Residential Sales \$250k - \$300k



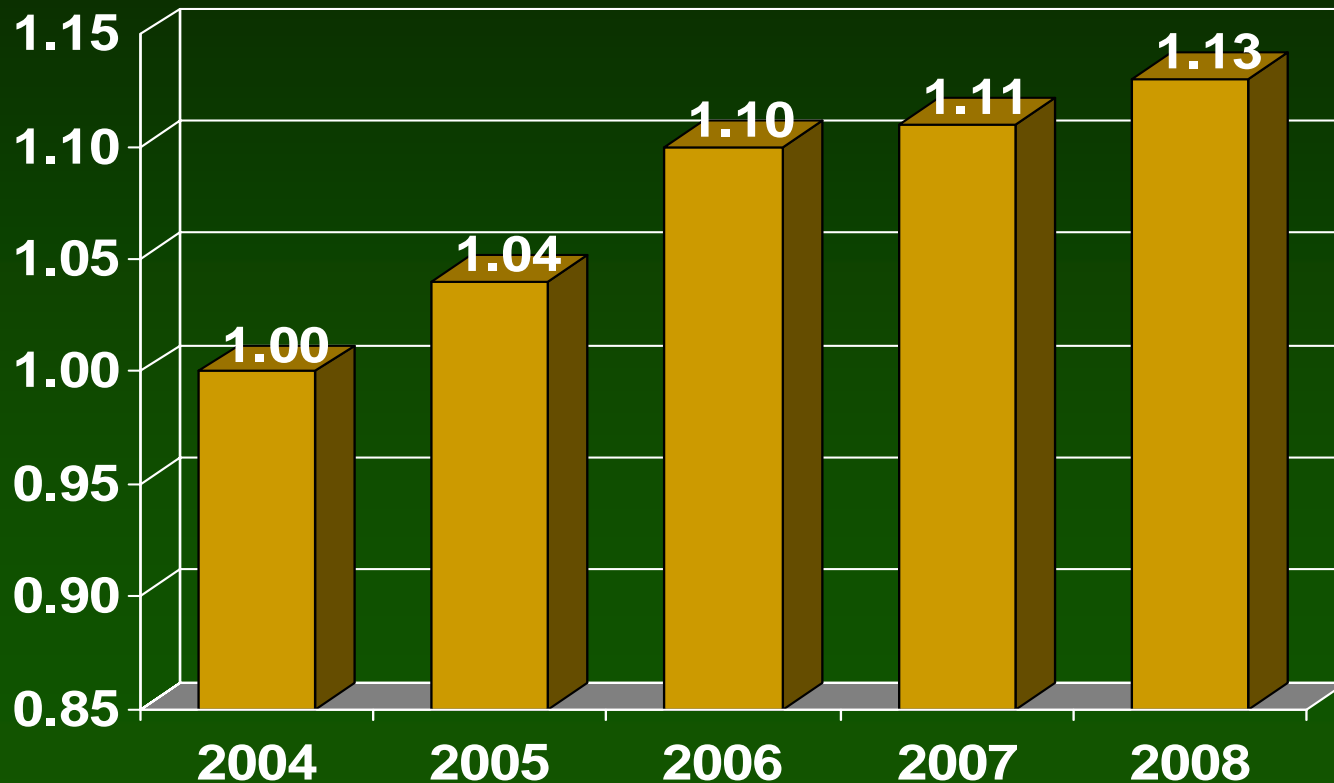
# County-wide Sales to 2005 Tax Values – Improved Residential Sales \$300k – 350k



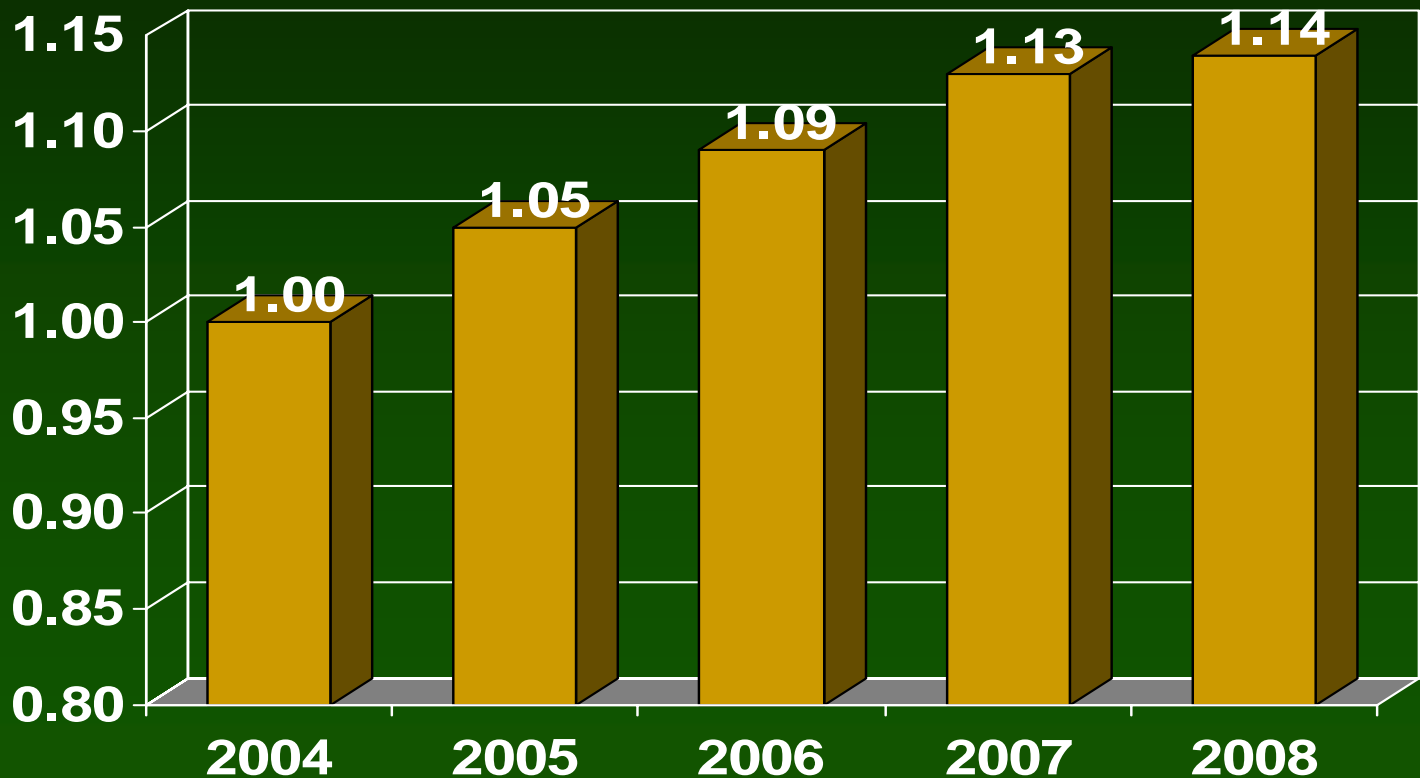
# County-wide Sales to 2005 Tax Values – Improved Residential Sales \$350k - \$400k



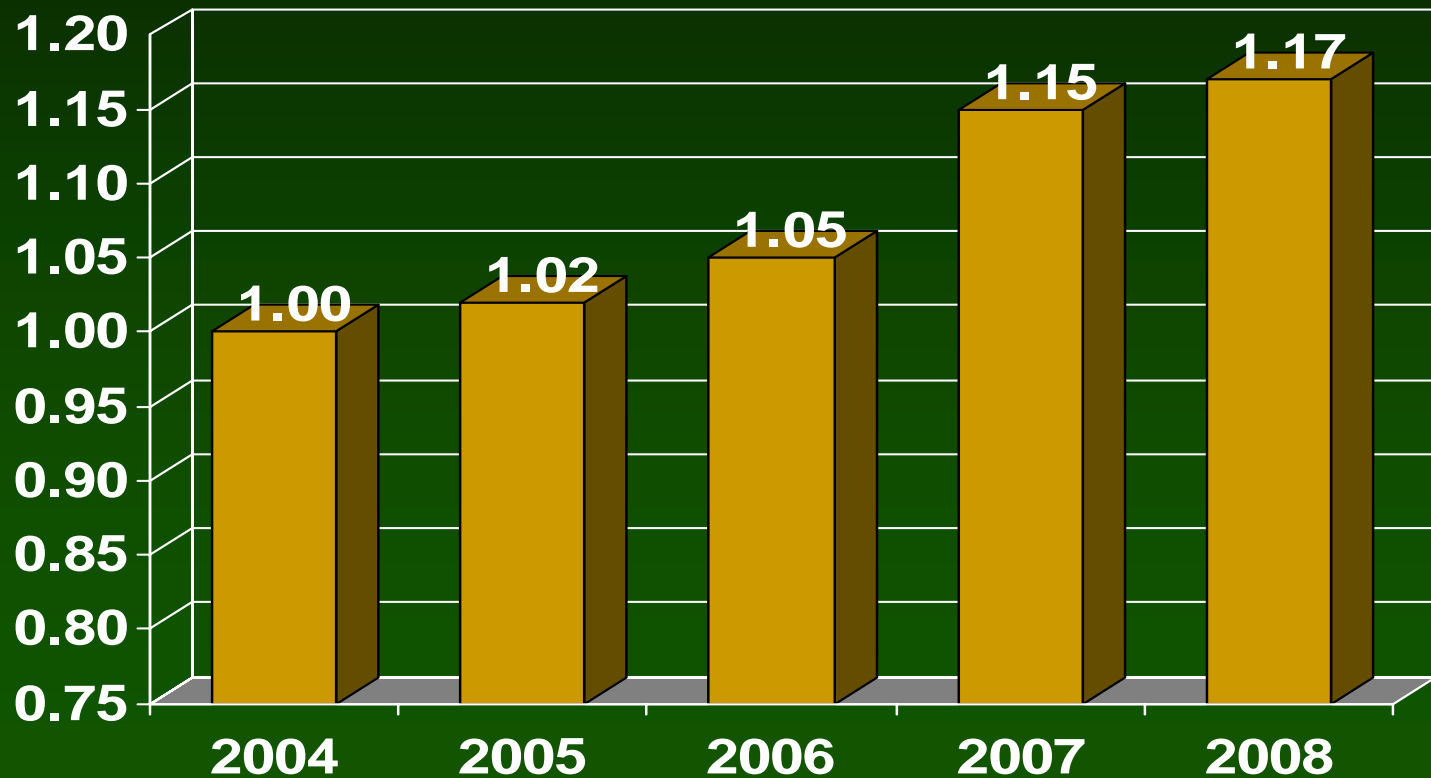
# County-wide Sales to 2005 Tax Values – Improved Residential Sales \$400k - \$500k



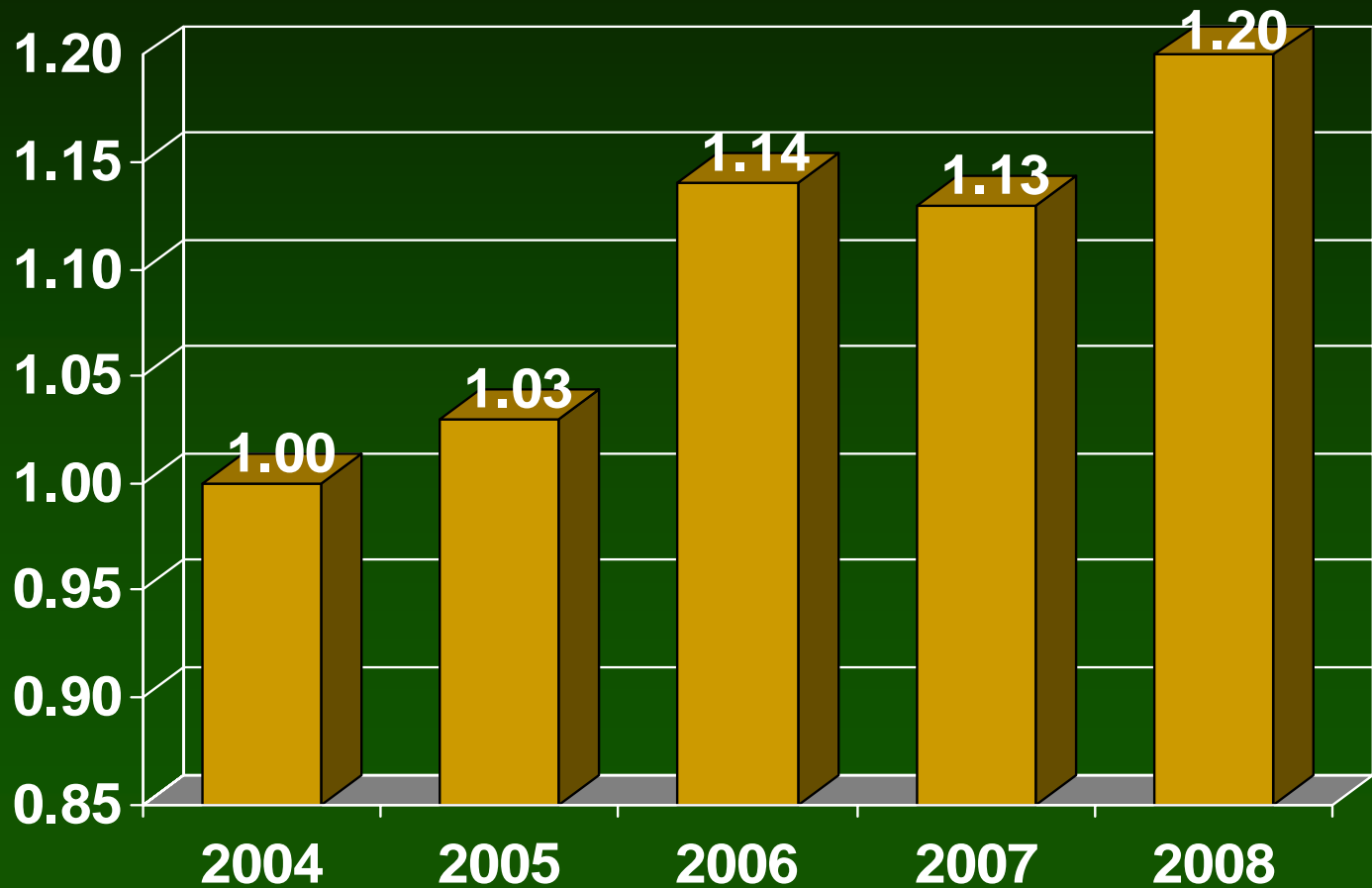
# County-wide Sales to Tax Values – Improved Residential Sales Greater Than \$500,000



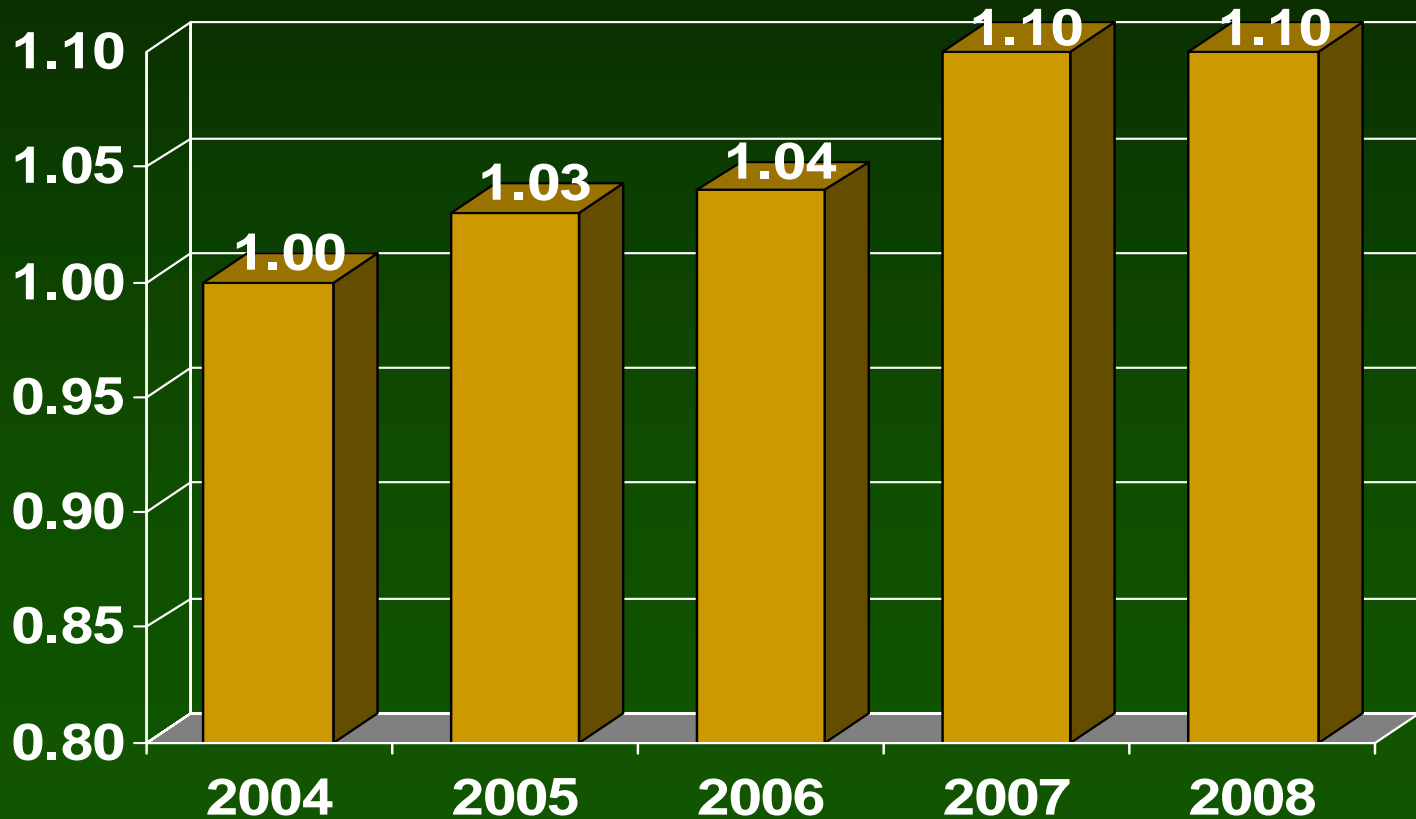
# County-wide Sales to 2005 Tax Values – Retail Commercial



# County-wide Sales to 2005 Tax Values - Apartments



# County-wide Sales to 2005 Tax Values - Office

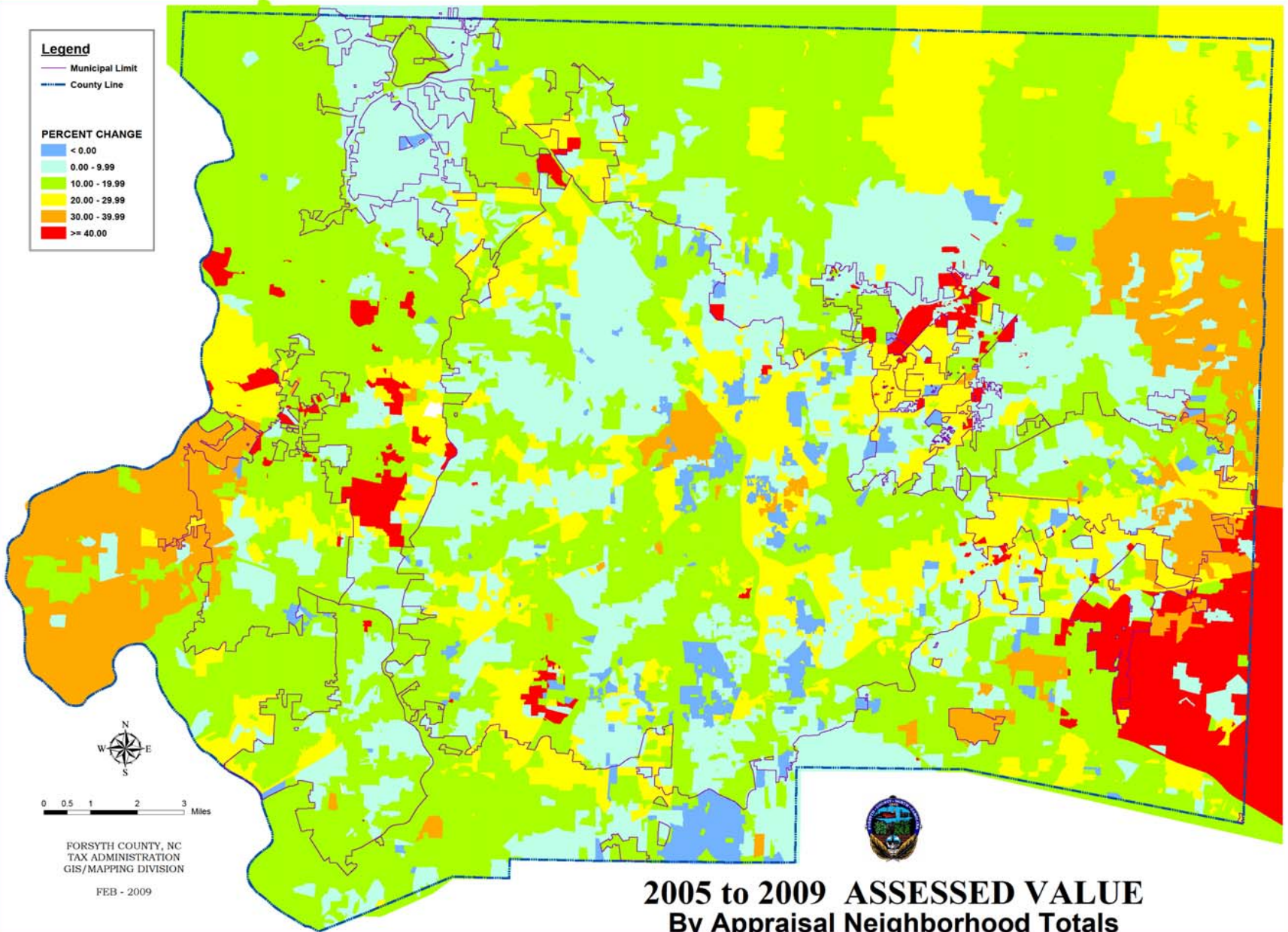


**Legend**

- Municipal Limit
- County Line

**PERCENT CHANGE**

- < 0.00
- 0.00 - 9.99
- 10.00 - 19.99
- 20.00 - 29.99
- 30.00 - 39.99
- >= 40.00



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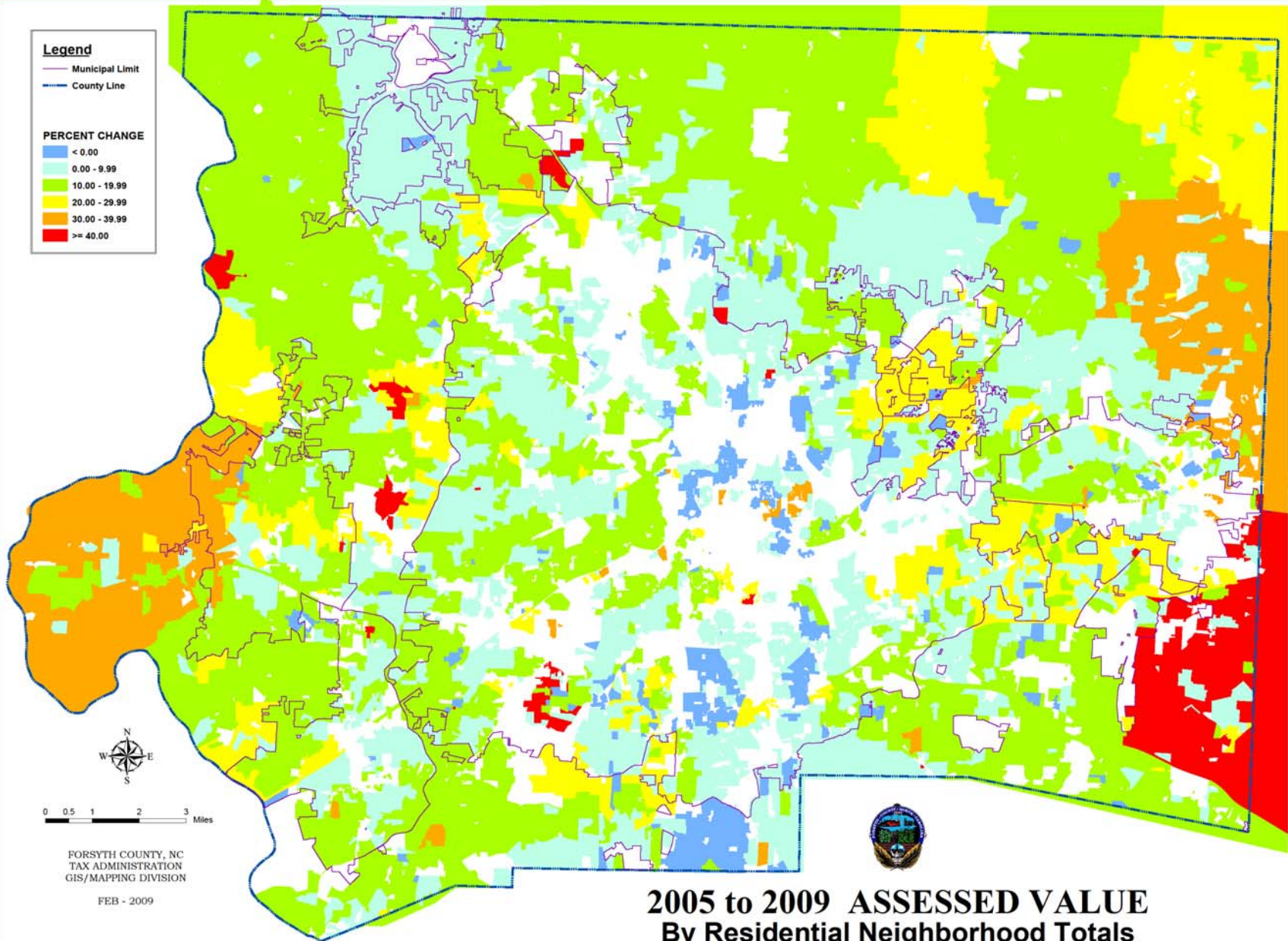
**2005 to 2009 ASSESSED VALUE  
By Appraisal Neighborhood Totals**

**Legend**

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- County Line

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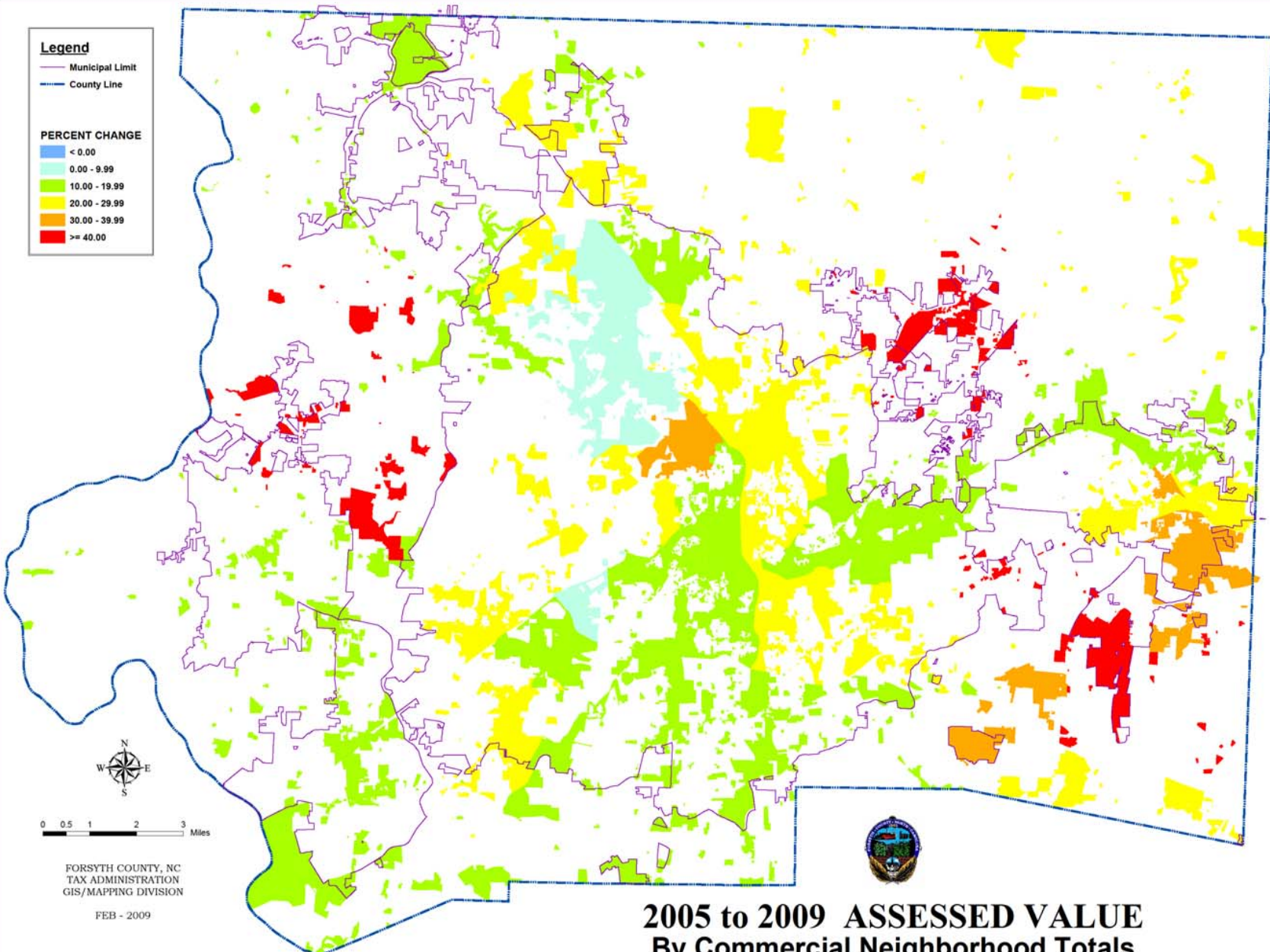
**2005 to 2009 ASSESSED VALUE  
By Residential Neighborhood Totals**

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**2005 to 2009 ASSESSED VALUE  
By Commercial Neighborhood Totals**

# Timetable

- January 1, 2009: Listing period begins.
- March 2, 2009: Mail notices of new value with informal appeal form attached.
- March 2009: Appointment of 2009 Board of Equalization and Review.
- March 31: deadline for filing Informal Appeals.
- April 6 – May 4, 2009: First meeting of Board of Equalization and Review.