Town of Fairfield
2015 Revaluation
Informational Meeting
Fairfield Revaluation Cycle

- Ct. Law states revaluations take place every 5 years
- Fairfield’s last Revaluation was in 2010
- All property is currently valued at 70% of 2010 market value including new construction.
- Purpose of Revaluation is to maintain Assessment equity
- 2015 Revaluation will bring all Assessments to 70% of 2015 market value
- Assessment Date is October 1
Valuation Trends 2010 – 2015 based on median sale prices

Residential Properties Statewide

Fairfield County

Fairfield

Source: The Warren Group
Measurements of Equity

- **Assessment Ratio**
  - A ratio of a property's assessed valuation to its market value. An assessed valuation is the value of a property as determined by an appraisal conducted by the municipality. The market value is the price for which one can sell a property on the open market. For example, if the assessed valuation of a piece of real estate is $700,000 and its market value is $1,000,000, its assessment ratio is 0.70, or 70%.
Measurements of Equity

- **MEDIAN RATIO** is the middle ratio in a sorted (low to high) array of sales ratios; 50% of the ratios lie above the median and 50% fall below it. The median ratio is the most commonly used measurement because it is less influenced by outliers.

- **COEFFICIENT OF DISPERSION (COD)** is a measure of uniformity of appraisal for all properties in a town's Grand List. The COD measures the average deviation between the selling prices of recently sold properties from the median town-wide level of appraisal.

- **PRICE-RELATED DIFFERENTIAL (PRD)** is used to measure value related inequities in the appraisal system, referred to as regressivity or progressivity. Appraised values are regressive if high value properties are under appraised relative to low value properties and progressive if high value properties are over appraised relative to the low value properties. The PRD is found by taking the mean (average) ratio of the sample and dividing by the weighted (aggregate) mean ratio.

- **UNSOLD PROPERTY TEST** means the ratio of the ratio of the market value of sold properties, to the ratio of the market value of unsold properties where the ratio of the market value of sold properties is the total market value of all sold properties after revaluation to the total market value of all sold properties before revaluation, and the ratio of the market value of unsold properties is the total market value of all unsold properties after revaluation to the total market value of all unsold properties before revaluation.
Connecticut Standards

- Median Assessment Ratio: 63% - 77%
- Coefficient of Dispersion (res.): ≤ 15%
- Price Related Differential: .98 – 1.03
- Unsold Property Test: .95 – 1.05
2010 Assessment to Sales Ratios Grouped by 2010 Assessments (1021 arms-length property sales between 1/1/2014 and 10/1/2015)

<table>
<thead>
<tr>
<th>Assessment Range</th>
<th>Current Assessment Ratio</th>
<th>Proposed Assessment Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $250,000 ASSMT</td>
<td>67%</td>
<td>70%</td>
</tr>
<tr>
<td>$250,000 - $500,000 ASSMT</td>
<td>66%</td>
<td>70%</td>
</tr>
<tr>
<td>$500,000 - $750,000 ASSMT</td>
<td>68%</td>
<td>70%</td>
</tr>
<tr>
<td>$750,000 - $1,000,000 ASSMT</td>
<td>71%</td>
<td>70%</td>
</tr>
<tr>
<td>$1,000,000 - $1,500,000 ASSMT</td>
<td>73%</td>
<td>70%</td>
</tr>
<tr>
<td>$1,500,000 - $15,000,000 ASSMT</td>
<td>78%</td>
<td>70%</td>
</tr>
</tbody>
</table>
2010 Assessment to Sales Ratios Grouped by 1,021 Arms-Length Sales between 1/1/2014 and 10/1/2015

Current Assessment Ratio

Proposed Assessment Ratio
Compliance/Non Compliance

How are values being determined in FEMA regulated Coastal Areas?

Land Values in FEMA regulated areas will be based on an analysis of sales on non-compliant homes.

FEMA compliant and non-compliant homes will have similar land values.

The market value of FEMA compliance will be represented in the value of building improvements.

FEMA compliance or non-compliance is reflected in what the market is willing to pay for compliant and non-compliant properties.
Remaining Tasks

- Ongoing Analysis through October 1st
- Valuation Field Review through July
- Mail Assessment Change Notices to property owners
- Informal Hearings
Important Dates

- Assessment Notices Mailed 11/6/2015-11/16/2015
- Informal Hearings 11/18/2015 – 12/18/2015
- Notice of Results of Informal Hearing 1/06/2016
- Grand List Signed 1/29/2016
- Deadline for BAA Appeal Application 2/19/2016