

Assessing Department 2024 Revaluation Project Analysis/Report

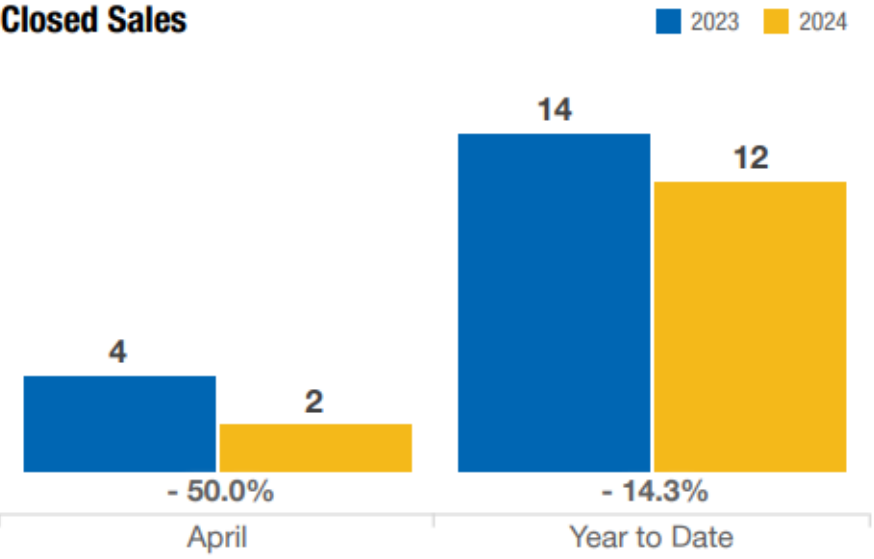
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May 20, 2024

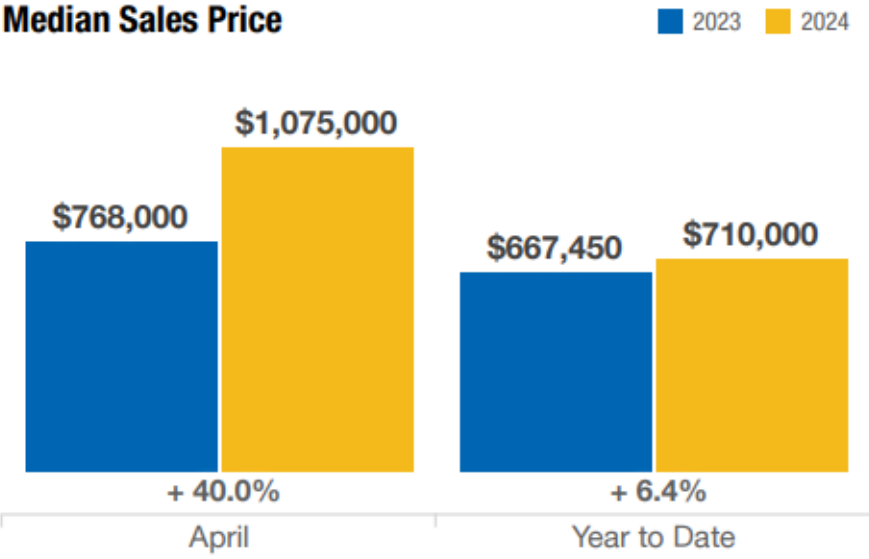
- Each New Hampshire town and city has a duty to bring all property assessments to market value at least every 5 years.
- The last time an update of property values occurred was in 2019. This was completed by the two contractors through the Assessing Department, one for Commercial/Industrial property and one for residential property.
- The Town's new contractor Whitney Consulting Group, LLC is currently performing a full statistical update of all property.
- The goal in this update is to bring the Town's assessments to full market value as required by law and the State of New Hampshire Department of Revenue Administration.
- Market value in assessment means having a median assessment to sales ratio of between 90% to 110%.
- Inspection of most sale properties have been completed, and the foundation value information is being collected and analyzed.

- The most recent equalization study of a year of qualified sales, the overall median assessment to sale ratio dropped to 65.2%. This study was based on sales that occurred from 10/1/22 through 9/30/23.
- This means that sale prices were approximately 52% higher than the most recent assessments.
- When analyzing sales that occurred most recently it is clear that the trend of increasing value continues, and that sales volume has declined somewhat but prices and demand are strong.
- Based on preliminary analysis the results of which are summarized in the following studies, a town-wide update to all property values for the 2024 tax year is ready to be completed.
- The following slide demonstrates recent value trends for Stratham and the State of New Hampshire in the first quarter of 2024.
- Among other things, it demonstrates a consistent relationship of local and statewide results.

Closed Sales

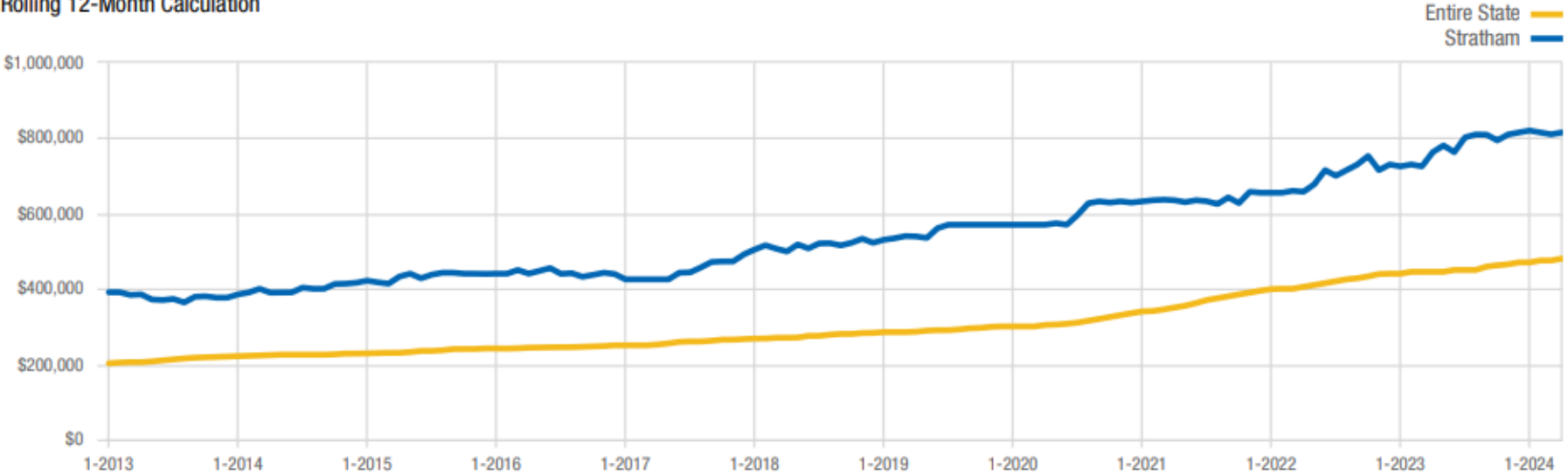


Median Sales Price



Median Sales Price - Single Family Residence

Rolling 12-Month Calculation



A rolling 12-month calculation represents the current month and the 11 months prior in a single data point. If no activity occurred during a month, the line extends to the next available data point.

- An analysis based on the 96 qualified sales from April 1, 2023 through March 31 2024 is the starting point of the revaluation process.
- Changes in assessed value will be made so that the result will be close to full market value.
- Commercial/Industrial and Vacant Residential Strata include sales in the 2 years prior to 4/1/2024.
- A summary of that analysis is as follows:

Property Type	# Sales	Median Price	Median Ratio
All Property	96	\$ 675,000	61.37%
Residential	65	\$ 775,000	62.73%
Condominium	28	\$ 352,500	58.95%
Manufactured Housing	2	\$ 270,600	49.77%
Commercial/ Industrial	7 *	\$ 600,000	87.52%
Vacant Residential	2 *	\$ 237,500	74.10%
* Sample includes sales over the 2 yrs prior to 4/ 1/24			

- Based on this preliminary analysis we expect increases in the assessed value of all categories of property, some will be significant.
- An increase in assessment does not necessarily mean an increase of property tax bills, as the tax rate for 2024 will not be set by the State for Stratham until late October, and the impact on an individual's tax bill will not be known until then.
- $\text{Total Net Appropriation} / \text{Total New Local Assessed Value} = \text{Tax Rate}$.
- Increases in overall value by category may not reflect each property's changed value, as many factors enter the calculation of each property value and values do not increase in a uniform way.
- $\text{New Property Assessment} \times \text{Tax Rate} = \text{Taxes (adj. for exemptions/credits)}$.
- The assessing web page will have new values for all properties sorted by Owner Name and Location. The web page will have a spreadsheet of all qualified sales listed used in our analysis, when complete.

- Notifications of new assessment will be mailed out to all property owners this summer. The Notice will include instructions on how to schedule an in-person or telephone informal hearing.
- These appointments will be available in late summer. When Notice letters are sent, you will also be able to review your detailed value information on-line.
- Informal hearings are not part of a formal protest, and taxpayers need not take part in the process to be able to request abatement.
- If you have questions, please start by reviewing the information at www.strathamnh.gov/assessing-department or by contacting the Assessing Department at (603) 772-4741 ext. 141.
- Property owners who disagree with their new assessment will be able to file a formal abatement request with the City after the fall tax bill is issued and before March 1, 2025.