

## **2014 REVALUATION TOWN OF MANSFIELD QUESTIONS AND ANSWERS**

### **WHAT EXACTLY IS A REVALUATION?**

The dictionary of Real Estate Appraisal Third Addition (1993) published by the Appraisal Institute defines revaluation as a "...mass appraisal of all property within an assessment jurisdiction to equalize assessed values..." In other words, the goal is to eliminate assessment inequities that may have taken place since the last revaluation.

### **HOW IS IT ACCOMPLISHED AND HOW OFTEN?**

It is accomplished by updating assessments of real property to reflect their fair market values as of the date of a revaluation. Pursuant to Section 12-62(b) of the CT General Statutes, commencing October 1, 2003, all municipalities must implement a revaluation every five years. The date of Mansfield's previous revaluation was October 1, 2009.

### **WHAT DOES THE UPDATING OF ASSESSMENTS ENTAIL?**

In summary, this requires:

- An analysis of selling prices of approximately one year prior to the October 1, 2014 revaluation date, during which, the features that have motivated buyers and sellers in Mansfield are identified and quantified.
- From this analysis, valuation models are created.
- The valuation models are then statistically tested in order to ensure they conform to the State of CT Performance Based Revaluation Standards of accuracy and uniformity in estimating fair market value.
- Income and expense information provided by commercial property owners is utilized and statistically tested as part of the process in determining commercial values.

### **WHAT IS FAIR MARKET VALUE?**

Fair market value, according to The American Institute of Real Estate Appraisers, is "the most probable price for which a property will sell in a competitive market with buyer and seller each acting prudently, knowledgeably and for self-interest, and assuming that neither is under undue duress." This precludes foreclosures, short sales, estate sales, and sales between family members.

**SHOULD I EXPECT MY PROPERTY TO BE VALUED THE SAME AS WHAT I PURCHASED IT FOR, AS LONG AS THE SALE WAS WITHIN TWELVE MONTHS PRECEDING OCTOBER 1, 2014?**

Not necessarily. Property types, despite similarities, tend to sell within a “value range” versus one specific price. The reason for this is because the motivations of buyers and sellers may differ from sale to sale. Therefore, in accordance with the definition of fair market value, the goal is to determine “the most *probable* price,” which tends to be in the middle range of recent sales of similar properties. The result is an appraised value that could be *higher* or *lower* than what you actually paid for it.

**DO PROPERTY VALUES CHANGE UNIFORMLY FROM ONE REVALUTATION TO THE NEXT?**

Not usually. Fluctuating economic conditions, along with local factors, influence the values of property class types in different ways. It is not unusual for some to experience a rather dramatic increase in value, while others see a more moderate change.

**IS THE TOWN GOING TO COLLECT MORE TAXES BECAUSE OF THE REVALUATION?**

No. A revaluation *redistributes* the total tax burden more fairly, but does not increase or decrease tax revenue.

***The information provided above addresses some typical questions concerning the revaluation process. We also invite you to check out the attached presentation: [Mansfield - 2014 Revaluation Project](#), by Jacqui Nichols, District Appraisal Manager with “Vision Government Solutions, Inc.”, our 2014 Revaluation vendor/consultant.***