

2021 Revaluation Peterborough, NH

What is the point of a Revaluation?

To update and equalize all assessments in a town to the current real estate market.

What is market value as of 04/01/2021?

What is the general public willing to buy and sell property for?
As property values change in the marketplace (sales), these changes are analyzed and used to build new assessments.

What role or consideration does the prior assessed value play in the 2021 revaluation?

The old assessed value is mostly irrelevant. The purpose of a revaluation is to revalue the property based on the sales information, costs, and economic conditions of the market period of the revaluation. To create “Values Anew” .

Assessments are not changed by a certain percentage; the assessments are rebuilt based on the analysis of today’s real estate market.

Do all of the property assessments change at the same rate?

There are differences between individual properties that may drive value: Differences in property use, age, condition, square foot living area, story height, location etc.

For example, one-story houses may be more in demand than two story houses.

Most impact in Peterborough? Lower value homes, Older homes, properties with less square foot of living area, lots under 1 acre.

2020 ASSESSED VALUE VS. SALE PRICE SINGLE FAMILY HOMES

When looking at this chart, it indicates a 26% difference between lower valued homes and higher valued homes.

| 2020 ASSESSED | # SALES | 2020 RATIO BEFORE |
|-------------------|---------|-------------------|
| 100,000 -150,000 | 8 | 0.60 |
| 151,000 - 200,000 | 16 | 0.60 |
| 201,000 -250,000 | 14 | 0.72 |
| 251,000- 300,000 | 21 | 0.75 |
| 301,000-350,000 | 11 | 0.75 |
| 351,000-400,000 | 6 | 0.74 |
| 401,000-450,000 | 2 | 0.81 |
| 451,000-725,000 | 4 | 0.86 |

Regaining equity. What does that mean?

2018 was our last 5 year Revaluation for Peterborough.
The next mandatory revaluation was not due until 2023.

Since the 2018 revaluation market values have increased throughout Peterborough.

In the chart below we have used the median ratio to show how sale prices in Peterborough compared to the assessed values over time.

| | 2018 Median Ratio | 2019 Median Ratio | 2020 Median Ratio | | 2021 Before reval using sales 07/1/20 to 07/21 | 2021 After Revaluation |
|----------------------|--------------------|--------------------|--------------------|--|--|---------------------------|
| All sales | 97.5% 133 sales | 92.1% 128 sales | 86.8% 131 sales | | 71% 122 sales | 94.5% 123 sales |
| Single-Family | 97.2% 83 sales | 90.7% 80 sales | 83.6% 80 sales | | 71% 84 sales | 94.9% 89 sales |
| Condos | 97.6% 31 sales | 94.7% 38 sales | 91% 39 sales | | 68% 14 sales | 95% 16 sales |
| Commercial | 94.3% 4 sales | N/A | N/A | | 80% 4 sales | 96% 4 sales |

(The assessment ratio is figured by dividing the assessed value of the property by the sale price of the property.)

Through our analysis of all qualified sales from July 1, 2020 through July 30, 2021, it was determined that the equalization ratio had fallen to approximately 71% of market value. This indicated that our assessed values were 29% below market value.

In 2021 a revaluation of all properties was performed. The purpose of the revaluation was to keep up with the changing market, and make sure that all properties were assessed fair and equitable within the community

After the revaluation the overall median ratio is 94.5%

(Using sales from October 1, 2020 through September 30, 2021.)

There are 123 qualified sales during this time frame.
 The following chart provides detail information about some of these sales:

| Number of Sales | Building Use | Old Ratio (Before) | New Ratio (After) | Square Foot | Sale Price 2021 | Sale price in 2018 As Presented in 2018 |
|-----------------|------------------------------|--------------------|-------------------|-----------------------------|---------------------------------------|--|
| 89 | Single Family | 70% | 95% | Median 1916 Average 2054 | Median \$350,000 Average \$370,100 | Median \$250,000 Average \$259,280 |
| 16 | Condominium | 67% | 95% | Median 1453 Average 1438 | Median \$231,000 Average \$238,900 | Median \$177,000 Average \$204,520 |
| 4 | Multi-Family 2 to 4 Units | 68% | 90% | Median 2604 Average 2956 | Median \$331,000 Average \$526,500 | Median \$203,500 Average \$222,300 |
| 4 | Commercial | 94% | 96% | | | |

A revaluation provides updates to all property types throughout Town based on sales data.

There are 2865 properties in Peterborough. Broken down into “use type” the list below shows some of the property types and the overall increase in value:

| <u>Property Type</u> | <u>Count</u> | <u>Overall % increase</u> |
|--|-----------------|---------------------------|
| Single Family Homes & Single family w/Access (16): | 1462 properties | 30% |
| Condominium: | 336 properties | 29.5% |
| 2 & 3 Family: | 130 properties | 30% |
| 4 plus /Apartments: | 41 properties | 15% |
| Mobile Homes: | 5 properties | 21% |
| Commercial/Industrial: | 150 properties | 11% |
| Vacant Land: | 129 properties | 30% |
| Mixed Use: | 27 properties | 19% |
| Current use vacant land | 191 properties | |
| Current use with single family | 203 properties | |

Some of the ways property is broken down for Analysis:

By Quartile:

| QUARTILE | 2021 RATIO | # SALES | 2020 RATIO |
|--------------------------------|------------|---------|------------|
| Oct 1, 2020 to Dec 31, 2020 | 0.98 | 41 | 0.77 |
| Jan 1, 2021 to March 31, 2021 | 0.94 | 22 | 0.70 |
| April 1, 2021 to June 30, 2021 | 0.94 | 27 | 0.68 |
| July 1, 2021 to Sept 30, 2021 | 0.89 | 33 | 0.65 |

By NHBD:

| NHBD | 2021 RATIO | # SALES | 2020 RATIO |
|------|------------|---------|------------|
| 101 | 0.94 | 57 | 0.65 |
| 102 | 0.95 | 36 | 0.74 |
| 103 | 0.95 | 3 | 0.70 |
| 107 | 0.96 | 3 | 0.76 |
| 201 | 0.95 | 3 | 0.68 |
| 302 | 0.95 | 4 | 1.01 |
| 303 | 0.99 | 1 | 1.04 |

By Square Foot

| SQFT LIV AREA | 2021 RATIO | # SALES | 2020 RATIO |
|---------------|------------|---------|------------|
| 783-1100 | 0.92 | 7 | 0.58 |
| 1101-1399 | 0.93 | 8 | 0.60 |
| 1400-1599 | 0.95 | 15 | 0.67 |
| 1600-1799 | 0.97 | 17 | 0.60 |
| 1800-2099 | 0.95 | 17 | 0.70 |
| 2100-2499 | 0.95 | 22 | 0.71 |
| 2500--2999 | 0.96 | 17 | 0.71 |
| 3000-3999 | 0.96 | 5 | 0.76 |
| 4000-5800 | 0.91 | 2 | 0.72 |

By Year Built

| YEAR BUILT | 2021 RATIO | # SALES | 2020 RATIO |
|------------------|------------|---------|------------|
| 1900 and EARLIER | 0.94 | 19 | 0.70 |
| 1901-1950 | 0.93 | 11 | 0.64 |
| 1951-1970 | 0.94 | 16 | 0.70 |
| 1971-1990 | 0.95 | 31 | 0.71 |
| 1991-2019 | 0.95 | 24 | 0.75 |
| 2020 | 0.97 | 12 | 0.15 |

BY ACRES: BEFORE REVALUATION

| ACRES | NHBD 101 | NHBD 102 | NHBD 103 | NHBD 107 | NHBD 201 |
|--------------------|----------|----------|----------|----------|----------|
| LESS THAN 1 | .64 #40 | .68 #4 | N/A | N/A | .68 #3 |
| 1.01-2.0 | .68 #13 | .70 #5 | N/A | .63 #2 | N/A |
| 2.0-5.0 | N/A | .75 #16 | .70 #3 | N/A | N/A |
| OVER 5 | .73 #3 | .77 #11 | N/A | .76 #1 | N/A |

BEFORE AND AFTER BROKEN DOWN FURTHER

| ACRES | 2021 RATIO | # SALES | 2020 RATIO |
|-----------------|------------|-----------|------------|
| .04-.50 | 0.94 | 28 | 0.61 |
| .51-1.0 | 0.95 | 21 | 0.71 |
| 1.01-2.0 | 0.92 | 20 | 0.69 |
| 2.0-5.0 | 0.95 | 19 | 0.74 |
| 5.01-10 | 1.00 | 12 | 0.77 |
| OVER 10 | 0.94 | 3 | 0.63 |

| Maps | 2021 RATIO | # SALES | 2020 RATIO |
|--------------|------------|-----------|------------|
| Rural | 0.95 | 36 | 0.74 |
| Urban | 0.94 | 67 | 0.67 |

Our date of value is April 1, 2021.
The overall final median ratio for 2021 is 94.5%.

Should I file for an abatement?

Can I sell my property for the assessed amount?

Does the Assessing Department have the correct information on my property ?

How much are similar properties selling for?

What are similar properties being assessed for?

Time period to file an abatement: by March 1, 2022

Quick Look into the future:

There are 28 valid sales that have occurred between 10/01/2021 and 01/01/2022.

19- Single Family Homes, 4- 2 Family homes,
1- Mobile Home & 4 Condominiums

The median ratio for these sales is: 86% of market value
The average ratio for these sales is: 83% of market value

This shows a continued increase in home prices.

