**TOWN OF BARRINGTON**

**Assessing Department**

# Procedures and Standards

# Residential Property Revaluation

**Robert J. Finnegan, Real Property Consultant**

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**Barrington Assessment Department**

**Revaluation Procedures**

1) **Introduction:** Rhode Island General Law § 44-5-11.6 mandates that assessments be updated every three years, with a full revaluation every ninth year. In both the assessment update years and the full revaluation year, local cities and towns are required to analyze sale prices of properties and adjust assessments to the current real estate market. The first two revaluations in each nine year cycle are known as "statistical revaluations" in that an inspection of every property is not required. In the full revaluation year a listing of the characteristics and a verification of the dimensions and square footages of all dwellings and structures is undertaken. The purpose of this document is to describe the various program components of a full revaluation of residential property and to explain the procedures and standards that are involved in carrying it out.

   The purpose of a revaluation is not to set the *amount* of the Town's total property tax burden but rather to determine the *distribution* of this tax burden according to Rhode Island state law and the market value of property. That is, the Assessing Department has nothing to do with the total amount of taxes collected by the Town. Its primary responsibility is to find the market value of every property, so that individual property owners pay only their fair share of taxes. The tax rate is determined by the Town's budgeting and legislative bodies; and it is the basis for the budget that is needed or demanded by the voters to provide for services, such as schools, roads, law enforcement, etc. The tax rate is simply the rate which provides the funds to pay for these services.

   In 2005, a revaluation firm, Appraisal Resource Revaluation Group, LLC, assisted the Barrington Assessing Department in conducting a full revaluation program. Three years later, in 2008, another revaluation firm, Vision Appraisal, conducted the first statistical revaluation in the current nine year cycle. This involved a conversion of the Town's assessing data files to the new company's computerized assessing system. In 2010, the revaluation firm that conducted the 2005 revaluation, Appraisal Resource Revaluation Group, was rehired to conduct the second statistical revaluation in the current nine year cycle. This involved a conversion of the assessing data to back to this company's software application. This year, (2014) the same company as was used in 2010 is conducting a full revaluation. It now has a new name, Northeast Revaluation Group, LLC.

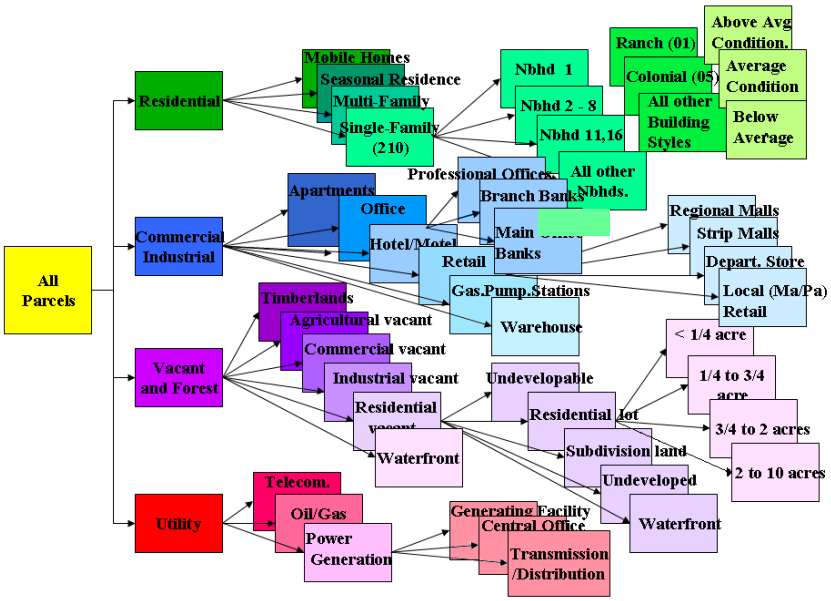
   In addition to a full data collection component, the current revaluation includes a fee appraisal of one hundred selected properties to supplement the assessing system produced values.

2) **The Revaluation Process:** Market value for assessment purposes is generally determined through the application of process known as "mass appraisal." The use of this term mass appraisal distinguishes the process of appraising *all* properties in a community at one point in time from the process of appraising a *single* property commonly referred to as "fee appraisal." In Barrington, it refers to the valuation of all real property as of a given

date, for example December 31, 2014**,** using a consistently collected set of property data characteristics with standardized valuation methods and statistical testing. Mass appraisal produces estimates of new property assessments using valuation models or equations, tables, and schedules that are developed through the analysis of property sales and other market data. These valuation models are applied consistently to the property description data that has been verified to be correct, complete, and up-to-date**.**

A valuation model is an algorithm or a set of computerized tables and formulas that uses property characteristics that contribute to value to produce assessed values that mirror recent property sales that have taken place in the real estate market. Property characteristics, such as neighborhood, land size, dwelling style, size and age, etc. become "variables" when placed in the valuation models. Value adjustments are made when there are differences between properties. When the models are applied to the property descriptions of all properties, a new set of property assessments is produced.

Once the model or tables have been defined and used to produce an initial set of new property assessments, they are tested and adjusted repeatedly by being applied to the property descriptions of a group of current "arms-length sale"[1] properties. This process includes grouping the sale properties into categories based on property characteristics such as location, property type, quality, age, square footage, etc. and comparing the valuation model produced values to the sales prices on a category by category basis.




[1] A sale in the open market between two unrelated parties, each of whom is reasonably knowledgeable of market conditions and under no undue pressure to buy or sell; International Association of Assessing Officers, Standard of Verification and Adjustment of Sales, November, 2010.

Subgrouping the sale properties into categories based on property characteristics (such as location, property type, quality, age, square footage, etc.) and comparing the valuation model produced values to the sales prices on a category by category basis is often referred to as model calibration. This model testing and adjusting process is repeated continuously until the new assessed values on the sale properties accurately reflect their sale prices.

When the Assessor and the revaluation contractor are satisfied that the value models produce assessed values on the recent sale properties that accurately reflect their sales prices, the models are applied to all of the residential properties in the Town. The result is a consistent, uniform methodology of valuing all properties in the same manner.

In Barrington, and in most communities, this process of "mass appraisal" is conducted within the framework of a computerized system of assessing that is known as a computer assisted mass appraisal (CAMA) system. Properly administered, a CAMA system results in the production of accurate, equitable and reliable assessed values.

3) **Revaluation Program Components:** Revaluation is a process administered by the Assessing Department with the assistance of a revaluation contractor. The components of a revaluation include:

a) Parcel Maps: The Assessing Department maintains parcel maps ("tax maps") that cover the entire town. These maps depict deeded ownership of each parcel with a unique parcel identification number and show the boundaries, dimensions and square footage (or acreage) of each. These maps allow the assessor to identify and locate all parcels, both in the field and in the office. The Barrington Assessing Department also uses a readily accessible online "Geographic Information System" ("GIS" system). This interactive system includes a complete parcel inventory with detailed land area information such as lot dimensions for each parcel. This GIS system permits graphic displays of neighborhoods, assessed values, land uses, and a wide variety of additional information that relates to the functions of not only the Assessing Department, but several other departments within Town government as well.

b) The Collection of Property Data: The collection and maintenance of current and accurate property characteristic data is a critical element in the development of uniform and fair market values. The Assessing Department collects and maintains a large volume of data regarding numerous features of each parcel of land in Town as well as the structures that are situated on each parcel. The Assessing Department's revaluation contractor is currently engaged in a comprehensive program to verify and correct (where necessary) the physical details for all property in Town. When this information is entered into the Town's CAMA system, a sketch of each dwelling is produced. The building area is calculated for each dwelling and its components such as first story area, second story area, garage area etc.

There are approximately 6,700 properties in the Town of Barrington, each of which has been or is currently scheduled to be inspected as part of the current revaluation program. Each property has a property description record in the files of the Assessing Department's CAMA system. A detailed "property record card" for each property is available at the Assessing Department office. A summary version of this property record card is also available online at the Town's revaluation contractor's website, Northeast Revaluation Group, LLC (nereval.com) http://nereval.com/OnlineDatabases.aspx.

The accuracy of property records in the Assessing Department is one of the most important elements of a sound and credible system of assessing. It is the first area of inquiry that should take place when a taxpayer wishes to question the validity of an assessed value. The type of data collected and the manner in which it is collected follows specific procedures determined by recognized mass appraisal methodology and the nature of the Town's CAMA system. The CAMA system is known as "AssessPro."

Because they are part of a computerized mass appraisal or CAMA system, some of the procedures used to collect, record and use property characteristic data may differ from what the typical layperson might expect. For example:

- Square footage of living area calculations are arrived at for the most part by measuring the *outside* of dwellings and other structures (rounded to the nearest square foot). Exterior dimensions are used as the most accurate and objective size comparison for all properties since interior inspection and measurement is not available for all dwellings.

- In general, the square footage of living area of the upper stories of a dwelling is arrived at by determining the extent to which it is equal to or is a fractional amount of the living area of the first story. For example, the second story of a colonial style dwelling is usually calculated as being same as the living area of the first story while the second story of a cape cod style dwelling with no dormers is determined to be equal to one half of the living area of the first story.

- Only a portion of the data contained in the CAMA system database is actually used in its valuation models. That is, many data items in the CAMA database are collected and used for information purposes only. The data items that contribute to value and are used in the valuation model include such data items as neighborhood, square footage, quality of construction, lot size, year built, condition and view. Although the total number of rooms and the number of bedrooms are collected as part of the property inspection process, this information is not actually used in the direct calculation of the assessed value. Rather, the square footage of living area in combination with a number of other data items is used in the value calculation.

- The number of bedrooms in a below grade finished basement is noted**,** but is not included in the dwelling's bedroom count. On the other hand, the number of bathrooms located in a below grade finished basement is included in the dwelling's bathroom count.

The data describing the dwellings, outbuildings and other yard improvements is collected according to very detailed specifications. These data collection specifications are documented in the Town of Barrington's "Data Collection Manual."

The data collection component of the revaluation program consists of the verification of all interior and exterior construction details, such as living area, construction quality, condition and dwelling style. It also includes the verification of building features such as bathrooms and central air-conditioning. The descriptions and size of basements, garages, covered porches, and balconies as well as significant detached structures including guest houses, boat houses, and barns are also verified. The data collection process also verifies data that relates to available utilities (sewer, water, electricity), neighborhood designation and site amenities, especially water frontage and views and other descriptors. External nuisances, for example heavy traffic and proximity to commercial uses are also noted.

c) Data Collection Procedures: A key requirement in terms of ensuring the accuracy of the collected data is that it be collected consistently for all properties throughout the Town. For example, the same type of dwelling cannot be described in one part of town as a "split level" and in another part of town as a "raised ranch."

The following paragraphs are intended to provide property owners with information regarding specific portions of the data collection process.

*i) Initial Approach of Data Collection Personnel*:

(1) Data collectors always check to see if anyone is home prior to starting any part of an inspection.

(2) Identification is immediately shown at the door. The occupant is greeted in a courteous manner and an explanation of the purpose of the visit is given. There must be an adult present to complete the inspection. Whenever possible, an exterior inspection and photograph is taken at the initial visit.

If the owner refuses to allow the data collector to conduct an interior inspection, he/she is politely accommodated and a note of the refusal is made on the field card. The data collector then attempts to inquire about the interior dwelling features and whether the property owner will allow an exterior inspection. If so, interior feature information is noted and an inspection of the exterior portions of the property takes place. If not, this is likewise noted. To the extent that the inspection process is not

conducted, the property characteristic information is estimated. This estimated data becomes the basis for any valuation estimates unless actual data is obtained at a future date.

(3) Later in the process, homes that were visited and received only an exterior inspection, receive a letter mailed by first class from the revaluation contractor, requesting that the homeowner call the contractor to arrange for a time when an interior inspection can take place.

ii) *Interior Inspection*:

(1) Bathrooms: If a bathroom has bathing facilities (tub or shower) then it is listed as a full bathroom, if not, it is a half bathroom

(2) Kitchens: Homeowners are asked if the kitchen is original to the dwelling, or if it has been modernized. If it has been modernized, an inquiry is made as to when this took place and noted in the property data.

(3) Central Air-Conditioning (A/C): Homeowners are asked if the central air conditioning is for both floors (assuming there is more than one floor in the home). Window air conditioners are not counted as central air.

(4) Mechanicals: The following are the heating type options; and homeowners are asked about the age of the heating system.
   (a) Forced Hot Water (FHW)
   (b) Forced Warm Air (FWA)
   (c) Electric (ELE)
   (d) Steam (STE),
   (e) Radiant (RAD)
   (f) Heating Pumps (HP)
   (g) Other (to cover anything else or no heat)

(5) Finished Basements: Finished basements must contain <u>two</u> of the following three elements:
   (a) Finished Walls, either paneling or drywall (painted walls are not recognized as being finished)
   (b) Ceilings, drywall, suspended or older block tiles (exposed floor joists do not count as finished)
   (c) Flooring, carpeting, tile, etc. (do not count if it is just a painted floor).

(6) Sump Pumps: As part of the data collection process, homeowners are asked whether or not a sump-pump is present in the home. A notation is made if it appears that a sump pump is tied into the sewer system or if it just pumps into the yard or a dry-well in the basement area.

(7) Living Units: A second living unit must have a kitchen, a place to sleep, and a place to bathe. Second units above a detached garage are considered as two buildings on one lot and a separate property record

card is created for each building.

(8) Condition and Quality: These two designations have a significant impact on the assessed valuation of a dwelling. If properly applied, they largely eliminate the need for positive or negative building influence adjustments. To ensure accuracy and consistency, the Town has adopted the new federal standardized ratings and definitions for these two important property characteristics:

(a) Condition: This is an important property characteristic because it directly relates to the amount of depreciation that is applied to the value of a structure. Its subjective nature can become the source of difficulty in categorization, therefore, the following new federal standardized detailed guidelines are followed in assigning a condition rating to dwellings:

- C1: The improvements have been very recently constructed and the dwelling has not previously been occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

- C2: The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

- C3: The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

- C4: The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

- C5: The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability are somewhat diminished

due to condition, but the dwelling remains useable and functional as a residence.

- C6: The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

(b) Quality: This is an important property characteristic because it determines the building cost table which is used to value dwellings and other structures. As is the case with Condition, the construction Quality designation is subjective and can become the source of difficulty in categorization. Therefore, the following new federal standardized detailed guidelines are followed in assigning a Quality rating:

- Q1: Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

- Q2: Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

- Q3: Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

- Q4: Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

- Q5: Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal window placement and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

- Q6: Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

iii) *Exterior Inspection*:

(1) The data collector walks completely around the dwelling, verifying all measurements and story heights. Differences in story height are properly reflected in the sketch. Note is taken of any unusual conditions observed.

(2) While on site, the dwelling sketch is verified to see that opposite sides total to the same length.

(3) Style: The following building styles are used to describe the homes in Barrington:

- <u>Antique</u> - A house built prior to 1900 retaining many of the original features such as small pane windows, exposed beams, wide flooring, etc.

- <u>Bungalow</u> - 1 to 1 ½ stories with ridge line perpendicular to the street.

- <u>Cape</u> - Simple lines, high roof ridge often supplemented with single and shed dormers, usually 1 ½ to 1 ¾ stories.

- Colonial - Traditional design, usually has symmetrical façade. Second floor overhangs may be present.

- Condominium – Structure with shared common land area and facilities. Traditionally of two types, either Townhouses, which are separated by common walls, or Garden style which are basically converted apartment style dwellings. Some condominiums consist of free standing dwellings that have the appearance of dwellings in a typical subdivision.

- Contemporary - characterized by open planning, horizontal lines, simple details and many levels

- Raised Ranch - Ranch style building with entry between first floor and lower level. The lower level sits on or below ground level

- Ranch - 1 story building with ridgeline parallel to the street.

- Split Level - 2 or more levels split side to side, front to rear or a combination of both. Entry is not between levels

- Conventional - 1 ½ to 2 ½ story building of no particular style

- Slab Ranch - Ranch style built on a cement slab rather than a traditional foundation with basement.

- Shotgun Ranch - Ranch style situated front to back from the street

- Large - Larger homes, generally over 4,000 square feet, that no longer fit conventional style designations such as Colonial or Contemporary

(4) Outbuildings:

(a) All special features and yard items are measured. Photos may be taken of any item of substantial size.

(b) Sheds: Sheds are measured regardless of size; and the data collector attempts to obtain the correct year that sheds were built.

(c) Docks: Docks are measured regardless of size; and an attempt is made to obtain the correct year the dock was built.

(d) Above Ground Pools: Above ground pools are measured regardless of size; and an attempt is made to obtain the correct year the pool was installed

(5) Photographs: As part of the data collection process a photograph is taken of the four corners of each dwelling. If there exists a feature about the property that might either increase or decrease its market value, such as a

water view or proximity to a gas station, a photograph is also taken of that feature.

(6) Home Based Occupations: It is generally not illegal according to zoning ordinances to have an occupation that is based in the home. For general information purposes, this information is recorded as part of the data collection process.

d) Incorporating Building Permit Data Into The CAMA System Database: During the course of the revaluation, building permits continue to be issued by the Building Department. These building permits provide notice of the impending construction of new homes and additions as well as the demolition of structures. Since this activity can change the property characteristic profile of the properties involved and accordingly their assessed value, the following procedures followed:

i) Copies of all building permits for all significant construction activity are forwarded monthly by the Building Department to the Assessing Department. This allows the assessor to identify properties that have characteristics that are likely to change and to inspect these parcels on a timely basis and to update the property data files accordingly.

ii) Property characteristic data is continually updated in response to changes brought about by new construction, new parcels, remodeling and demolition. Accordingly, the revaluation contractor measures, lists and evaluates all building permits and incomplete construction outstanding as of December 31st and all new permits that are filed through December 31st. All incomplete construction value is reflected in the assessment and so noted in the CAMA system and on the property record card.

The affected properties are revalued with all building permit activity that takes place through December 31st accounted for.

e) Verification of the Arm's length Status of Property Sales[2]: The sale prices paid for property represent the market data upon which the production of new assessed values in a revaluation is based. The time period from which property sales are selected for the current revaluation is primarily the two year period extending from January 1, 2013 to December 31, 2014. Hundreds of property sales take place during this period; but only a portion of them meet the standard required to be used as part of the revaluation process.

[2] Research for this section included interviews with representatives of the Barrington Assessing Department and the revaluation contractor as well as input from the Ad Hoc Taxation/Assessment Advisory Committee. In addition, substantial content was drawn from the consultants' knowledge and experience and from the International Association of Assessing Officers "Standard on Verification and Adjustment of Sales" publication, November, 2010.

In order for a sale price to be used as an indicator of value, the sales transaction must be what is referred to as an "arm's length sale." In others words, the sale must be an open market sale. A market sale is one that sells in a competitive and open market, assuming that the buyer and seller are acting prudently and knowledgeably, and assuming the price is not affected by special influences.

A large number of sales occur each year that do not represent the arm's length transactions necessary to be included in the revaluation process. These non-arm's length sales must be identified and excluded from the valuation process. Some examples of sale transactions that are usually excluded are[3]:

- Sales involving courts, government entities, or public utilities
- Sales involving charitable, religious, or educational institutions
- Sales in which a financial institution is the buyer or seller
- Sales between corporate affiliates
- Sales between family members or sales of convenience (such as a sale to transfer the title of a property from the both spouses to just one spouse often for one dollar)
- Estate sales
- Sales to property abutters
- Sales where the buyer or seller is under duress or may not be acting prudently or knowledgeably regarding all potential uses of the property

While no single set of sales screening rules or recommendations can be universally applicable for all uses of sales data or under all conditions, all sales are candidates as valid sales unless sufficient information can be documented to show otherwise. In general, the less common or more complex the property, and the more atypical the sale price, the greater is the effort that is given to confirm the particulars of the sale. In a revaluation the verification of the arms-length status of property sales is accomplished as follows:

i) The Assessing Department staff identifies sale transactions from recorded deeds and attempts to obtain information about the circumstances of each sale.

ii) The sale price and the completeness and accuracy of property characteristic data is confirmed by contacting a party to the sale (buyer, seller, or other knowledgeable party such as the real estate sales person involved with the sale) and requesting the particulars of a sale. This is accomplished by using the following methods:
    1. Real estate transfer documents, i.e. deeds
    2. Sales verification questionnaires
    3. Personal interviews with buyers, sellers, brokers, appraisers and financial institutions
    4. Third party sources

[3] A complete list of non-arm's-length transaction codes appears in the Appendix on page 43.

iii) Sales verification questionnaires are sent to buyers and sellers and/or real estate brokers to determine the type of transaction, financing arrangements and any special circumstances that may have been present in the sales transaction. When there is a question or an answer that is unclear on a returned sales verification questionnaire, the sales data is verified by making a follow-up contact to a person involved with the sale

iv) The circumstances of any sale that is between individuals that are closely related (parents, children, aunts, uncles, nephews, nieces, grandparents) are scrutinized carefully because sales between related parties may not reflect market value.

v) Property that sells on the internet and meets the criteria of being an open-market, arms-length transaction can be included as a valid transaction. In the case of internet sales, the primary focus is on whether the parties to the sale are informed buyers and sellers. Indicators of an uninformed buyer can include one or more of the following:

- No knowledge of the market in the area in which the property was purchased
- No broker/realtor, appraiser or banker involved
- No other similar properties in the area examined
- Property purchased sight unseen

vi) Sales of properties that have been exposed to the open market too long, not long enough, or not at all may not represent market value.

vii) An attempt is made to inspect all recently sold properties as part of the data collection phase of the revaluation project; and a verification of the arm's length status is also made at that time. This involves making a determination of whether the physical condition and other characteristics of the property at the time of the inspection differ from what was the case at the time of the sale. The presence of significant differences in the physical characteristics of the property between the date of sale and the date of inspection is a basis for disqualifying a sale.

viii) As the analysis of the ratio of assessed value to sale price proceeds (see next section), sales that have not already been accepted or disqualified as arms-length often surface because of a higher than average discrepancy between the assessed value and the sale price. Some of these outlier sales can represent property types or neighborhoods for which there are a significant number of parcels but few sales. Because of their potential for influencing the assessed value of a sizable number of properties, these outlier sales are subjected to a more detailed investigation and a record is made of the basis for the final arms-length status determination. There is no one factor that dictates whether such outlier sales are arms-length, but a critical factor is whether the buyer or seller believed that they paid or received market value.

e) Assessment to Sales Price Ratio Analysis: The principal method of evaluating the extent to which assessed values reflect the current real estate market is to analyze the relationship (i.e. "the ratio") between the assessed value of properties that have recently sold and their selling prices. This is called "sales ratio analysis." This statistical tool is used throughout the valuation phase of the revaluation. It first takes place at the beginning of the valuation phase in order to provide the Assessor with an understanding as to how far away from or close to market value the existing assessed values are. It then takes place continually as the Assessor and the revaluation contractor repeatedly evaluate the extent to which newly arrived at assessed values are mirroring sale prices. Finally, at the conclusion of the revaluation, the analysis of the ratio of assessed value to sale price is conducted in order to demonstrate that the new assessed values are in fact at current market value.

More specifically, there are two principal ways to analyze existing assessments in order to determine the extent to which they reflect the current real estate market. That is, by analyzing:

1. The level of assessment
2. The uniformity of the assessments

The level of assessment refers to the overall (median) ratio of assessed value to sale price. That is, for example, it answers the question of whether the assessments are at one hundred percent of market value; or lower than market value; or at some percentage above market value.

Assessment uniformity refers to the extent to which all the assessment to sale price ratios being analyzed in the revaluation are clustered together as opposed to being widely disparate. Since different people do not tend to pay the *exact* same sale price for the same type of property, it follows that there would be a certain amount of variance in the assessed values of sale properties as compared with their sale prices. The two neighborhoods as shown illustration below both have a median level of assessment of 100% of current market value. It would nevertheless be erroneous to conclude that the assessed values in both neighborhoods uniformly reflect current market value. Neighborhood A is far less uniform and equitable than Neighborhood B.

Neighborhood A

| Assessment | Sale Price | A/S Ratio |
|---|---|---|
| 468,000 | 600,000 | 78.0% |
| 442,500 | 500,000 | 88.5% |
| 400,000 | 399,990 | 100.0% |
| 500,000 | 400,000 | 125.0% |
| 567,000 | 420,000 | 135.0% |
| **Median Ratio** | | **100%** |

**COD = 18.7**

Neighborhood B

| Assessment | Sale Price | A/S Ratio |
|---|---|---|
| 598,500 | 607,615 | 98.5% |
| 595,200 | 600,000 | 99.2% |
| 580,000 | 580,000 | 100.0% |
| 575,000 | 558,250 | 103.0% |
| 585,000 | 559,800 | 104.5% |
| **Median Ratio** | | **100%** |

**COD = 2.0**

Assessment uniformity is usually expressed in terms of the statistical measure: "COD" (Coefficient of Dispersion).[4] It indicates how tightly the assessments to sale price ratios are clustered around the median ratio (See the exhibit on the previous page). Equitable assessments show low dispersion, i.e., the lower the dispersion the better.[5] That is, the lower the COD, the better. A COD of 15 or lower is considered acceptable for single family homes and condominiums. In practice the norm is 10 or lower. CODs of 15 or lower are generally considered acceptable market variance for older, more heterogeneous residential properties. A COD of 20 or less is generally considered acceptable for vacant land properties.

In a revaluation, once the arm's length sales have been identified and verified, the assessor and the revaluation contractor undertake the above described assessment to sale price ratio analysis to determine both the level and uniformity of existing assessments and also to identify the source(s) of any existing inequities (For example, the assessments of ranch style properties might be coming in too high or low). The effective date of this analysis varies as the revaluation unfolds and is the most recent date possible to the December 31st effective date of the revaluation. Sales ratio studies are developed by mainly using sales data compiled from two years of arms-length transfers prior to December 31st effective date of the revaluation.

In the sales ratio analysis process, sale properties are categorized or stratified in different ways and sales ratio statistics are calculated for each category or stratification. For example, sale properties are stratified by:

- Neighborhood (e.g. location)
- Dwelling style
- Sales price ranges
- Sale date ranges
- Dwelling construction quality
- Dwelling age
- Dwelling condition
- Dwelling size ranges
- Condominium complex

Statistical issues affect the determination of strata in the sales ratio analysis phase. These statistical issues include the sample size of each of the resulting sub-strata and the variability of the ratios in each of the sub-strata. No conclusions about the level of assessment or the uniformity of assessments are made from samples that are unreliably small. Any statistical conclusions drawn from extremely small samples have excessively large margins of error.

[4] The COD is found by taking the average of the absolute deviation of ratios about the median, and dividing by the median ratio.

[5] However, when an exceptionally low COD is found in adequate sales samples, it may indicate that assessments on sale properties have been selectively adjusted to match the sale prices. This invalidates any results of the appraisal performance equity testing. This is commonly referred to as "sales chasing."

There is another statistical measure that is used to ensure that all properties are assessed equally; and it seeks to determine if there is an assessment bias for or against lower valued properties or higher valued properties. This statistical measure is known as "Price Related Differential" ("PRD").[6] The price-related differential is used to measure value related inequities. Assessed values are considered regressively biased if high value properties are under assessed relative to low value properties**.** If high value properties are over assessed relative to low value properties, assessments are considered progressively biased. A PRD of between .98 and 1.03 is generally regarded as indicating that both lower priced and higher priced-properties are being assessed without bias at equal percentages of market value.

g) Valuation in General: The assessed values to be determined by the revaluation are the full and fair cash value, as defined in section 44-5-12 of the Rhode Island General Laws. The valuation methodology and procedures are based upon nationally recognized methods of assessing and are expressed within the framework of the Town's AssessPro CAMA system.

The Town of Barrington has had a CAMA system for years; and, since the real estate market is continually changing, the objective of a revaluation is to determine the level and uniformity of assessments and to update the CAMA system's valuation tables as necessary in order to bring property assessments in line with the current real estate market values. The scope of effort necessary to accomplish this can vary depending on the changes that have taken place in the real estate market since the last revaluation or statistical update. This is illustrated by the following matrix:

| | | **Level of Assessment (Median Assessment to Sale Price Ratio)** | |
|---|---|---|---|
| | | **GOOD**<br>(100% of Current Market Value) | **NOT GOOD**<br>(Not 100% of Current Market Value) |
| **Assessment Uniformity (COD)** | **GOOD** | Assessments reflect current market values with good uniformity (equity)<br><br>Make no changes to current assessments | Assessments uniform but not at market value<br><br>May adjust assessments to current market value by trending |
| | **NOT GOOD** | Some assessments are not at current market value … (e.g. new construction, rehabilitation or demolition)<br><br>Must reappraise those parcels not at current market value | Assessments are neither uniform nor at current market value<br><br>Must reappraise all parcels |

[6] The PRD is found by taking the mean (average) assessment to sale price ratio (ASR) and dividing by the weighted (aggregate) mean ratio.

If the level of assessments is good and the uniformity of assessments is good, as shown in the upper left green box, then current assessments reflect current market values in this group or area. No change is needed to the assessments in this group. This is common in flat markets or may be true over a period of time when market trends reverse and now are equivalent to prior levels.

If the assessment level is NOT good, but the uniformity of assessments is good, as shown in the upper right blue box, then current assessments may be easily adjusted to current market values while maintaining their uniformity by simply trending the current assessments to the correct level of assessment. For example, the assessment to sale price ratio (ASR) for single family home assessments are at 98%; but in one neighborhood the ASR is 89%. This indicates that in the 89% ASR neighborhood, the assessed values need to be increased to be consistent with the Town as a whole and to meet the market value standard.

If the overall assessment level is good, but the uniformity of assessments is NOT good, as shown in the lower left orange box, then the source of these parcels being out-of-line is analyzed and corrected. This is typical of any group with parcels with new construction or that have recently had demolition.

Finally, if the assessment level is NOT good and the uniformity among assessments is NOT good, as shown in the lower right red box, then all parcels in this group must be analyzed and revalued.

In the case of residential homes, often referred to as "improved properties," the objective of a revaluation is to develop land and building values that dovetail to produce total assessed values that mirror current sale prices. While it is common practice in a revaluation to produce separate land and building values for improved properties, it is helpful to recognize that these land and building value components do not actually exist as entities that are bought and sold separately. For example, we do not see separate land and building asking prices on "For Sale" signs or on multiple listing services; nor are they negotiated separately by buyers and sellers. This is because the land and building components of an improved property are part of a package**.** They are bought and sold together. In this sense, the segregation of the component land and building values of improved properties can be thought of as somewhat artificial in nature. It is the composite value of the land and buildings taken together that is of primary importance in a revaluation. In other words, it is the total assessed value of an improved property that is used as the basis for taxes and that must be defended in an appeal process.

The valuation methodology used in Barrington and in many jurisdictions is known as the "market adjusted cost approach." This valuation methodology is a variation of the traditional "replacement cost new less depreciation plus land." This is because, in the final analysis, it is what the real estate market tells us about the total value of land and buildings packaged together that determines the assessed value. Nevertheless, the revaluation attempts to produce separate, yet

reasonable and credible building and land values for improved properties.

Determining market value is an inexact science and appraisal judgment, common sense and interpretative skills also play a central role. In short, the valuation of land and buildings in a revaluation is both an art and a science. The Barrington revaluation is being carried out by highly trained appraisal professionals who use their skills and experience to determine the "most probable" market value for each property.

h) Building Valuation: Building cost tables in the CAMA system reflect as credibly as possible the current cost to replace existing structures. In the current revaluation, these cost tables are based on costs of labor and materials prevailing in the Town of Barrington during calendar years 2013 and 2014. Building cost tables are checked against a national construction cost manual and adapted to the Town of Barrington by using the recommended location modifiers and other local knowledge.

After adjusting the building cost tables, new building values are estimated for sample dwellings using the computer-assisted mass appraisal system (CAMA). These estimates are then tested against building costs that are known from other local sources. Local contractors and builders are contacted to compare their values with CAMA system building cost values.

A “building residual” technique is also used to check the cost tables. This is accomplished by subtracting an indicated land value from the sale price of an improved property. The remainder represents an indication of the "residual" building value.

i) Depreciation: Not all buildings are new**.** Depreciation must therefore be applied to the replacement cost new estimate of the buildings to reflect their current value. The building depreciation tables in the CAMA system account for the loss in value from physical deterioration and to allow for the use of land value extraction from improved property sales in the form of land residuals. Depreciation can change over time depending on the level of maintenance and upkeep or modernization performed by homeowners. Depreciation is measured by comparing the indicated building value of sold properties with the CAMA system’s replacement cost new value. The difference between these two values reflects the “loss in value” due to depreciation. In other words, all things being equal, buyers generally pay more for a new home rather than a used home. For each effective age[7], an average depreciation rate is determined.

Functional and economic depreciation are handled on a case by case basis. Functional depreciation is a loss in value resulting from a decrease in the functional utility of real property caused by outmoded design etc. An example would be the need to pass from one bedroom through another bedroom to access the bathroom. Economic depreciation is a loss in value resulting from factors

[7] Not the actual age but the equivalent age of a structure considering its condition and utility.

outside the real property such as the nearby construction of a shopping center. The assessor and revaluation contractor determine this depreciation by comparing the sale price on properties affected by functional or economic depreciation with their estimated cost new less any physical depreciation calculated from the CAMA system. Any adjusted depreciation for functional or economic depreciation is property specific. Changes to the property or adjacent property may in some cases "cure" the functional or economic depreciation. These factors are reviewed in each reassessment to determine if they are still appropriate.

j) Land Valuation: In most built up towns such as Barrington, vacant land sales are typically few and far between; and they usually are not spread evenly throughout the town. Where they exist, they are a primary source for land valuation because they represent direct market evidence between one buyer and one seller. Vacant land sales require careful interpretation; and they don't necessarily translate into valid land assessments for improved properties. For example, a small number of vacant land sales can give a false impression of land values. Often, when a small number of vacant land parcels are available for sale, a premium price is paid**.** Land value rates based on these sales would tend to over-estimate the contributory land value for improved properties. [8]

The use of what is referred to as "land residuals" or "abstraction" is a method of land valuation that is used when there are not an adequate number of land sales. Using this method, the assessor and the revaluation contractor turn to improved property sales rather than solely vacant land sales to develop land values. By subtracting an indicated market value of the improvements from a sale price, one is able to arrive at the contributory value of the land. For example:

1. Sale Price: $400,000
2. Building Value: -$250,000
3. Land Residual: $150,000

In mass appraisal, the use of land residual approach provides current market data from which to produce reliable land values. As such, it is also an integral part of the mass appraisal process that is closely tied to the requirement to simultaneously produce credible assessed values for land and buildings.

While, in general, the value of land in the real estate market rises as parcel size increases, it does not rise in direct proportion to size. This is because in order for land to have value, it must have utility. Utility usually refers to the ability of a parcel to support a specific use or an improvement (e.g. a dwelling). If a town's zoning regulations dictate that only one house can be constructed on a 10,000

[8] This is also often the case with respect to "teardown" properties, i.e. sales of improved properties in which the dwelling is torn down soon after the sale takes place. These sales plus the cost of demolition are often considered to be land sales. While such sales do represent an indication of land value, they likewise require careful interpretation. They are considered along with other vacant land sales and land residuals (see following paragraphs) in the determination of the base lot value for a neighborhood.

square foot parcel and, likewise, only one house can be constructed on a 40,000 square foot parcel, then both lots have essentially the same utility – the construction of one house. Buyers and sellers in the real estate market recognize that the additional land does not increase the basic utility. Therefore, they do not pay four times the price of a 10,000 square foot lot for a 40,000 square foot lot. Expressed differently, the real estate marketplace tends to observe the law of diminishing returns.

While smaller parcels of land generally have lower *values* than larger parcels of land, it can be difficult to understand that smaller land parcels nevertheless have higher *dollar per square foot* values. The following grid provides an example of this. It displays the values of building lots in a typical residential neighborhood.

**(SAMPLE DATA FOR DEMONSTRATION PURPOSES ONLY)**

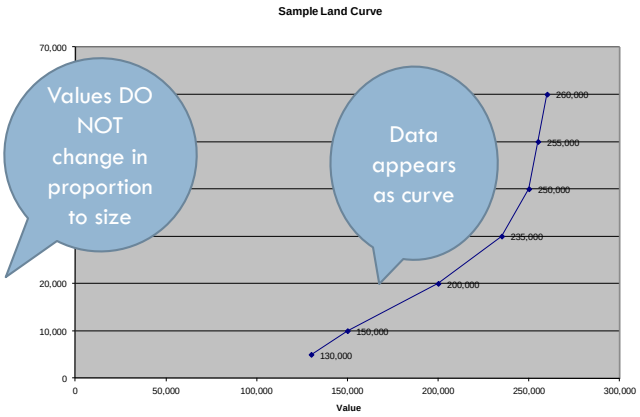
| LAND SIZE IN SQ FT | LAND VALUE | VALUE PER SQ FT |
|---|---|---|
| 10,000 | 150,000 | 15.00 |
| 20,000 | 200,000 | 10.00 |
| 30,000 | 235,000 | 7.83 |
| 40,000 | 250,000 | 6.25 |
| 50,000 | 255,000 | 5.10 |
| 60,000 | 260,000 | 4.33 |

The chart demonstrates that the land values do not increase in direct proportion to their increase in size. It illustrates, for example, that people do not pay twice the value of a 20,000 square foot lot for a 40,000 square foot lot. It also shows that the smaller the lot, the higher the square foot value. If one were to graph these land sizes (y) and their corresponding land values (x), they would see a curve and <u>not</u> a straight line (See graph on the following page). This is because in the real estate market, values do not increase in direct proportion to size.

## Core Land Valuation Task: Create Land Curve (Table)

1 ***Residential Land Valuation***

| LAND SIZE (SF) | LAND VALUE |
|---|---|
| 10,000 | 150,000 |
| 20,000 | 200,000 |
| 30,000 | 235,000 |
| 40,000 | 250,000 |
| 50,000 | 255,000 |
| 60,000 | 260,000 |




***Typically, land curves are created for several neighborhoods***

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This is what is referred to as a "land valuation curve." Barrington actually uses several land valuation curves, one for each neighborhood to produce market based land values.

In mass appraisal, schedules of land values, such as the sample one above, are developed for the "buildable" portion of every parcel. This is called the "prime site" portion of a parcel.

There are many parcels in town that are larger than the size that is necessary to make them buildable**.** These parcels are segmented in the CAMA database into the buildable lot portion, or "prime" site portion, and the remainder portion referred to as the "residual" portion. This allows the mass appraisal system to assign a higher unit value to the portion of the parcel with highest utility (because it is necessary to allow a dwelling to be built on it) and a lower unit value to the additional land. Accordingly, for most parcels of land, the land description on the property record card shows the land as being separated into two parts: *primary* and *residual*. Some parcels, that have a portion of land that has been professionally surveyed as being wetland, have a third segment called *undevelopable*. This type of land is discussed further on in this document; and is valued at a per acre rate that is lower than the residual land portion.

k) <u>Land Influences In General</u>: There are numerous influence factors to consider when valuing land according to the real estate market. Some of them are neighborhoods, topography and shape, waterfront, views, water and sewer services, economic influences from external sources, right of ways, covenants,

wetland, insufficient frontage, landlocked, etc.[9] Provisions for accounting for these factors that can influence land value are included in the Town's CAMA system database.

Each property is reviewed with regards to location, size, shape, topography, easements and other factors that may affect its assessed value. These influences become factors that modify the land value estimates produced by standard neighborhood land curve. One cannot assume that all lots in a neighborhood have the same value**.** There is a reasonable variation in land values, considering these influences, among similar lots in a particular neighborhood.

Prior to this revaluation, all land influence adjustments were assigned in the CAMA system to one land segment. As part of this revaluation, the revaluation contactor conducts a review all land influence adjustments. Certain parcels where previously a single land influence existed, now have multiple land influence adjustments assigned such as in the case of a property that has both a water view and a significant topography problem. This allows for clarification to the taxpayer that both significant value influences were considered.

l) Waterfront and Water View Land Influences: Barrington uses a system of influence factors to account for the increased value that the real estate market typically attaches to waterfront and water view properties. These water related land influence adjustments have been maintained regularly as part of the cyclical revaluation process. They are adjusted as necessary to follow the real estate market and to maintain consistency in the valuation of like properties.

These influence adjustments are expressed as a percentage increase or decrease to the non-waterfront values. As a starting point for the current revaluation, are the following waterfront/water view areas have been identified. They are susceptible to change as the revaluation proceeds:

- Tiffany Pond (freshwater)
- Volpe Pond (freshwater)
- Alfred Drown
- Barrington River-1-Hundred Acre Cove
- Barrington River-2-Between Bridges
- Barrington River-3- from County Road Bridge to 123 Anchorage Rd
- Warren River – Mathewson/Anchorage and South
- Bay Spring
- Brickyard Pond (freshwater)
- Echo Lake (freshwater)
- Nayatt
- Nayatt Point
- Palmer River

[9] Please refer to the list of influence adjustments in the Appendix on page 42.

- Rumstick-East Side
- Rumstick- West Side
- South Meadow Lane

Whenever sales indicate that a change in the real estate market requires a change in a water related land influence adjustment factor, this change is made not only to the properties that sold; but is also systematically extended as appropriate to all the non-sale properties that share the same or similar characteristics as the sale properties.

Within any water influenced area, it is common to have properties that have differing dwelling, land or water influence characteristics. For example, a property with exceptional water views can have a higher land influence factor than a property with less desirable water frontage within the same neighborhood. Hence, there is no direct correlation between a given water influenced area as a whole and a single land influence factor. Rather, the effective adjustment factor to value is a combination of the effects of several factors and water influences and must be property specific.

To expand on the property specific nature of water related influence adjustments, each of the above water influenced areas possesses its own unique characteristics; as do the individual parcels that are situated within them. For example, certain properties allow for deep water mooring while other properties have only water views that may vary (ranging from panoramic, to unobstructed, to slightly obstructed, to heavily obstructed and to views that are present only in the winter months). On occasion, when a stretch of water influenced properties has similar characteristics, the properties have similar water related land influence factors. At other times, a grouping of water influenced properties each have slightly different characteristics that warrant a range of slightly differing water related land influence factors.

Once established, the effect of water influences remains stable on the assessment database unless the assessor is provided market evidence that a change in a water influence factor for a property or a group of properties is necessary.

m) Market Area (Neighborhood) Delineation: Since the oft mentioned adage, "…the three most important variables in real estate valuation are location, location, location …" the delineation of the Town into market areas or neighborhoods is a critical step in the mass appraisal process. How many neighborhoods are necessary? It should be intuitively obvious that one neighborhood is too few and 6,000 neighborhoods are too many. Currently in Barrington, there are eleven defined market areas or neighborhoods that exhibit a significant degree of homogeneity in economic and physical characteristics. Some neighborhoods are defined based on sales data, zoning, physical characteristics and similarities like topography and natural boundaries, like Narragansett Bay. Some neighborhoods may have developed through the years at varying stages and some may be neighborhoods within neighborhoods.

Although boundary lines must be drawn somewhere for each neighborhood, the value of properties on these boundaries that adjoin other neighborhoods may be affected by their proximity to the adjacent areas. Through the use of appraiser judgment and experience, influence adjustments are applied to such properties to allow for the blending of values near neighborhood boundaries.

The development of neighborhood boundaries is important to the success of the CAMA system's ability to reflect current market values because the land tables are neighborhood driven. That is, every parcel has a neighborhood code that is referenced by the system for land valuation. In the final analysis, other property characteristics such as land and building square footage, construction quality and condition combine with the neighborhood designation to produce market based assessed values.

The creation of a neighborhood map assists the revaluation company and the Assessor in analyzing comparable sales and land values.[10] These neighborhood delineations by themselves do not determine value. As neighborhood characteristics change, neighborhood delineations are adjusted accordingly. A neighborhood map for assessment purposes is considered preliminary, until the hearing appeal process is complete and the revaluation company makes its final determination relative to these appeals.

n) Valuation of Atypical Properties: The valuation of atypical properties is**,** by definition, complicated by the lack of comparable property sales. As such they can require one or more of the following:

- The application of state law or administrative regulations such as in the case of farmland or open space properties
- The need to search for property sales from a wider geographical area than just the Town of Barrington. This can include sales from locations that are separated widely on a geographical basis.
- The need to use property sales that occurred over a longer period of time than the 2013-2014 two year period upon which the revaluation is based.
- The need to depend on the appraisal judgment, experience and expertise of the Town Assessor and revaluation contractor

i) *The Establishment of Wetland Boundaries*: A wetland designation is given only when a survey is presented to the Assessor. This can be either a "Class 1 survey" (more accurate) or a "Class 3 survey" (less accurate). The presence of wetland on a parcel is not prima facie evidence that a reduction in assessed value is warranted. Often, the wetland portion of a property is situated on the rear portion of a parcel on what is referred to as the "residual" land segment. If the presence of wetland does not appreciably affect the utility of the property, it does not the affect the assessed valuation. On the other hand, if the wetland is substantial and it is situated on the prime site portion of the parcel in close proximity to the dwelling, it may be deemed to

[10] Please refer to pages 44 and 45 in the Appendix

negatively affect the assessed value. In this case, the land value of the wetland is set at a percentage of the per acre value for residual land. Once established with the assessor, the wetland designation remains part of the parcel inventory characteristics to be valued as such in any subsequent revaluation. Appraisal studies by the revaluation contractor or the assessor determines the contributory market value of the wetland.

ii) *Assessment of Non-Buildable Land*: The valuation of this type of land is difficult because there are often no sales to use as a guide; and if any sale occurs it is seldom an open market transaction. Appraisal judgment is usually needed to value this type of land. Such sales as do exist nevertheless need to be considered. For example, occasionally, a property owner sells an unbuildable lot to an abutter. When annexed to the buyer's property, this sale to the abutting property owner can sometimes be a guide to the value of unbuildable land. However, an abutter may pay more or less for an unbuildable land adjacent to their property than would a non-abutter due to the excessive motivation of the seller or buyer.

The amount paid by the Town when it purchases unbuildable land for conservation purposes is another possible guide to valuing unbuildable land. Although sales involving government agencies are not usually considered arm's-length transactions, it does not mean that a negotiated sale price is not a reflection of fair market value.

Also, the unit land value that has been arrived at for the land segment that is over and above the prime lot site, i.e. the residual land segment, can be a guide for valuing non-buildable land.

iii) *Assessment of Odd Shaped Lots*: When there are few land parcels left for sale, they are more likely to have atypical shape, topography or wetland characteristics that have caused them to be passed over when similar land parcels without these characteristics were available on the market.

When the shape of a lot is unusual and there is no appreciable difference in asking price, unsold parcels exposed for a substantial period of time in an open market point to a market value that is less than the current asking price. Appraisal judgment must consider a negative influence adjustment necessary to reflect the value at which buyers and sellers could reach agreement on the true market value. The adjustment based on the negative influence estimates the most probable market value and not necessarily the precise sale price that may be reached at some point in time. In general, unless it substantially affects the utility of a parcel, shape is not a common basis for a negative land value adjustment.

iv) *Assessment of Conservation Easements or Land Deeded In Perpetuity*: Conservation properties often involve the creation of conservation easements[11] and are often private transactions between a landowner and a land trust. With virtually every conservation easement of this type, there is a significant public subsidy, most commonly in the form of an income tax advantage to the donor of the conservation land.

For assessment purposes, conservation land most commonly is situated on the residual land segment of a parcel. In this case, the land is already assessed at a very low value; and therefore no further reduction in assessed value is necessary.[12]

In cases where the conservation restriction is situated on land that has road frontage and is assessed at a higher rate because it can be readily subdivided into additional building lot(s), the assessed value of this land can re-characterized by designating it as residual land.

In some cases the net economic effect of a conservation easement may not be negative at all. In fact, conservation easements can add as well as subtract value to a property. An example of this would be the case of a well located estate property with large acreage that is put into a different real estate market because a conservation easement preserves it from ever being subdivided.

v) *Assessment of Unique Properties*: While every community has properties that can be described as "unique," there is a danger for this term to be overused. This is due to the fact that the data collection procedures being used in Barrington are sufficiently detailed and comprehensive to permit the accurate description of the property characteristics of a wide variety of properties. Likewise the Town's CAMA system, in combination with input from the Assessor and the revaluation contractor, is capable of producing defensible assessed values for virtually all types of property. After new assessed values are produced in a revaluation, an in-field review of the assessed values takes place. This field review provides the opportunity for the exercise of the appraisal judgment that may be necessary to assign an assessed value to the truly unique properties.

Also, in Barrington, there is component of the revaluation project that calls for a fee appraisal to be conducted on one hundred more unique properties. This is supplemental to the CAMA valuation process.

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[11] An easement is a right held by one person to use the land of another; Property Assessment Valuation, International Association of Assessing Officers, 2010, page 11.

[12] In valuing conservation land, it is not the responsibility of the assessor to appraise the land as though it was developable in order to calculate the amount of the income tax deduction for which the property owner may be eligible.

vi) *Assessment Of Affordable And Deed Restricted Property*: These types of property originate from a variety of programs that make affordable properties available to people of low and moderate income. They include both deed-restricted for-profit affordable housing projects that accept federal Section 8 housing vouchers and developments of properties that are sold to financially eligible affordable housing candidates. These are typically built by local nonprofits using any combination of private and government funding.

For affordable housing that is sold rather than rented, the sponsoring agency typically selects the home owners who are financially eligible for these programs. It also specifies in the deed the original selling price and, in some cases, the extent to which the assessed value can be adjusted based on changes in the area-wide median income. The Assessing Department monitors all properties that are subject to these affordable housing provisions and assesses them accordingly.

vii) *Assessment of Tax Exempt Property*: The Assessing Department collects property characteristic information on tax exempt properties and values them in the same manner as taxable properties.

o) Assessment Notices and Informal Hearings: Once new assessed values have been produced for the Town, a notice is sent to all property owners setting forth the new assessment that has been placed upon their property**.** The notice also provides information describing the opportunity to discuss their new assessed value at an "informal hearing" and the property owner's right to subsequently file a formal appeal to the Assessor and the Board of Assessment Review.

The purpose of the informal hearings is to provide the owners of property and/or their legal representatives an opportunity to discuss their new assessed value with qualified staff members of the revaluation contractor. These hearings are held during regular business hours, or at the discretion of the Assessor, may also be held on weeknights and Saturdays as well**.** At these informal hearings the manner and methods of arriving at the assessed value are explained. A two part form is used that provides a signed copy for the taxpayer in regard to the major issues discussed in the hearing. Property owners are advised to bring copies of all documents that support any claim they may have. This may include current real estate appraisals, documents regarding easements, wetlands, severe topography etc**.,** photographs or documents that relate to structural issues that may affect physical depreciation, functional obsolescence or other problems proximate to the parcel effecting economic obsolescence or other problems. All information offered by the property owner is given consideration; and adjustments may be made to the assessed value where warranted. Each property owner who appears at an informal hearing receives, by first class mail, a notice of the results of the hearing. This notice provides information as to whether the assessed value has been changed or not; and specifically states either: 1) the adjusted assessment, or (2) that no change is warranted.

4) **Outline Of The Valuation Process**: From a broad perspective of adjusting assessed values to mirror sale prices, and without discussing the technicalities of adjusting the CAMA system valuation tables, the following is a step by step outline of the valuation process:

a) The first step is to verify that the CAMA database reflects complete and accurate current data on all parcels and sales to avoid errors that would significantly affect the conclusions of value. Special care is taken with the verification of all sales data.[13]

b) Assemble a subset of the property characteristic data base that consists of verified arms-length sales that occurred during calendar years 2013 and 2014. Separate these sale properties into groups that reflect the real estate markets that affect their values. That is, separate single-family detached residences from condominiums, apartments, or multi-family properties.[14]

c) Using the Assessing Department's existing CAMA valuation tables, the assessor/revaluation contractor performs a series of Assessment to Sale price Ratio (ASR) reports on as many of the sales as have occurred in the current revaluation from primarily calendar years 2013 and 2014. If necessary, depending on pace of change in the real estate market, the sale prices are adjusted for time. For each property class, the overall assessment level and uniformity of assessments are noted.

d) The same type of assessment to sale price ratio analysis is performed for various subgroupings of sales by stratifying the sale properties in the following manner:
   i) By neighborhood
   ii) By dwelling style
   iii) By any of a variety of other stratification breakdowns such as:
      (1) By sale date ranges
      (2) By sale price ranges
      (3) By dwelling year built range

e) The result of this stratification effort is a series of assessment to sale price ratio findings which can be analyzed to locate where there are assessment inequities. For example, it may become evident that, in general, the ASR for the single family home assessments are coming in at 98%; but in one neighborhood the ASR is coming in at 89%. This indicates that in the 89% ASR neighborhood, the assessed values need to be increased to be consistent with the Town as a whole.

[13] The reassessment process provides the opportunity to correct any inaccurate data and possibly provide for the adjustment of assessed values through discussions and documentation provided in the informal review and appeals process. This is not unusual and often occurs with typical new construction, demolition, or acts of nature that may occur subsequent to the original data verification.

[14] Please refer to list of residential property types ("Land Use Codes") in the Appendix on page 41.

f) Concentrate on the sale properties with ASRs that are higher or lower that the overall ASR and do the following:
   i) Review the sales verification reports to check arms-length status of the sales
   ii) Conduct computerized data accuracy checks and manually check the property record card for data errors.
   iii) If the property has not yet been inspected, conduct the inspection as soon as possible and make necessary data changes to the CAMA system.

g) Re-run ASR reports and note any changes in the level and uniformity of assessment.
   i) This indicates whether, overall, the current assessed values are below, at or above market value
   ii) It also indicates the market areas (neighborhoods) where the current assessed values do not need to be changed at all and where they do not reflect the current market.

h) Next, as a starting point for developing new building values, adjust the existing building cost and depreciation tables by using building cost and depreciation development procedures discussed previously. The depreciation tables can be checked by conducting ASR/COD reports by dwelling age range to determine if the assessment level of any age range group is out of line. The revaluation contractor reviews its analysis of depreciation with the Assessor and has it approved before any changes are made to the CAMA system.

i) Re-run the same set of sales ratio analysis reports on the sale properties using the newly installed building cost and depreciation tables but by keeping the existing land tables.

j) Run land residual reports by neighborhood and within each neighborhood by land size.

k) For each neighborhood, create land tables and a land curve based on the land size groupings that appear within each neighborhood on the land residual report.

l) Add the new land tables to the CAMA system to accompany the new building cost tables; and revalue the file of sale properties.

m) Again, perform the full set of ASR/COD reports on the new sale property assessed values as discussed above.

n) Review and update neighborhood delineations. During this process, particularly when performing sales ratio analysis by neighborhood, the analysis may indicate that certain properties need to be transferred from one neighborhood to another or to its own distinct neighborhood.

o) Adjust as necessary the building cost and land valuation tables and repeatedly run new ASR/COD reports until the median ASRs and CODs, overall and for all stratifications, reach the desired assessment levels.

p) Conduct a final field review to correct data errors or factors and adjust assessed values as necessary.

5) **The Appeal Process:**

a) Overview: The purpose of this section is to provide an introduction to the appeal process. It is not meant to be legal advice, or necessarily an instruction on how to create a winning appeal. It is provided to make the process more understandable for those who have never been through the appeal process.

When the original taxing statutes were codified in 1855, the legislature knew then that "absolute equality in taxation was beyond human possibility". Over time, the courts resolved this dilemma with the creation of a three step appeal review process:

i) An appeal must begin on the presumption that the tax assessor did their job correctly
ii) A correct assessment means the tax assessor must have valid statistical evidence to back up the assessment, and
iii) Where the taxpayer can show reasonable doubt about the assessors evidence, that doubt shall be resolved in favor of the taxpayer's reasonable evidence.

In short, a winnable appeal means the appellant must present valid evidence that can establish reasonable "doubt" as to the Assessor's valuation of their property.

After the completion of the informal hearing process (see page 27), property owners have three opportunities to *formally* appeal the assessed value of their property. The first level of formal appeal is to the Barrington Town Assessor; and the second (if necessary) is to the Board of Assessment Review. The third level of appeal is to the Rhode Island Superior Court. Each of these levels of appeal is described in detail below.

The form needed to make an appeal is called Application for Appeal of Property Tax and is available on line at the Town of Barrington web site (www.ci.barrington.ri.us) and at the Assessor's Office (see sample form in the Appendix, Page 46).

An appeal application may be filed by the following persons. In all cases, the tax must nevertheless be paid when due:

1. The assessed or subsequent (acquired title after December 31st) owner of the property
2. The owner's administrator or executor

3. A tenant or group of tenants of the real estate paying rent there and under obligations to pay more than one-half of the taxes thereon
4. A person owning or having an interest in or possession of the property
5. A mortgagee if the assessed owner has not applied.

b) The Appeal Application Process: The start of the formal appeal process begins on December 31 of each tax year when the Tax Assessor has a statutory duty to file by this date the Town's "tax roll" covering all ratable property for the coming year. A property owner can find the tax roll on the Town website under the "Tax Assessor" page. There is also a "property record card" for each property on file in the Assessor's office that shows the assessing details supporting the property valuation. The property owner has the ability to review their property card, and any other property record card. This is all public information.

The following steps should be followed when considering whether or not to file an appeal:

i) *The True and Exact Account*: Assuming the property owner intends to contest their assessed valuation, the first step is to fill out a "True and Exact Account" form between January 1st and January 31st.

The "True and Exact Account" form may be obtained online at the Town of Barrington website or at the Assessing Department office. The purpose of this form is to notify the Assessor of the property owner's intent to "bring in their account" at a time before March 15th. Generally, the True and Exact Account form is filled out in its entirety with the account information notarized by the property and filed by January 31st. But, there is an alternative which is to simply fill out a True and Exact Account form by January 31st (un-notarized and without account details), and later file the "notarized" account details before March 15. In either case, state law requires the "account details" must be notarized by the property owner.

The True and Exact Account paperwork is not the actual "appeal". It is simply to let the Assessor know what is in the pipeline for planning purposes. Failure to file the True and Exact Account form within the prescribed time does not prevent the ability to appeal to the Assessor or to the Board of Assessment Review; but it can eliminate the right to appeal to the Superior Court. Because the Town of Barrington is currently undergoing a full revaluation, there is an exception to the requirement to file "True and Exact Account" if the "real estate has been assessed at a value in excess of the value at which it was assessed on the last preceding assessment day." In this case, failure to file a "True and Exact Account" form will not preclude a property owner from asserting a challenge of an assessment in Superior Court.

ii) *Review Assessed Value*: It is the appeal applicant that bears the burden of responsibility for presenting information that demonstrates that the property value is incorrect. It first must be determined whether an appeal is warranted. It is not enough to simply think an assessed value is unfair. Appeals are

based on evidence, so the applicant must determine whether an appeal is actually warranted.

An important first step in determining whether a property is over assessed is to make a check of the accuracy all of the information on file about the property such as property description, measurements and age. The basic dimensions of a house or land may be in error. This could be the result of the fact that the property was not able to be inspected or the presence of an error in the data collection or data entry process. Other appropriate items to consider are deed restrictions, factors relating to location, house style, etc. All of the factors involved in determining values are shown on the Property Record Card. Property record cards can be obtained from the Assessing Office or can be viewed in summary form online at http://nereval.com/OnlineDatabases.aspx. This link also contains lists of the current assessed values. These listings are also available in the Assessor's Office.

The next step is to compare the assessed value with *sales* of comparable properties that are located in the area of the subject property. It is extremely important to research only the sales of truly comparable homes that took place during the two year period designated as the base sales period for the revaluation, i.e. calendar years 2013 and 2014.

Next, the assessed value of the subject property can be compared with the *assessed values* of comparable properties in the area to determine whether or not the assessed value is too high.

In identifying sales and assessments of comparable properties, it is extremely important to identify properties that are as comparable as possible. For example, if the subject property is a Cape-style dwelling, the values of other similar Capes in the area should be investigated. Values of ranches would be inappropriate when valuing a Cape, for instance, because it is impossible to know how the value of a ranch relates to the value of a Cape.

iii) *Determine The Reason for The Abatement*: The basis for filing an appeal is addressed on the appeal application form in the section called REASON(S) ABATEMENT SOUGHT. This involves checking one or more reason boxes and then providing an explanation of the reason(s) for the abatement. The most often used, and safest box to check on the appeal form, is the box labeled "Overvaluation."

Notwithstanding the fact that the space on the form for providing the explanation is limited, it is important to do what is necessary to clearly state and explain the reason for the abatement application. The application may require the attachment of supporting documentation. If attachments are added, a simple statement "Please see attachments" is the only text that needs to be in this section. All documentation is due by the application due date.

Stating that "My taxes are too high" is not a reason for granting an abatement. Rather it must be demonstrated with evidence that the *assessed value* is erroneous. As expressed on the application form, a property owner may appeal his/her assessment for the following reasons:

(1) Overvaluation: This refers to the contention that the assessed value is more than the fair market value of the property as of December 31, 2014. The most compelling basis for an appeal is the ability to demonstrate, by analysis of sales of comparable properties, that a property is over-assessed. This involves filling in the information at the bottom of the appeal application form entitled *COMPARABLE SALES THAT SUPPORT YOUR CLAIM INCLUDE*. It may be helpful to expand this sale information by creating a table of the sales prices of comparable properties. Such a table should provide more details of the applicant's property and of the properties chosen for comparison, including such items as price, date of sale, lot size, house size, house style, year built, condition factors, neighborhood factors, etc. When choosing comparables, it is important to choose properties which very closely match the applicant's property. The closer the match, the stronger the applicant's case will be if the comparable properties sold for significantly less than the assessment. Information on relevant sales can be found online at http://nereval.com/OnlineDatabases.aspx. Sale price and related deed information may be found at https://i2b.uslandrecords.com/Barrington/Default.aspx?AspxAutoDetectCookieSupport=1. Remember, that only sales from calendar years 2013 and 2014 can be used to contest the new assessed values produced by the revaluation.

In addition to basing an appeal on comparable sales, one also has the option of basing an appeal by calling attention to the *assessments* of comparable properties. Such an approach could involve demonstrating an inequity when the assessed value of the applicant's property is compared with the assessed values of very similar properties, i.e., similar in neighborhood, size, style, etc. As is the case when presenting comparable that have sold, a table showing data for the applicant's property and data for the comparable properties that have lower assessments is helpful in effectively presenting a case for an abatement. Data on all properties in Barrington may be found online as noted above.

(2) Disproportionate Assessment: A claim of "Disproportionate Assessment" requires a higher threshold of proof demonstrating that the disproportionality was widespread, or systemic. This basis for an appeal can be complex to defend.

(3) Incorrect Usage Classification: An example of this would be a farm, forest or open space property that failed to receive the reduced assessment to which it is entitled.

(4) Illegal tax, Partially/fully Exempt: An example of this would be a church that is tax exempt but nevertheless received a tax bill.

(5) Modified: The assessment may not reflect changes that have been made to the property since the last revaluation such as the removal of an above-ground pool.

iii) *Gather All Applicable Evidence*: Before filing an appeal, property owners should make sure that all the applicable evidence has been prepared. The objective is to prepare a simple and well-organized case backed by facts. Depending on the reason for the appeal, the property owner will want to have ready any figures, testimonials, sales documents, photographs, records, blueprints or appraisals that are relevant to the reason for appeal. For example, an applicant might provide evidence needed to prove wetlands on his/her property (e.g. a letter from a wetland's biologist along with a survey from a licensed surveyor). It is advisable to record such documents in the Land Evidence Records so that they are easily accessible to any owner/future owner of the property.

The appeal process does not require a professional appraisal be completed for submission. However, a professional appraisal showing comparable sales is always helpful to establish valid evidence towards an overvaluation.

iv) *File the Appeal*: The first opportunity to formally appeal an assessed value is to appeal to the Barrington Assessor. The *APPLICATION FOR APPEAL OF PROPERTY TAX* form must be completed in full and returned to the Barrington Assessor's Office within ninety (90) days from the date the first tax payment is due; generally between September 1st and December 1st. Property owners should keep this deadline in mind when they receive their tax bill. The Assessor has forty-five (45) days to review this appeal, render a decision, and notify the property owner of his decision. During this period, it may be helpful for the property owner to arrange to meet with the Assessor to discuss the appeal application in person.

c) Indicators of Successful and Unsuccessful Appeal Applications:

i) Successful:

(1) Abatement application form filled out neatly and legibly

(2) The focus of the abatement application is the amount of the *assessed value* and not the *taxes*

(3) Errors on the subject property's property record card are itemized one by one.

(4) Three to five sales of properties that are very comparable to the subject property but have lower sale prices are presented. The sale dates are

within two years of the December 31st assessment date; and the sale properties are similar to the subject property in terms of such features as: location, style, land and building size, quality and type of water front or water view.

(5) Three to five properties that are very comparable to the subject property but have lower assessed values are presented. These properties are likewise similar to the subject property in terms of the sample features cited above.

(6) Copies of the property record cards of each of the comparable properties are included as attachments to the application.

(7) The presentation of the applicant's supporting evidence is concise and to the point.

ii) Unsuccessful:

(1) The abatement application simply states that the assessed value is too high but provides no evidence to support this claim.

(2) The application uses the reason that "I've done nothing to improve the property" as the basis for an abatement (i.e. the applicant fails to recognize that the real estate market may have changed even if no physical improvements were made).

(3) The sales cited were more than two years prior to the December 31st assessment date or they took place after the assessment date.

(4) The chosen comparable properties were in fact not comparable to the subject property.

d) Appeal to the Board of Assessment Review: If a property owner does not agree with the Assessor's decision on his first appeal, he/she may then file a second appeal to the Board of Assessment Review. From the time the taxpayer is notified by the Assessor of an appeal denial, the property owner then has 30 days to file a new appeal to the Board of Assessment Review. Seven (7) complete copies of the full appeal (i.e. containing all supporting evidence to be presented) are required to be submitted.

Although the Assessor is not required to hold a hearing with the appellant during the 45 day review period, the Board of Assessment Review is required to hold a hearing with the appellant, and must render a written decision on the appeal. If the Assessor does not render a decision within forty-five (45) days of the filing of the initial appeal, the property owner then has ninety (90) days after the expiration of the forty-five (45) day period to submit a second appeal to the Board. The Board of Assessment Review shall then, within ninety (90) days of the filing of the second appeal, hear the second appeal and render a decision within thirty (30) days of the date that the hearing was held. The Town does, however, have the authority to request and receive an extension of this deadline from the Director of the Rhode Island Department of Administration.

For valuation purposes, fair market value means: "That price the property would probably bring in a transaction in a fair market between a willing seller and a

willing buyer." Establishing full and fair value is most often based on comparable sales as contained in the last official town wide revaluation. However, it can be argued before the Board of Assessment Review that sales following the last revaluation are relevant evidence. Use of such later sales should only be used in rare instances as it is not generally considered reliable evidence for appeal purposes. The further from the date of the last revaluation, the less reliable the comparable sales become in an appeal.

e) Appeal to Superior Court: If a property owner does not agree with the Board of Assessment Review's decision on his/her second appeal, he/she may within thirty (30) days of the Board of Assessment Review's decision, file a petition in the Superior Court for relief from the assessment.

6) **Public Information:** The Town of Barrington provides a full public information service through the Assessing Department website (barrington.ri.us/assessor). The website should be viewed as an educational tool to answer commonly asked questions, and to provide information that may reduce the number of residents that must call or come into the office. This website provides the public with clear Assessing Department contact information, a mission statement, general information regarding revaluation, formal appeal information, plat maps and zoning maps, land evidence record information, online access to a variety of important forms, a neighborhood map, the entire current and the previous year's tax roll and a summary property record card for every parcel of real estate (nereval.com).

To further promote the transparency of assessment operations and to enhance public confidence in the assessment process, the following recommendations can be implemented to improve service to the public, provide more online access to information and documentation, and to promote understanding and acceptance of the revaluation procedures and its results.

a) Transparency of the assessing process can be improved through ongoing orientation sessions by the Assessor to the Town Council and other municipal department heads and staff, Boards and committees, etc.

b) As well in advance of the conclusion of the revaluation as possible, public information initiatives can be undertaken to inform Town officials and the general public of any major valuation shifts that are likely to occur as a result of the revaluation. These initiatives can be in the form of presentations and written materials; and they can be designed to provide the underlying reasons why valuations have properly changed in ways that may differ from what was expected.

c) The Department's website can be expanded even more to include more topical information related to the assessing process, the role of the [~~Tax~~] Assessor, the Board of Assessment Review and commonly used forms. This can include online access to this standards and procedures report.

d) As appropriate, a series of informative public presentations for Barrington taxpayers can be conducted. The series might include some of the following types of sessions:
   - Standard taxpayer meetings featuring a presentation and Q & A sessions. Handouts are useful at this type of meeting.
   - Discussions, meetings or workshops with individuals or groups with special revaluation interests, for example, owners of waterfront and water view properties.
   - Production of explanatory flyers, or other such printed documents that can be made available to the taxpayers at all/most Barrington public buildings.
   - The possible inclusion with the notices of new assessment of a straightforward revaluation explanatory insert.

**7) Training:** The following recommendations regarding training represent best practices in the field of assessment administration. They are not the result of an in depth review of the operations of the Barrington Assessing Department and consequently may not be entirely applicable to the Town:

a) The Assessor, to maintain staff skills and knowledge of the changing assessing environment, can develop a summary level internal education process, such as scheduled monthly procedure conversations.

b) Refresher training on the assessing software can be provided. This would be designed to enhance the consistency and integrity of data entered into the CAMA system so that more reliable reports and analysis can be conducted regarding work activities. If needed, this training effort can be contracted out to ensure that it is conducted timely and in a quality manner. Another primary goal of this type of educational discussion involves new software releases, bug resolutions and system changes aimed at new legislation or new developments such as “green” building methods or the wider use of solar energy systems.

c) The two full and one part time staff members in the Assessing Department can participate in appropriate customer service discussions, including familiarity with this document.

d) Since the need for the training of Board of Assessment Review members is present across the state, Board of Assessment Review Training can be promoted through the Rhode Island Assessors Association. Training topics include:
   - Importance of the Property Tax
   - Assessment Process
   - Right of Appeal
   - Powers of Board
   - Board’s Part in Revaluation
   - Relationship with the Assessor
   - Responsibilities to the Public

e) Volunteers, taxpayers, and others not directly connected to the Barrington assessing operation, can be referred to this document to gain familiarity with selected aspects of this local government function. Additional useful information materials are available online and in the Assessing Department.

**8) The Selection Of Third Party Assessment Providers:** Procedures for addition of non-governmental participants can be accomplished in several ways, including the following:

a) Distribution of formal, publically advertised fixed price bid or proposal requests. More than one municipal official or appointee should look at the respective procurement documents in terms of criteria such as the following:
- Proposed staff references and actual availability
- Overall corporate references
- Understanding of, and experience with the required products or services
- Proposed project schedules and checkpoints
- Proposed costs, including amounts for overages, specification changes, etc. Special price attention should be directed to evaluation of professional service proposals.

b) If permitted by relevant laws and regulations, a single provider, from whom Barrington has frequently and successfully acquired goods or services in the past, might be given favorable consideration during the Town's contractor selection deliberations.

c) Certain services, other than professional services that a municipality requires on a continuing basis, can often be procured without a formal selection process, often with the provision that the agreed upon dollar amount does not exceed a specified ceiling.

# APPENDIX

**Town of Barrington**
**Land Use Codes**

| Code | | Description |
|---|---|---|
| 1 | | Single Family |
| 2 | | 2-5 Family |
| 4 | | Combination |
| 8 | | Estate |
| 9 | | Farm |
| 11 | | Seasonal & Beach |
| 12 | | Other Improved |
| 13 | | Residential Vacant |
| 15 | | Vacant Land Improved |
| 21 | | Residential Leased Land |
| 23 | | Residential Condo |
| 26 | | Development Rights |
| 33 | | Forest |
| 331 | | Farm - Ornamental Crop |
| 332 | | Farm - Vegetable & Orchard |
| 333 | | Farm |

# Town of Barrington
# Land Influence Adjustment Codes

| Influence Code | | Description | | Influence Code | | Description |
|---|---|---|---|---|---|---|
| 1 | | Topography | | 40 | | Streeside |
| 2 | | Wet | | 41 | | w/Lot |
| 3 | | Unbuildable | | 42 | | Partial View |
| 4 | | Retention Basin | | 43 | | Conservation Land |
| 5 | | Shape | | 44 | | View -Topography |
| 6 | | Power Line | | 45 | | Parking |
| 7 | | Size | | 50 | | 2-Corners -10% |
| 8 | | Access | | 51 | | 3-Corners -15% |
| 9 | | Pond | | 52 | | Shared Driveway |
| 10 | | Ledge | | 53 | | Cemetery |
| 11 | | Paper St | | 54 | | Distant View |
| 12 | | Board Of Health, Zoning, Etc | | 55 | | Waterfront -Marsh |
| 13 | | Intensified Use | | 56 | | Slight View |
| 14 | | Traffic | | 57 | | Good View |
| 15 | | Inc Condition | | 58 | | Waterfront -Unbuildable |
| 16 | | Easement | | 59 | | View -Unbuildable |
| 17 | | Tope/Easement | | 60 | | Waterfront -Access/Wet |
| 18 | | View | | 61 | | Wet/Access |
| 19 | | Location | | 62 | | Waterfront -Location |
| 20 | | Waterfront | | 63 | | Waterfront -LL |
| 21 | | Rear | | 64 | | Waterfront -Wet |
| 22 | | Use | | 65 | | Drainage |
| 23 | | Waterfront-Use | | 66 | | Location/Wet |
| 24 | | Waterfront-Access/Restriction | | 67 | | Waterfront -ROW/Size |
| 25 | | Marsh | | 68 | | Corner Location |
| 26 | | Remove from Open Space | | 69 | | Flood Plain |
| 27 | | Agriculture/Conservation | | 70 | | Wetlands |
| 28 | | Wetlands/Location | | 71 | | Waterfront -Access |
| 29 | | Land Locked | | 72 | | Very Good View |
| 30 | | Swampy | | 73 | | Waterfront -ROW |
| 31 | | Topography/Wet | | 74 | | Waterfront -Topo |
| 32 | | Access/Wet/Shape | | 75 | | View - Easement |
| 33 | | All Site/IU | | 76 | | Excellent View |
| 34 | | Right of Way | | 77 | | View -Access |
| 35 | | Drain Easement | | 78 | | Wet/Low |
| 36 | | Size/Use | | 79 | | Encroachment |
| 37 | | Town Line | | 80 | | Functional |
| 38 | | Wet/Easement | | 81 | | Floods |
| 39 | | Size/Shape | | 82 | | Under Water At High Tide |
| | | | | 99 | | Commercial Influence |

**Town of Barrington**
**Arms-Length Status Codes**
**(Sale Validity Codes)**

| Validity Code | | Descdeiption |
|---|---|---|
| 0 | | Verified by Deed or Assurance |
| 1 | | Verified by Buyer |
| 2 | | Verified by Seller |
| 3 | | Verified by Agent |
| 4 | | Verified by Other |
| 1A | | Family Sale |
| 1B | | Intra-Corporation |
| 1C | | Cash Sale, Special Financing |
| 1D | | Property Difference Between Sale and Assessment |
| 1E | | Government Sale |
| 1F | | Deed Correction (Name Change |
| 1G | | Partial Sale |
| 1H | | Court Settlement/Estate Sale |
| 1I | | Bankruptcy |
| 1J | | Partial Interest |
| 1K | | Non-profit |
| 1L | | Foreclosure |
| 1M | | Zoning Change |
| 1N | | Other |
| 1O | | Physical Change |
| 1P | | Change In Use |
| 1Q | | Assumed Motrgage |
| 1R | | Resold |
| 1S | | Bank Resale |
| 1T | | Additional Lots Included |
| 1U | | Short Sale |
| AP | | Abutter Purchase |
| C | | Contaminated Land |
| DR | | Deed Restricted by RIMFAC |
| TD | | Tear-Down of Existing Dwelling |

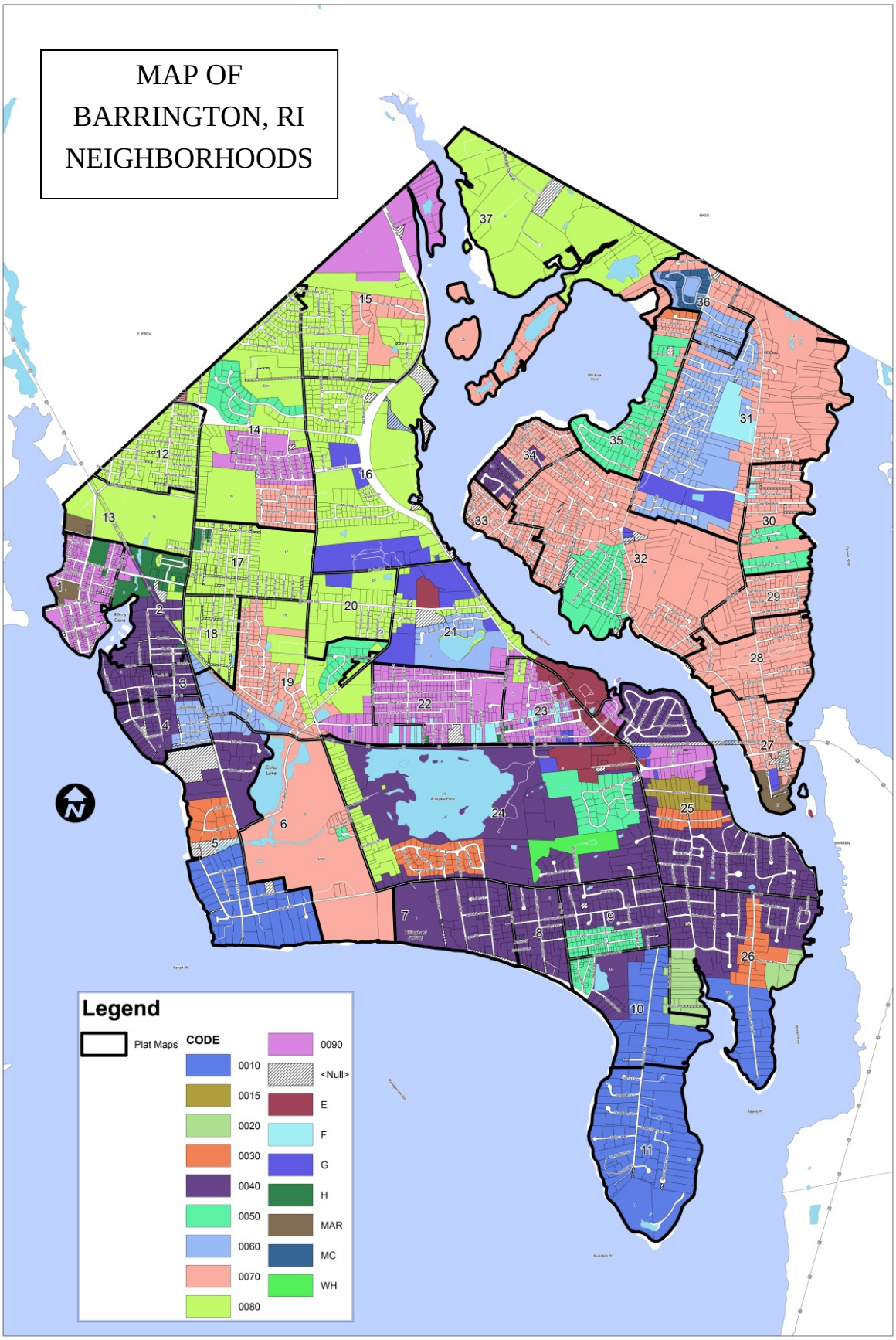
**Town of Barrington**
**Neighborhood Map**

The neighborhood map on the following page is a tool used for assessment purposes. It is based on value indicators derived from the real estate market. Some neighborhoods are fairly easy to define, based on historical sales data, zoning, physical characteristics and similarities like topography and natural boundaries, e.g. Narragansett Bay. Some neighborhoods are not easily definable, as they may have developed through the years at varying stages and some may be neighborhoods within neighborhoods.

The creation of a neighborhood map assists the revaluation company and Assessor in reconciling comparable sales and determining similar real estate markets. These neighborhoods do not determine value in and of themselves; and they cannot be used to presume assessment value.

A neighborhood map for assessment purposes is a work in progress and is considered preliminary, until the very last hearing appeal is held and the revaluation company makes its last determination relative to those appeals.

The pre-revaluation neighborhood map appears on the following page.


MAP OF
BARRINGTON, RI
NEIGHBORHOODS
Legend
Plat Maps
CODE
0010
0015
0020
0030
0040
0050
0060
0070
0080
0090
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E
F
G
H
MAR
MC
WH

*Please check if this is your 1st or 2nd appeal to the Town*

1st Appeal To Tax Assessor: ☐

2nd Appeal to Board of Assessment Review: ☐

**Town of Barrington**

Tax Assessor's Office
283 County Road, Barrington RI 02806
Phone: (401) 247-1900 — Fax: (401) 247-3765
Hours: Monday through Friday 8:30am to 4:30pm

# APPLICATION FOR APPEAL OF PROPERTY TAX - 2013-2014 FISCAL YEAR

Rhode Island General Law 44-5-26

Your **1st** appeal is reviewed by the Tax Assessor. The Tax Assessor shall have forty five (45) days to review your appeal, render a decision, and notify you of his decision. This form must be completed in **full** and returned to the Barrington Tax Assessor's Office. Incomplete forms will be returned. You may formally appeal your assessment between *September 1, 2013 and December 2, 2013*.

If you do not agree with the Tax Assessor's decision, you may then file a **2nd** appeal to the Board of Assessment Review. Appeals to the Board must be filed within thirty (30) days of Tax Assessor's decision. If the Tax Assessor does not render a decision within forty-five (45) days of the filing of your initial appeal, you then have ninety (90) days after the expiration of the forty-five (45) day period to submit this **2nd** appeal to the Board. The Board of Assessment Review shall then, within ninety (90) days of the filing of your **2nd** appeal, hear the **2nd** appeal and render a decision (within thirty (30) days of the date that the hearing was held). Provided, that the Town may request and receive an extension from the Director of the Rhode Island Department of Administration.

1. **TAXPAYER INFORMATION**

   A. Name(s) of the assessed owner: _____

   B. Name(s) and status of applicant (if other than assessed owner): _____

   Subsequent owner (acquired title after **December 31, 2012**) as of: _____

   Administrator/Executor ____ Lessee ____ Mortgagee ____ Other: _____

   C. Mailing address, telephone number(s), email address:

   Street: _____ Phone Number(s): _____

   Town/State/Zip: _____ Email Address: _____

2. **PROPERTY IDENTIFICATION:** (Complete using the information as it appears on your current tax bill)

   A. Account Number: _____

   B. Assessed Valuation: _____ Annual Taxes: _____

   C. Property Location: _____

   Property Description (Single Family, 2-Family, Commercial, etc.) _____

   Real Estate Identification: Plat(s): _____ Lot(s): _____

   Tangible Personal Property Description: _____

   D. Date Property Acquired: _____ Purchase Price: _____

   Cost of Improvements Since Purchase: _____

   What Is The Amount of Fire Insurance on the Property: _____

3. **REASON(S) ABATEMENT SOUGHT:** Check the reason(s) an abatement is warranted and briefly explain why it applies. Continue the explanation on an attachment (if necessary).

   ☐ Overvaluation ☐ Disproportionate Assessment ☐ Incorrect Usage Classification ☐ Illegal tax, partially/fully exempt ☐ Modified

   Briefly Explain: _____

   _____

**APPLICANT'S OPINION OF VALUE:**

Current Market Value: _____ Assessed Value: _____

Briefly Explain: _____

_____

**State law 44-5-15 requires you to file a "True And Exact Account" (by January 31, 2013) of all taxable property you own.**
**Did you filed a "True And Exact Account" by 01/31/13 with the Barrington Tax Assessor as required by law? ☐ Yes ☐ No**

**COMPARABLE SALES THAT SUPPORT YOUR CLAIM INCLUDE:**

| | Address | Sale Price | Sale Date | Property Type | Assessed Value |
|---|---|---|---|---|---|
| 1 | | $ | | | $ |
| 2 | | $ | | | $ |
| 3 | | $ | | | $ |

4. **SIGNATURES:**

   Signature of Applicant: _____ Phone Number: _____ Date: _____

   Signature of Authorized Agent: _____ Phone Number: _____ Date: _____

   Name of Preparer: _____ Address: _____ Phone #: _____