

# 2023 Full Revaluation Project

## ***What is a Full Revaluation?***

The Town has hired KRT Appraisal (KRT) to complete a Full Revaluation. A “Full Revaluation” includes measuring and listing all properties to verify existing assessment data. The end goal is for assessments to be adjusted to reflect market value as of April 1, 2023. This creates equity and ensures a fair distribution of the tax burden across all property owners in the Town of Troy.

## ***Stages of a Full Revaluation***

KRT will be updating existing grading and pricing schedules for property valuations and maintaining the existing valuation system by performing a Full Revaluation of assessment values. To accomplish this, KRT will complete five phases: (1) Data Collection, (2) Sales Review, (3) Market Analysis/Valuation, (4) Field Review, and (5) Informal Hearings. During these phases, many tasks will be completed to ensure the Full Revaluation is successful. Below is a general outline and explanation of each phase of the project.

**PHASE 1: DATA COLLECTION:** The first phase, Data Collection of all property, will begin in January 2023. During this phase "Data Collectors" go to each property in the Town to measure the exterior of each building and attempt to inspect the interior if the owner is available at the time of the visit. These Data Collectors note the buildings' location, size, age, quality of construction, improvements, topography, utilities, and numerous other characteristics both inside and out. They may also ask the homeowner a few questions regarding the property. To confirm that a home was inspected, the homeowner is asked to sign a data collection form. The data collected is subject to verification by the Town Assessor and a KRT Supervisor. KRT Field Representatives will carry Picture IDs, Municipal Letters of Introduction, and have their vehicles listed with both the Assessor's Office and Police Department.

Prior to starting the data collection, a postcard will be mailed to each property as notification that the property will be visited in the next few weeks. Data Collectors will show up unannounced shortly after the postcard is mailed and ring the bell or knock on the door. If someone is home, they will explain who they are, with their KRT badge visible, and ask for an interior and exterior inspection. If no one is home, they will assume it is ok to measure the outside of the building and proceed to do so. A letter will be mailed out at the end of the data collection (late spring of 2023) asking for a phone call to schedule an appointment for an interior inspection. The visit from KRT shouldn't take more than 15 minutes from start to finish. Data Collectors will not visit a property posted “No Trespassing”. Posted properties will receive a letter asking for permission to visit the property at a scheduled time convenient for everyone.

**PHASE 2: SALES REVIEW/VALIDATION:** During this phase, KRT appraisers will field review each property that sold between April 1, 2022, and March 31, 2023, and review the information on the property record card for data accuracy. The appraiser will make notes regarding the property location, size, condition, quality of construction, and numerous other characteristics that may affect value. The goal is to gain a clear understanding of what sold and for what price. In

conjunction with the Assessing Office, KRT will begin the process of qualifying sales as “arm’s length”. Only sales with market exposure between a willing buyer and willing seller (in other words, an “arm’s length” sale) will be used in the analysis.

**PHASE 3: MARKET ANALYSIS/VALUATION:** A variety of resources are used to analyze the real estate market. KRT will be analyzing property sales that occurred between April 1, 2022, and March 31, 2023, to determine which market factors influenced property values. KRT will gather and use information from Multiple Listing Service (MLS), property managers, developers, and local real estate professionals. Once all the data is collected and reviewed for accuracy, the appraiser will determine land values and delineate neighborhoods, which rate the desirability of locations throughout the Town as determined by actual market activity. Valuation is done using one of the three recognized appraisal methods: Cost Approach, Income Approach and Sales Comparable Approach. Mass appraisal uses a market adjusted cost approach to generate assessments.

During this phase, individual characteristics of the buildings are analyzed using information gathered in both phases 1 and 2. Each property is compared to other comparable properties with similar characteristics. Then the market values of the improvements are added to the land value that was previously determined. This value is the final estimate for each parcel of property, building and land.

**PHASE 4: FIELD REVIEW:** Field Review is the method of checking and re-checking both the values that have been determined and the accuracy of the data used. During this phase, properties are viewed in the field by experienced appraisers to ensure that the appraisal methodology established from the sale properties is consistently applied to the entire population of properties within the Town.

**PHASE 5: INFORMAL HEARINGS:** Once the Field Review is completed and the values are approved by the Assessor’s Office, a notice stating the proposed value will be mailed to each property owner. The goal is for this phase to be completed in August of 2023. At that time anyone with questions concerning the revaluation process or the value established for their property will have an opportunity to meet with a member of KRT’s staff. After all five phases are completed, all data, files, records, etc. used in the revaluation will be turned over to the Assessor’s Office for retention.

#### ***COVID-19’s Impact on the Revaluation***

At this point, COVID-19 should have a minimal impact on the Revaluation. KRT staff will closely monitor the latest CDC guidelines. If requested by the property owner, KRT will wear a mask during the interior inspection. KRT staff will also socially distance when possible and avoid interior inspections if requested by property owners.

Some revaluation processes will be modified to accommodate those who wish to have minimal contact with KRT employees. KRT will offer phone hearings in addition to face-to-face meetings for those wishing to discuss their new assessment at the end of the project.