

THE REASSESSMENT PROCESS



The following is the definition of a Revaluation Program as described in the "Handbook for New Jersey Assessors" :

"A revaluation program seeks to spread the tax burden equitably within a taxing district by appraising property according to its true value and assessing it based upon such value. This is accomplished by the mass appraisal of all real property in the taxing district by an outside professional appraisal or revaluation firm."

The following power point presentation was created by Associated Appraisal Group, Inc. to provide a basic outline of the reassessment process. All rights are reserved.

THE REASSESSMENT PROCESS

There is an erroneous assumption by some that a reassessment is a means by which a municipality increases property taxes.

Reassessments do not increase the total amount of revenue to be raised by taxation. The municipality only collects the amount of tax dollars that the four units of local government (local school, regional school, county government and municipal government) determine is necessary to operate.



New Jersey's real property tax is ad valorem or a tax "according to the value." The State Constitution at Article VIII, Section 1, Par. 1 requires that all real property be assessed at the "same standard of value." New Jersey Statutes at N.J.S.A. 54:4-23 establish the standard of property value to be the "full and fair value" or "true value" which is defined as "the price at which, in the assessor's judgment, each parcel of real property would sell for at a fair and bona fide sale."

THE REASSESSMENT PROCESS

Why a Rolling Reassessment?

- Criteria used to determine need:

- *last reval / reassessment (2004 / 2011)

- *average ratio (82.99)

- *coefficient of deviation

- *number of appeals

- Other:

- *changes in characteristics in areas or neighborhoods within the municipality and in individual properties

- *economics (inflation and recession)

- *trends (home size, styles, etc...)

- *legislation (wetlands, pinelands, zoning, etc...)



THE REASSESSMENT PROCESS

Why a Rolling Reassessment?

- Eliminate Property Tax Shifts

Set at true Market Value each year on October 1

to insure no property owner pays more or less than their fair share

- Maintain 100% True Market Value at all times to avoid costly tax appeal losses

Property A is assessed at \$15,000,000

at 90% ratio = \$16,666,700 FMV

New assessment = \$13,500,000 ($\$15,000,000 \times 0.90$)

\$1,500,000 reduction \times \$2.50 = \$37,500

- Eliminate Costly Tax Revaluations

THE REASSESSMENT PROCESS

The Reassessment Process

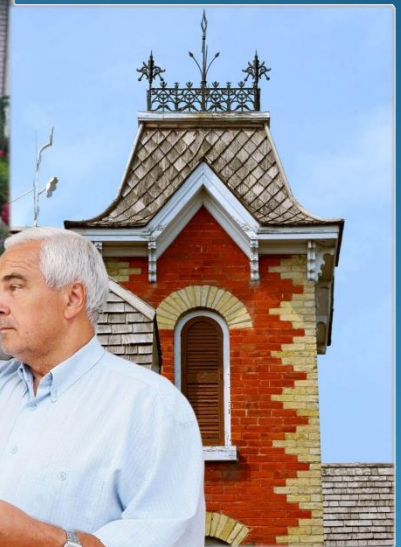


THE REASSESSMENT PROCESS

1 Inspect

First visit - Introduction of Field Rep. to property owner

- First visit between 9:30am-5pm
- Each inspector is issued an ID authorized by the Police Dept.
- Do not allow anyone in your home without this identification.
- Call Police Department *before* allowing anyone in your home if you have any concerns.



THE REASSESSMENT PROCESS

1 Inspect

First visit – Site Inspection & Outside Influences

- Economic loss due to outside influences (environmental nuisances and hazards.)
- Topography (land contours and grades.)



- View (positive and negative influences; views of water, mountains or valleys can produce positive values, conversely a poor view can produce a value penalty.)



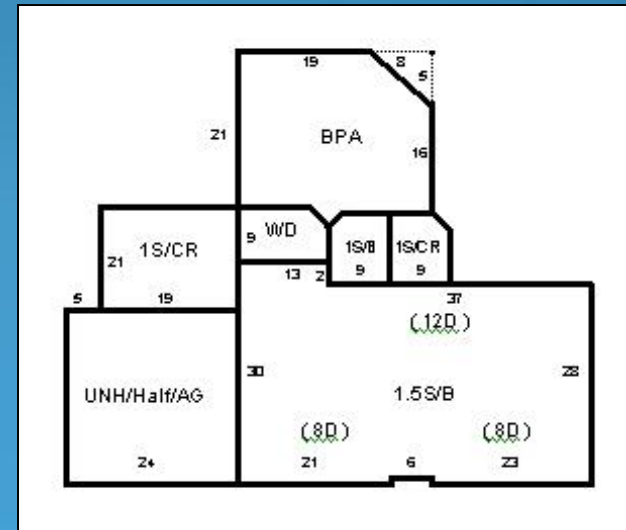
THE REASSESSMENT PROCESS

1 Inspect

First visit – Measure exterior



- The exterior of the residence is verified in detail, starting with the foundation, framing, exterior cover and roof.
- The inspector will verify the exterior dimensions of the main improvement and all other structures on the property by taking spot measurements.
- The architectural style of the main improvement is verified.



THE REASSESSMENT PROCESS

1 Inspect

First visit – Style, Condition and Quality of the house

- Quality refers to the character of construction and the materials used, the manner of construction and the workmanship.
- The condition refers to the overall wear and tear, the extent of physical deterioration and the level of maintenance.



THE REASSESSMENT PROCESS

1 Inspect

First visit – Call Back



- If no one is home on the first visit, the inspector will leave a notice.
- The notice will have an appointment for return visit.
- The appointment will be in the evening (typically between 5pm-7pm.)
- Some Saturdays may also be available.
- The property owner can reschedule by calling the phone number on the card.

Associated Appraisal Group
Real Estate Appraisal Services
6 Commerce Drive, Cranford, NJ 07016

Block: _____
Lot: _____
Qual: _____
Date: _____

Dear Property Owner:

A representative of Associated Appraisal Group was here to inspect your property in accordance with our contract to revalue all property located in the municipality. Since we were unable to make an interior inspection, we will return on:

Date: _____ Time: _____ Inspector: _____

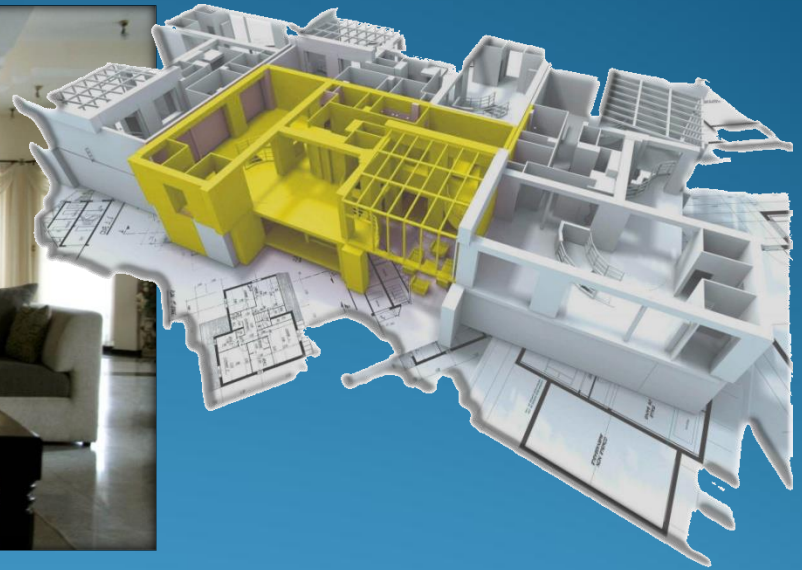
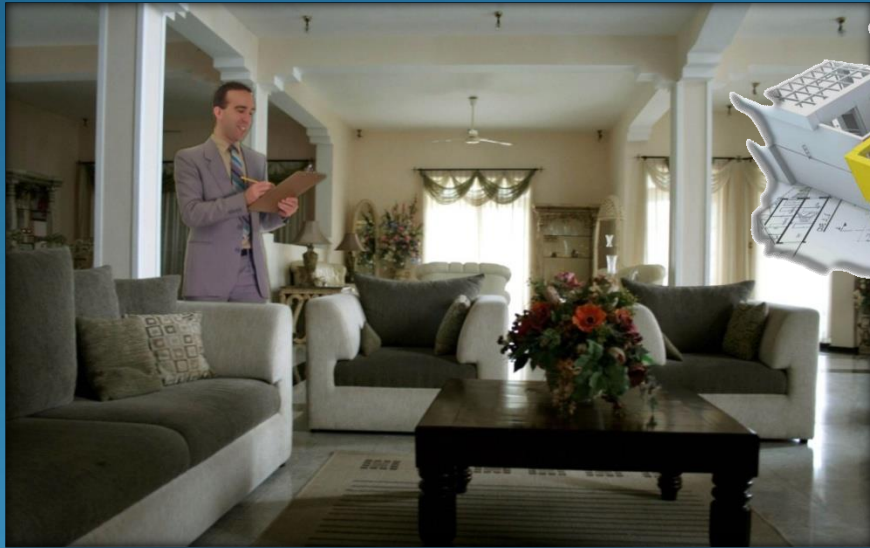
If you cannot accommodate us at this time, **please call (908) 967-6272** between the hours of 10AM and 4PM Monday - Friday to reschedule to a mutually convenient time.

In the event of inclement weather, this visit will have to be rescheduled.

THE REASSESSMENT PROCESS

1 Inspect

First visit – Interior Inspection



- The interior of the residence is inspected next and takes approximately 5-15 minutes depending on the size of the house.
- All levels of the home including the main floor, upper levels, attics (with fixed stairs) and basements will be inspected.
- The inspector will also note the number of rooms, heat type, air conditioning, number/type of fireplaces, plumbing, and the percent of finish in attics and basements.

THE REASSESSMENT PROCESS

1 Inspect

First visit – Interior Inspection - Kitchens & Baths

- The quality and condition of the kitchen and bathrooms will be examined.

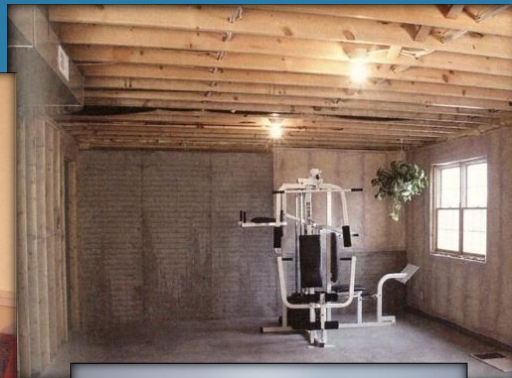
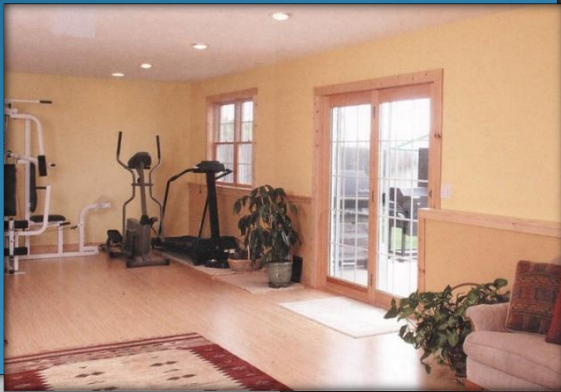


THE REASSESSMENT PROCESS

1 Inspect

First visit – Interior Inspection – Basements/Attics

- The quality and condition of the basement and attic areas will be examined.



THE REASSESSMENT PROCESS

1 Inspect

First Visit – Interior Inspection – COVID 19 Concerns

Due to ongoing COVID-19 concerns, inspectors will be supplied with protective gear while performing inspections

There are 2 ways an interior inspection can be performed:

1) A physical inspection where the inspector enters the premises and does a complete walk through.

2) A contactless interior inspection using a video conference either during the first visit or a mutually convenient scheduled time

If an inspector is not given the opportunity to do an interior inspection, interior information will be estimated which may result in an inaccurate assessment of your home.

THE REASSESSMENT PROCESS

1 Inspect

First Visit – Interior Inspection – COVID 19 Concerns

- If no one is home at the time of the second visit, the inspector will estimate the interior.

The inspector will estimate the interior information.

of Units
of Baths
HVAC
Attic / Bsmnt Finish
Kitchen Quality
Condition

Associated Appraisal Group
Real Estate Appraisal Services
6 Commerce Drive, Cranford, NJ 07016

Block: _____
Lot: _____
Qual: _____

Dear Property Owner:
A representative of Associated Appraisal Group has made a second visit to your property and found no one at home. Since we were unable to make an interior inspection, an estimate has been made as follows:

of units: _____ # of Baths: _____ HVAC: _____
Bath Quality: _____ Kitchen Quality: _____ 1/2 Story: _____
Basement: _____ Overall Condition: _____

Please call (908) 967-6272 between the hours of 10AM and 4PM Monday - Friday to arrange for an interior inspection.

Inspector: _____ Date: _____ Time: _____

- If the information is incorrect, the homeowner can call the number on the card to reschedule another interior inspection to correct any inaccuracies.

THE REASSESSMENT PROCESS

Neighborhood Development

2 Analyze

- The neighborhood is the immediate environment of the subject property. A neighborhood is defined by certain characteristics that are homogenous and differentiate it from other areas in the community.
- Elements of homogeneity or similarity
 - Similar style houses
 - Houses of similar utility
 - Similar age and size of houses
 - Similar quality of houses
 - Similar price range of houses
 - Similar land uses (zoning)

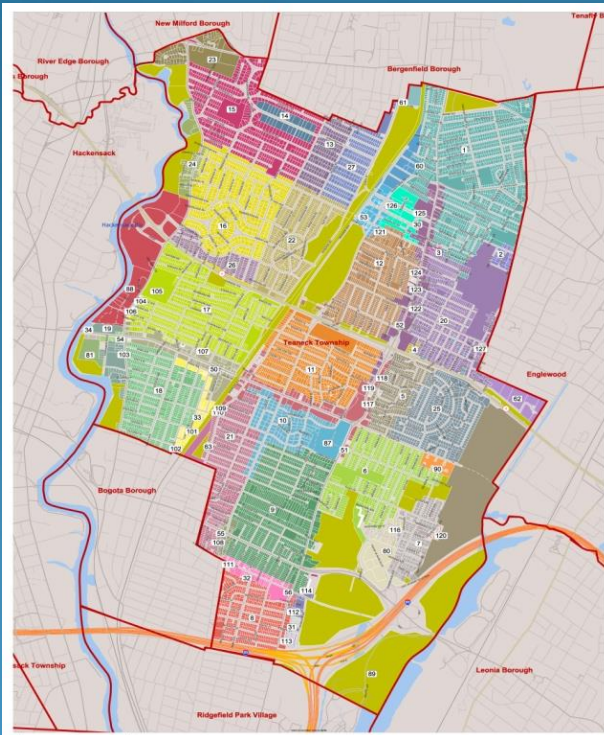


THE REASSESSMENT PROCESS

Neighborhood Development cont....

2 Analyze

- Neighborhoods are delineated for purposes of analysis and eventual establishment of land values.
- Neighborhood boundaries are often established by:



-Natural barriers (rivers, lakes, hills, etc.....)

-Political barriers (city limits, zone boundaries, school districts, etc.....)

-Man made obstacles (streets and highways, rail lines, major utility rights of way, "green belts", etc.....)

3 Review

- Reports are generated based upon information realized from the inspection of properties and the market sales analysis.

-



Max: 0.00 Min: 0.00

Re-Calc: N

SPRING LAKE

SUMMARY REPORT 2

11/12/99 Page 1

STYLE/NEIGHBORHOOD ANALYSIS - SORTED BY STYLE

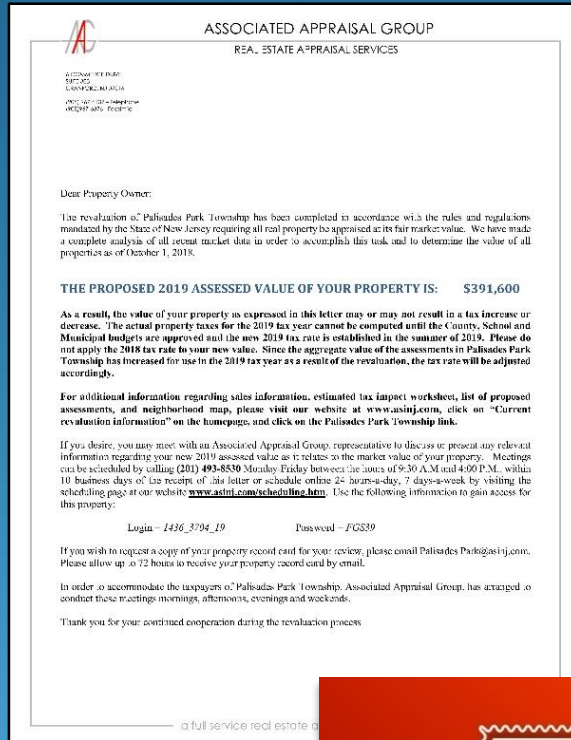
Block	Lot	Qual	CI	Nei	Land	Blg	Land	Blg	Total	11/12/99										Page 1								
8	10	2	2	203	22400		22400		22400																			
18	4.01	2	2	203	411000		411000		73120																			
18	4.01	2	2	102	689300		478000		1167500																			
18	6.01	2	2	102	689300		500000		1193800	122	2	656400	90	163300	819700	100	A100Y CL 20	1970	174	83Y	2204	34	04/03/98	815500	370	170		
18	8	2	2	203	350800		116600		467700																			
18	3.01	2	2	102	718700		52500		1239700	137	3	2	548400	100	247000	2791500	200	A200Y CC 18	1962	214	78Y	2421	33	08/12/97	433400	179	184	
19	8	2	2	203	350800		130700		58	3	2	790400	95	1529100	2319800	205	A200Y CC 18	1960	210	1001	6638	206	12/01/97	2300000	340	167		
31	9	2	2	203	333300		211400		544700	69	15	2	549300	95	233400	782700	206	A206Y CC 18	1970	35	40Y	2751	285	06/18/98	775000	282	101	
31	10	2	2	203	350800		198700		549500																			
32	6	2	2	101	724900		783100		1508000	108	1	2	748700	100	412200	1190800	100	A100Y CL 20	1970	35	0	96Y	2576	462	11/4/97	950000	369	125
32	23	2	2	202	451400		287600		739000	141	1	2	1034700	100	455300	1490000	100	A100Y CL 20	1930	245	67Y	2868	520	05/02/98	1400000	488	106	
34	10	2	2	205	724800		879900		1604700	78	4.01	2	563300	80	149500	852800	100	A100Y CL 19	1920	250	4	61Y	4179	206	06/29/98	8400000	201	102
56	3	2	2	101	599000		352900		994200	66	4	2	920700	100	735000	1605700	100	A100Y CL 20	1948	110	47Y	4993	333	08/16/98	1642000	330	101	
56	5	2	2	205	790400		1591200		2319500	32	6	2	2552000	120	1141800	3646800	100	A10Y CL 20	1820	24	100	7	69Y	267	07/01/98	3626000	325	101
60	3	2	2	207	349200		175500		524700	56	5	2	724900	100	783100	1508000	101	A101Y CL 20	1980	10	95Y	5080	207	01/27/98	1500000	295	101	
60	7	2	2	207	350800		175200		526000	56	5	2	999000	80	395200	994200	101	A101Y CL 20	1900	45	59Y	5838	173	03/05/98	1800000	142	120	
66	4	2	2	100	920700		739700		1660400	18	4.01	2	489500	100	478000	1167500	100	A100Y CL 20	1995	14	99Y	2845	413	07/11/97	855000	300	133	
66	13	2	2	201	615900		1688800		2314700	19	3.01	2	689500	100	504500	1508000	102	A102Y CL 20	1995	14	99Y	3678	25	12/22/97	899000	244	133	
66	15	2	2	201	615900		233400		2314700	19	3.01	2	718700	100	718700	100	A102Y CL 20	1999	0	100Y	4091	176	02/26/98	740000	181	97		
69	15	2	2	206	549300		238200		782700	107	9.01	2	616500	100	616500	200	A200Y CL 20	1999	0	100Y	5987	103	05/15/98	900000	150	69		
70	19.01	2	2	207	350600		822800		832800	32	23	2	615900	95	1698800	2314700	201	A201Y CL 20	1900	10	100	5767	401	03/17/98	2250000	300	103	
78	4.01	2	2	100	563300		289500		96280	8	10	2	451400	95	278600	730000	202	A202Y CL 19	1980	8	8	92Y	2674	275	05/06/98	710000	266	103
88	1	2	2	100	563300		289500		96280	8	10	2	350800	100	191500	542300	203	A203Y CL 18	1962	4	94Y	1898	268	07/31/98	540000	285	100	
108	1	2	2	100	253200		371300		31	10	2	350800	100	198700	549500	205	A203Y CL 18	1981	10	90Y	2140	257	01/07/98	432000	202	127		
107	9.01	2	2	200	616500		942300		1558800	19	3.01	2	350800	100	130700	481500	205	A203Y CL 18	1923	38	56Y	2215	217	06/25/97	485000	219	99	
108	1	2	2	100	748700		942100		1109800	54	10	2	724800	100	879900	1604700	205	A203Y CL 20	1980	30	67Y	6457	249	10/16/98	910000	141	176	
122	2	2	2	100	656400		163300		819700	60	3	2	349200	100	171200	526000	207	A207Y CL 18	1965	10	94Y	1824	285	03/06/98	510000	280	102	
136	1	2	2	300	478500		494900		971400	40	7	2	350800	100	175200	326600	207	A207Y CL 18	1980	17	90Y	2140	257	01/07/98	432000	202	127	
136	2	2	2	300	714200		773600		1487000	70	19.01	2	350600	100	482800	828200	207	A207Y CL 20	1997	0	100Y	3128	266	06/09/97	740711	237	112	
										144	10	2	563300	90	181300	544300	208	A208Y CL 18	1950	27	71Y	2244	243	03/29/97	950000	230	106	
										140	1	2	468000	100	529500	997000	208	A300Y CL 20	1968	10	100Y	2665	395	09/15/98	8100000	380	105	
										136	3	2	476500	95	477900	654400	208	A300Y CL 20	1912	10	95Y	2999	212	02/28/98	950000	211	100	
										136	3	2	714200	100	328300	1042500	300	A300Y CL 20	1951	10	91Y	6289	166	05/06/97	499000	157	106	
										49000																		
										544300	31	9	2	333300	95	211400	544300	203	A303Y CY 18	1981	10	90Y	2391	228	01/15/97	880000	184	124
										59000	8	14.01	2	411000	100	320000	731200	203	A303Y CY 18	1968	15	85Y	3244	226	08/20/97	990000	216	104
										137	5	2	844700	100	236000	1081500	203	A100Y RH 18	1951	20	83Y	2904	372	04/09/97	8450000	291	128	
										137	5	2	950000	100	116000	467700	203	A203Y RH 18	1950	30	84Y	1258	372	09/16/98	465000	370	101	
										147	36	2	398000	95	195500	500000	208	A208Y RH 17.5	1968	14	82Y	2236	264	03/17/98	575000	257	101	



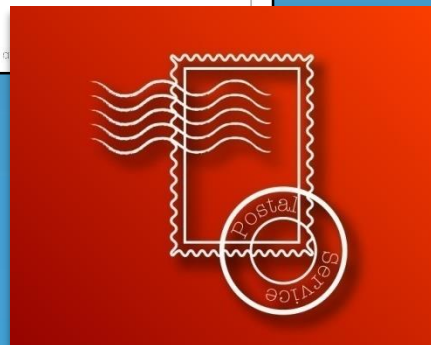
THE REASSESSMENT PROCESS

4 Inform

Notification of Value



- Mailed to address of record for all property owners.
- Date of mailing depends on the project schedule.
- Mailings usually occur at the end of the year or early into the next year.
- Contains total assessment for property.
- Contains instructions for setting up a meeting to review assessment.

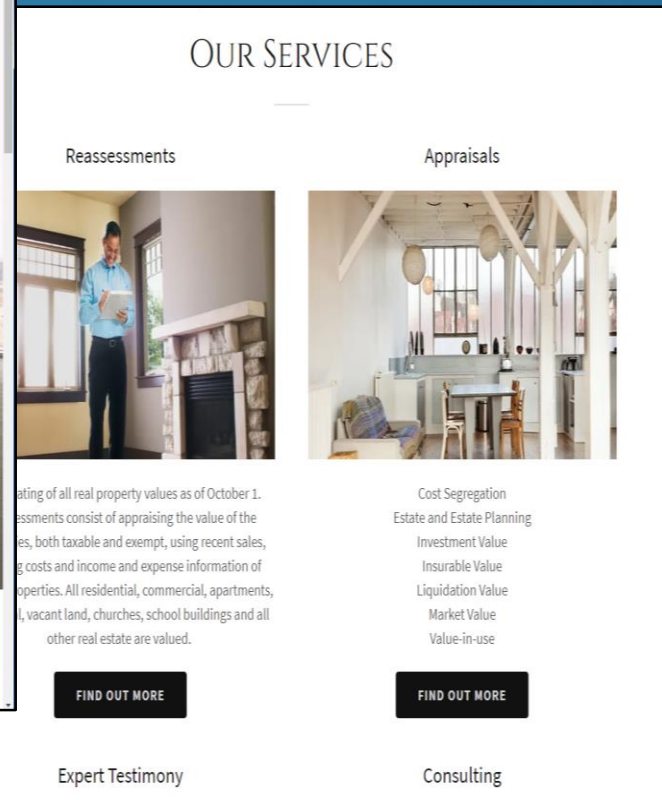
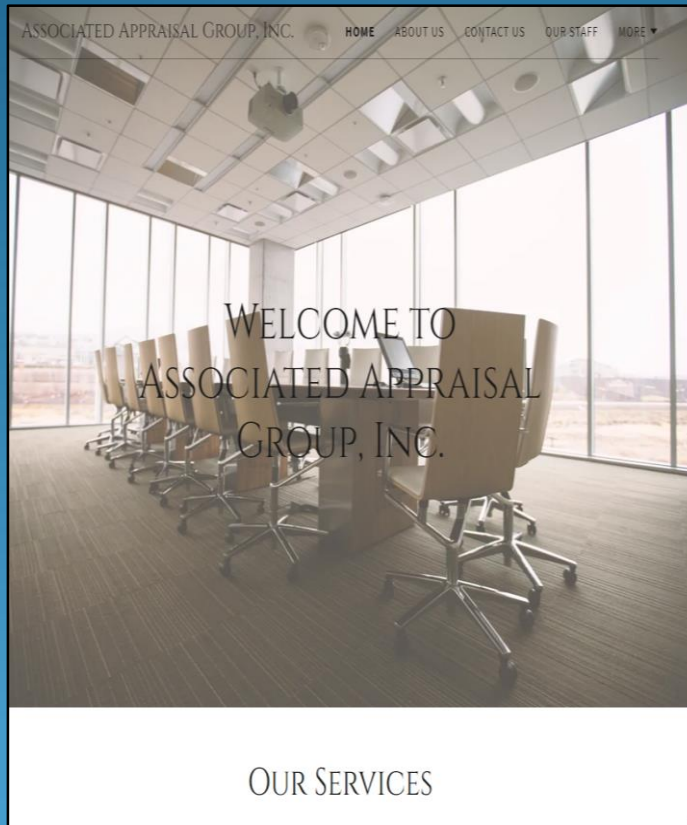


THE REASSESSMENT PROCESS

4
Inform

Website

njaag.com



THE REASSESSMENT PROCESS

5 Meet

Informal Hearings

- Opportunity to discuss your proposed assessment with a representative of Appraisal Systems.
- Meetings are held Monday-Saturday; Mornings, afternoons & evenings.
- Typically takes place in the municipal building



THE REASSESSMENT PROCESS

6
Submit

Transmit Final Values to Municipality & County

FIRST CLASS MAIL
U.S. POSTAGE PAID
TRENTON, NJ
Permit No. 41

TWP
COUNTY = ESSEX

NOTICE OF PROPERTY TAX ASSESSMENT FOR
THIS NOTICE IS RECEIVED UNDER N.J.S.A. 54-4.3(1)

MAILED:

BLOCK: LOT: QUAL:

PROPERTY LOC:

THE ASSESSMENT SHOWN REPRESENTS THE ASSESSMENT WHICH WILL APPEAR ON THE MUNICIPAL TAX LIST FOR: **2006** FOR THE PROPERTY IDENTIFIED.

LAND: BUILDING: TOTAL:

NET PROPERTY TAXES BILLED FOR **2005 ASSESSMENT** TOTAL:

NOTE:

THIS IS NOT A BILL.
SEE OTHER SIDE FOR
APPEAL INFORMATION.

- Final values sent to Town and County
- All information (data collection forms, property record cards, photographs, neighborhood map, correspondence, database, etc....) is given to Town.
- Official notification of final value from Municipality (via postcard.)

APPEAL INSTRUCTIONS:

If you agree with the assessed value shown, no further action by you is required.

If you disagree with the assessed value shown, an appeal may be filed with the County Board of Taxation. Forms and instruction for filing an appeal may be obtained by contacting the Board at:

Essex County Board of Taxation
50 South Clinton Street
Suite 5200
East Orange, NJ 07018

If the assessed value exceeds \$750,000, you have the option of filing your appeal directly with the Tax Court. Information for filing a complaint with the Tax Court may be obtained by contacting the Tax Court of New Jersey at PO Box 972, Hughes Justice Complex, Trenton, New Jersey 08625.

Assessment appeals must be filed on or before April 1 of the current tax year, or 45 days from the date mailed, as it appears on the front of this notice, whichever date is later.

ADDITIONAL INSTRUCTIONS:

Do not multiply last year's property tax rate by the current year's assessed value to determine taxes for the current year.

THE REASSESSMENT PROCESS

7 Tax Appeal

Defend

- County appeal/State appeal.
- Can not appeal comparing assessments.
- Can not appeal taxes.
- Must prove value by use of comparable sales
- Appeal deadline:
 - May 1 (newly revalued municipalities)
 - April 1 (all others)



Form A-1 (4-02)

Petition of Appeal
Essex County Board of Taxation
84 South Clinton Street, Suite 2300
East Orange, New Jersey 07018
(973) 995-8525

Appeal Number _____

Property Class: _____

NAME OF PETITIONER: _____
(Please type or print)

MAILING ADDRESS: _____
(_____) _____

BLOCK _____ LOT _____ QUALIFIER _____ Lot Size _____
Municipality _____ Property Location _____
Name, telephone no., fax no. and address of person or attorney to be notified of hearing and judgment if different than above: _____

Filed _____
Checked _____
Fee Paid _____
Notified _____
Held _____
Daytime Telephone Number: _____
(_____) _____

SECTION I APPEAL OF REAL PROPERTY VALUATION (FILING DEADLINE-SEE INSTRUCTION SHEET)

TAX YEAR _____

CURRENT ASSESSMENT		REQUESTED ASSESSMENT	
Land	\$ _____	Land	\$ _____
Improvement	\$ _____	Improvement	\$ _____
Abatement	\$ _____	Abatement	\$ _____
Total	\$ _____	Total	\$ _____
Purchase Price \$ _____		Tax Court Pending: YES NO	
Date of Purchase _____			

REASON FOR APPEAL: _____

SECTION II COMPARABLE SALES (See Instruction 9B)

Block/Lot/Qualifier	Property Location	Sale Price	Sale/Deed Date
1. _____	_____	\$ _____	_____
2. _____	_____	\$ _____	_____
3. _____	_____	\$ _____	_____
4. _____	_____	\$ _____	_____
5. _____	_____	\$ _____	_____

SECTION III APPEAL FOR DENIAL OF:

1. <input type="checkbox"/> Veterans's Deduction	5. <input type="checkbox"/> Veterans 100% Disabled or Surviving Spouse of Veterans
2. <input type="checkbox"/> Veterans's/Servicemember's Surviving Spouse Deduction	6. <input type="checkbox"/> Farmland Assessment Classification
3. <input type="checkbox"/> Senior Citizen Deduction	7. <input type="checkbox"/> Abatement or Exemption -Religious, Charitable, etc. (Specify) _____
4. <input type="checkbox"/> Disabled Person/Surviving Spouse Deduction	8. <input type="checkbox"/> REAP Property Tax Credit

MUNICIPALITY'S REASON FOR DENIAL: _____
(Attach copy of Denial Notice)

WHEREFORE, Petitioner seeks judgment reducing/increasing (circle one) the said assessment(s) to the correct assessable value of the said property and/or granting the requested Deduction, Credit, Farmland Assessment Classification, Exemption or Abatement.

Date _____ Petitioner or Attorney for Petitioner _____

CERTIFICATION OF SERVICE

On _____, 2006, I, the undersigned, served upon the Assessor and the Clerk of _____
(Municipality) or upon the taxpayer, personally or by regular mail or certified mail, a copy of this appeal. I certify that the foregoing statement made by me is true. I am aware that if the foregoing statement is willfully false, I am subject to punishment.

Date _____ Signature _____

The Director of the Division of Taxation has prescribed this form. No other form will be accepted.
Reproduction of this form is permitted provided it is the same size and content.