

THE REVALUATION OF TRENTON



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 Appraisal Systems, Inc. to provide a basic outline of the revaluation process. All rights are reserved.



THE REVALUATION OF TRENTON

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

Revaluations 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 judgement, each parcel of real property would sell for at a fair and bona fide sale."



THE REVALUATION OF TRENTON

Why a Revaluation?

- Ordered by County Board of Taxation
- Criteria used to determine need:
 - * last reval (1992)
 - * average ratio (83.50%)
 - * coefficient of deviation (22.43)
 - * number of appeals

Other:

- * changes in characteristics in areas or neighborhoods within the municipality and in individual properties
 - * economics (inflation and recession)
 - * fads (desirability of architecture, size of home, etc...)
 - * legislation (wetlands, pinelands, zoning, etc...)



THE REVALUATION OF TRENTON

The Revaluation Process



THE REVALUATION OF TRENTON

Letter of Introduction with brochure

1
Inspect

- Mailed to address of record for all residential and vacant land owners.



APPRAISAL SYSTEMS, INC.
REAL ESTATE APPRAISAL SERVICES

WHIPPANY OFFICE
110 S. JEFFERSON ROAD - SUITE 300
WHIPPANY, NJ 07981
PHONE: (973) 386-1111

GLLEN ROCK OFFICE
266 HARRISTOWN ROAD - SUITE 302
GLEN ROCK, NJ 07042
PHONE: (201) 493-8530

May 2014

«Owners»
«Address»
«CSZ»

Block: «Block»
Lot: «Lots»
Qual: «Quals»
Location: «Location»

Dear Property Owner:

As directed by the Passaic County Board of Taxation and as ordered by the State Division of Taxation, the City of Paterson must revalue all taxable real estate for the 2015 tax year to ensure uniform and equitable assessments. The City has contracted Appraisal Systems, Inc. to conduct the revaluation program.

The first step in the revaluation process is the inspection of all properties in the City. Representatives from Appraisal Systems, Inc. will be visiting each property, measuring the exterior of all improvements and conducting an interior inspection. In addition, an Appraisal Systems Inc. photographer will also be visiting each property to photograph the exterior of all buildings. No interior photographs will be taken.

If no one is home at the time of the representative's first visit, he/she will measure the exterior of all improvements and leave a card specifying when he/she will return to do an interior inspection. In order to properly assess your property, it will be necessary for a representative of Appraisal Systems, Inc. to examine the interior of all buildings, including basement and walk up attic areas. Appraisal Systems Inc. representatives will carry photo identification and a listing of our employees will be posted on the Appraisal Systems Inc. website and on file at the Municipal Building. **Please do not allow anyone to enter your home without proper identification.** You will be requested to sign the field form used by the representative to acknowledge that an interior inspection was made. Please prepare the occupants of any rental units you may own concerning the inspection to be made. For multi family homes, each unit will require an interior inspection.

If your property has a unique condition that influences value, please send documentation to Appraisal Systems, Inc., 110 South Jefferson Road, Whippany, New Jersey 07981 and it will be considered.

After the appraisals have been completed, you will be notified by Appraisal Systems, Inc. of the pending valuation that has been placed on your property, as well as procedures to review the assessment with a qualified representative of the firm.

Enclosed is a brochure prepared by Appraisal Systems, Inc. which addresses questions generally asked by property owners concerning revaluations. You can also visit our website at www.asinj.com and click on the Frequently Asked Questions Page (FAQ). Any inquiries with respect to the inspection procedure should be directed to the firm at (201) 493-8530.

Very truly yours,
APPRAISAL SYSTEMS, INC.



Ernest F. Del Guercio, Sr.
Chief Executive Officer

CITY OF PATERSON



Richard Marra CTA
Assessor

Para espanol vea al otro lado
a full service real estate appraisal

*the REVALUATION of
your MUNICIPALITY*

a Full Service Real Estate Appraisal Corp.



Appraisal Systems, Inc.

www.asinj.com

VALUATION NOTICES
After we have arrived at the true market value of all real property in the municipality, property owners will be notified as to the value placed on their properties. They will also be given an opportunity to arrange a one-on-one meeting with a representative of the firm to discuss any questions that relate to their value or the methods used to arrive at these values.

ADDITIONAL INFORMATION
Many other questions can be answered by visiting our website at www.asinj.com and clicking on the FAQ (Frequently Asked Questions) page.

PUBLIC CONFIDENCE
The Success of any revaluation program depends on the confidence of an informed citizenry in the justification of established property values. We realize that to gain this confidence we must keep the public aware of our methods and progress. Direct contact with the taxpayer through meetings with service clubs, religious or civic groups, etc. will help us develop a greater public understanding of, and confidence in the revaluation program. Our purpose is to establish an equitable tax base. We welcome your interest and seek your cooperation.

Appraisal Systems, Inc.

www.asinj.com




Rock, NJ PO Box 214 100 Route 86, So III (732) 466-8342
Morrisville, NJ 8 Canton Ave (609) 266-9960
Glen Rock, NJ PO Box 266 266 Harristown Rd, 3rd Fl (201) 493-8530

GO TO THE MUNICIPALITY FOR APPRAISAL. YOU ARE TO RECORD INFORMATION RELATIVE TO THE FOOTAGE AND THE BUILDING DIMENSIONS DETERMINED.

It's important to point out that the valuation of your home will be based on the total living area in terms of square footage rather than by a room count, although the inspector will list the total number of rooms for descriptive purposes only.

Aside from the living area, other features which will affect the valuation of your home include: remodeled bathrooms and kitchens, finished basements, central air conditioning, decks and patios, pools, garages and overall condition of the home. The physical condition of the structure is noted to establish depreciation factors for age, use, etc. Topographical features of the land are also noted as they affect value.

If unable to gain entrance at the time of the first visit, the field representative will leave a card suggesting a time for a return visit and a phone number to enable you to schedule the next visit at a mutually convenient time. If at the time of the second visit an interior inspection is again not possible, a considered estimate of the interior structure of the premises will be made by the inspector. This information will be recorded on a card and left for the homeowner. If the estimate is incorrect, the property owner may call the phone number on the card and left for the homeowner. Inspection of the property at a mutually convenient date and time. Appraisal Systems must develop accurate records based on actual field inspections and not existing documents.

Go property assessments
2011 tax rate computed,
11 property tax bill.

or a tax "according to real property to be the "full and fair value" market value of the 1/2 arms-length of the seller.



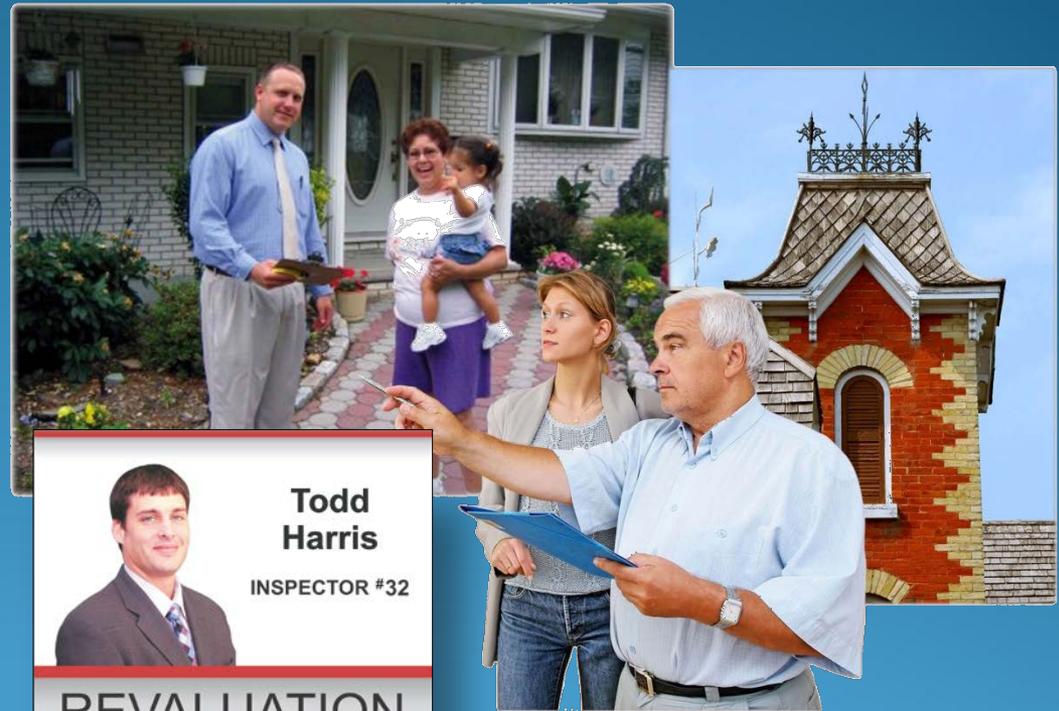


THE REVALUATION OF TRENTON

1 Inspect

First visit - Introduction of Field Rep. to property owner

- First visit between 9:00am-5pm
- Each inspector is issued an Appraisal Systems Inc. ID
- 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 REVALUATION OF TRENTON

First visit – Site Inspection cont....

1 Inspect



- Economic loss due to outside influences (such as Flooding.)
- Immediately adjacent commercial or industrial properties, gas station, stores, schools, firehouses (can produce a value loss.)
- High traffic streets (proximity to noise, fumes, congestion and accidents are also negative factors that are considered.)

THE REVALUATION OF TRENTON

First visit – Measure exterior

1 Inspect

- The exterior of the residence is examined in detail, starting with the foundation, framing, exterior cover and roof.

- The inspector will measure the exterior dimensions of the main improvement and all other structures on the property.

- The architectural style of the main improvement is identified.



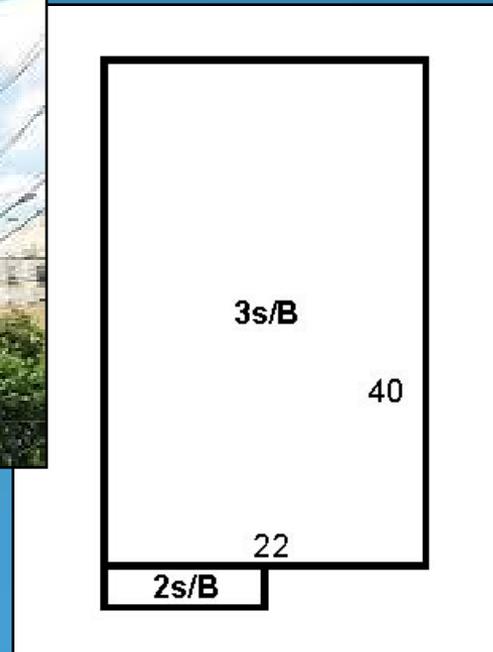
THE REVALUATION OF TRENTON

1 Inspect

First visit – Measure exterior cont....



- A footprint of the house is drawn to scale.
- The house is broken into sections



THE REVALUATION OF TRENTON

1 Inspect

First visit – Style of the house

- Architectural style: the character of a building's form and ornamentation



- The architectural style of the main improvement is identified and its effect on property value is considered. Is the style in harmony with the neighborhood and market standards?

THE REVALUATION OF TRENTON

1 Inspect

First visit – Condition of the house



THE REVALUATION OF TRENTON

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 will also be available.
- The property owner can reschedule by calling the phone number on the card.

 **APPRAISAL
SYSTEMS INC.**
8 Cattano Ave., Morristown, NJ 07960

BLOCK: _____
LOT: _____
DATE: _____

Dear Property Owner:

A representative of Appraisal Systems 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:

DAY: _____ **DATE:** _____ **TIME:** _____ **INSPECTOR #:** _____

If you cannot accommodate us at this time, **please call (973) 285-9940** between the hours of 10AM and 4PM to reschedule to a mutually convenient time.

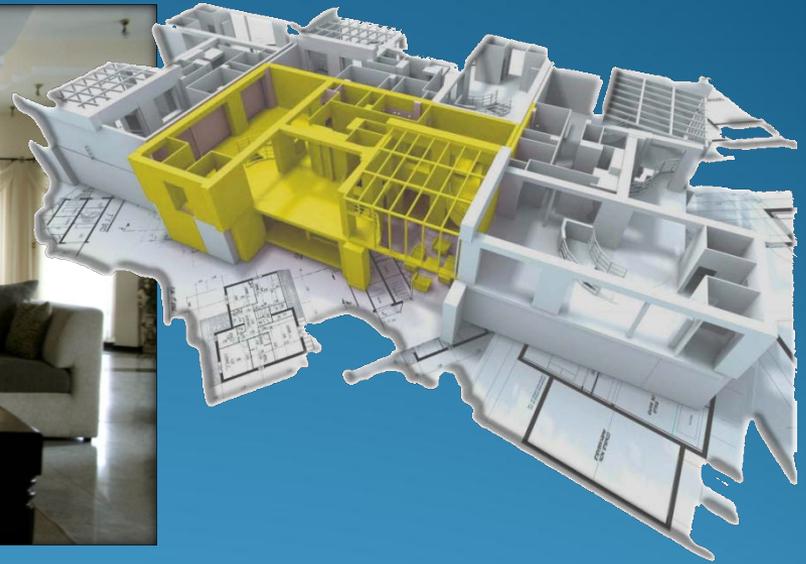
In the event of inclement weather, this visit will have to be rescheduled.



THE REVALUATION OF TRENTON

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 REVALUATION OF TRENTON

1 Inspect

First visit – Interior Inspection - Kitchens

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



THE REVALUATION OF TRENTON

1 Inspect

First visit – Interior Inspection - Bathrooms

- The quality and condition of the bathroom will be examined.



THE REVALUATION OF TRENTON

1 Inspect

First visit – Interior Inspection – Basements/Attics

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

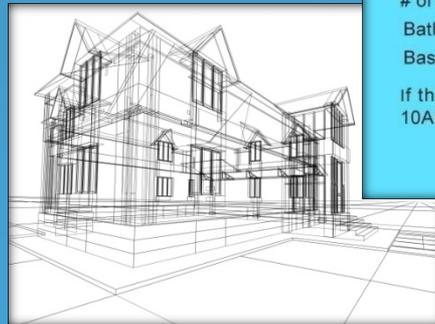


THE REVALUATION OF TRENTON

1 Inspect

Second Visit – Estimate

- If the callback appointment has not been rescheduled by the homeowner, the inspector will return at the scheduled day and time range.
- If no one is home at the time of the second visit, the inspector will estimate the interior. The estimated information will be left with the property owner on a blue “estimate card.”
- If the information is incorrect, the homeowner can call the number on the card to reschedule another interior inspection to correct any inaccuracies.
- Information can not be changed over the phone.



 APPRAISAL SYSTEMS INC.	BLOCK: _____
	LOT: _____
	DATE: _____
	TIME: _____
Dear Property Owner:	
A representative of Appraisal Systems has made a second visit to your property and found no one home. An exterior appraisal was made as follows:	
# of unit's: _____ # of Baths : _____ HVAC: _____	
Bath Quality: _____ Kitchen Quality: _____ ½ Story: _____	
Basement: _____ Overall condition: _____	
if this information is incorrect, please call (973) 285-9940 between 10AM and 4PM to arrange for an interior inspection.	
Inspector: _____	



THE REVALUATION OF TRENTON

1 Inspect

Condominium/Co-op/Townhouse Properties

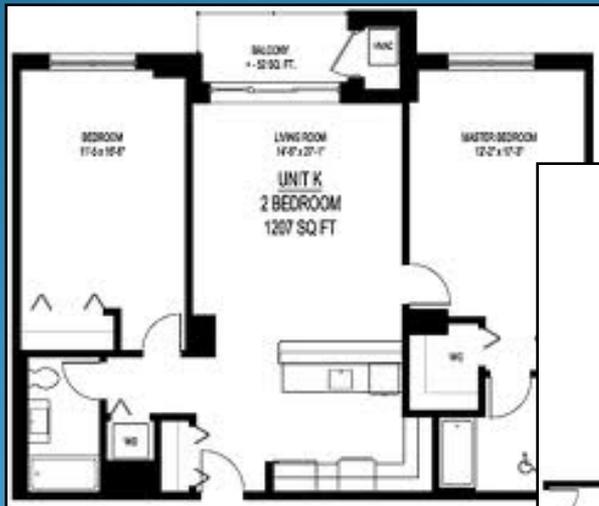
- Same inspection process as residential properties. (Process will be coordinated with property manager if necessary.)
- Master deeds will be utilized to confirm size, layout, model and common elements.
- Same review process as other residential properties.



THE REVALUATION OF TRENTON

Condominium/Co-op/Townhouse Properties

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THE REVALUATION OF TRENTON

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)

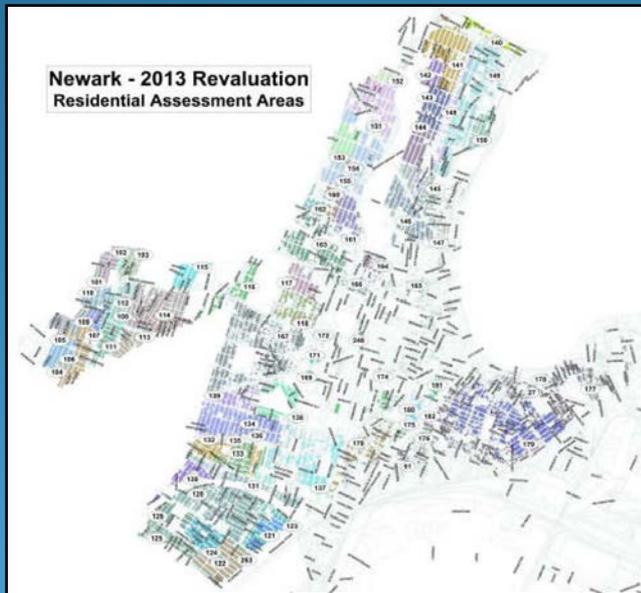


THE REVALUATION OF TRENTON

Neighborhood Development cont....

2 Analyze

- Neighborhoods are delineated for establishing land values.
- Neighborhood boundaries are often established by:



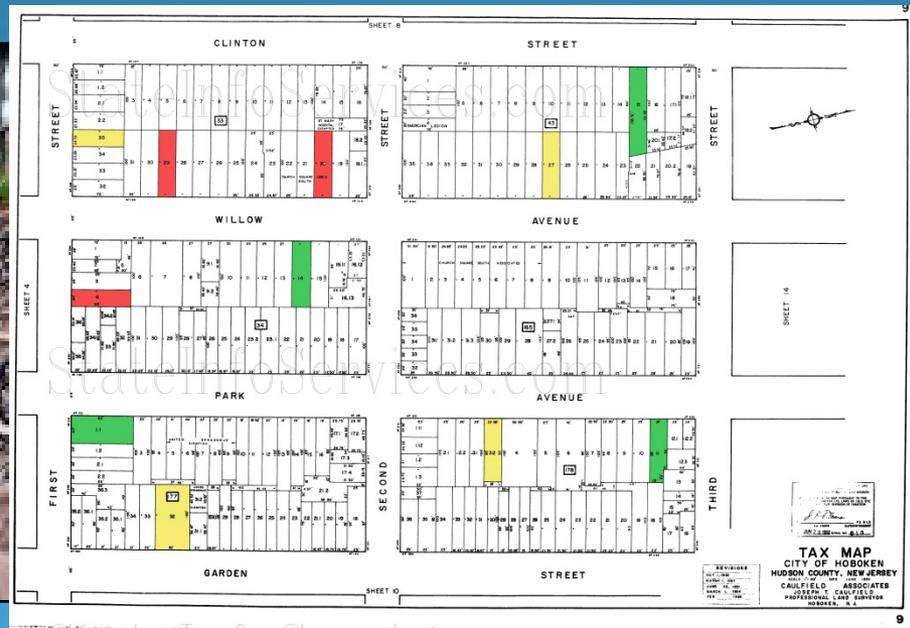
- Natural barriers (rivers, lakes, hills, etc.....)
- Political barriers (city limits, zone boundaries, school districts, etc.....)
- Man made obstacles (streets and highways, rail lines, major utility rights of way, "green belts", etc.....)

THE REVALUATION OF TRENTON

2 Analyze

Sales Map

- All recent “willing buyer/willing seller” sales are plotted on the tax map.
- All neighborhood delineations are defined.
- Recording of sales assists in neighborhood development.
- Assists in identifying locational influences.



THE REVALUATION OF TRENTON

Market Analysis & Review

3 Review

- Paired sales/data analysis is applied to determine current market trends that reflect the momentum of the market.

**BEVERLY Average Residential Sale Price
2005-2010**

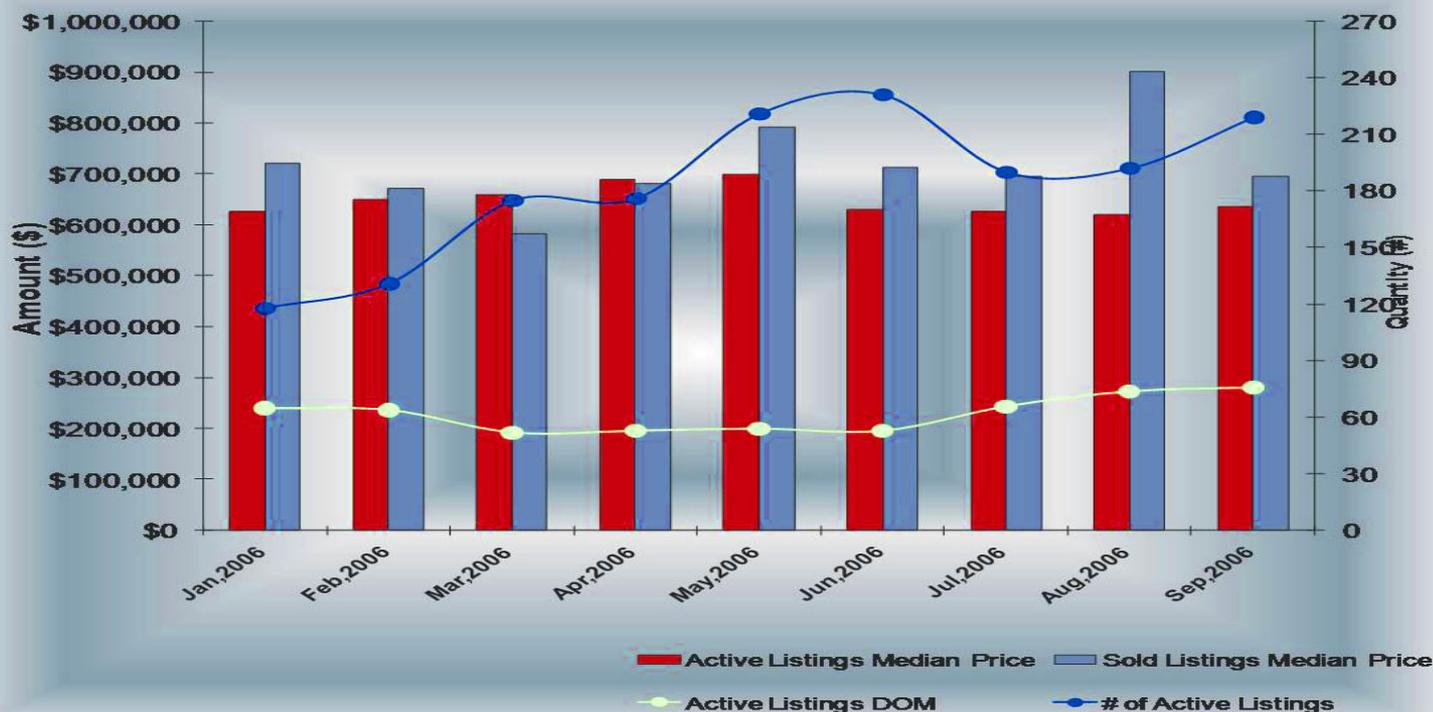


THE REVALUATION OF TRENTON

3 Review

Market Analysis & Review cont...

- Scatter Diagrams & Charts are analytical instruments that are used to help organize market data and set up market data grids



THE REVALUATION OF TRENTON

4 Inform

Notification of Value

AS APPRAISAL SYSTEMS, INC.
REAL ESTATE APPRAISAL SERVICES

MORRISTOWN OFFICE GLEN ROCK OFFICE BRICK OFFICE
8 CATTARAUGUS AVENUE 266 HANMER TOWN ROAD 3RD FLOOR 1408 ROUTE 88 SUITE 118
MORRISTOWN, NJ 07960 GLEN ROCK, NJ 07462 BRICK, NJ 08724

Dear Property Owner:

The revaluation of all property in the Township of Byram has been completed in accordance with the rules and regulations mandated by the State of New Jersey requiring all real property be appraised at its fair market value. We have made a complete analysis of all recent sales in order to accomplish this task and to determine the value of all properties as of October 1, 2008.

We are grateful for the cooperation you have shown while we were undertaking the task of ensuring that everyone is uniformly assessed.

THE FAIR MARKET VALUE OF YOUR PROPERTY IS: \$

This 2009 Revaluation has resulted in a change in your assessed valuation, as noted above. Do not apply the 2008 tax rate to this new proposed assessed value. While the 2009 TAX RATE WILL DECREASE as a result of the revaluation, the increase or decrease of your property taxes cannot be computed until the new tax rate is established in the spring of 2009.

If you desire to meet with one of our representatives to discuss your new 2009 assessed valuation, with respect to the current market value of your property, please call 1-800-994-1999 Monday through Friday from 10 AM to 4 PM in order to schedule an individual meeting. Scheduling must be arranged within ten days of the date of this letter.

These one-on-one conferences are designed to continue the information gathering process and may result in increased, decreased, or unchanged values depending upon the facts relevant to each individual case. No decision can or will be made at the time of your meeting. Appraisal Systems Inc. staff along with the Municipal Assessor will consider the information obtained and notify you by mail with the outcome of the review. The time and location of the appointment will be confirmed at the time of your call.

Sincerely,
APPRAISAL SYSTEMS, INC.

Ernest F. Del Guercio
President

- 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 REVALUATION OF TRENTON

4
Inform

Website

The screenshot shows the homepage of Appraisal Systems, Inc. The header features the company logo (a red stylized 'AS' symbol) and the text 'Appraisal Systems A PROFESSIONAL CORPORATION'. Below the header is a grid of small images related to real estate and appraisal. A red navigation menu on the right lists: 'OUR OFFICES', 'REVALUATION', 'APPRAISAL SERVICES', 'OTHER SERVICES', 'OUR STAFF', 'RELATED LINKS', and 'FAQs'. The main content area includes a vertical banner on the right that reads 'APPRAISAL SYSTEMS, INC.' and a large image of hands typing on a keyboard. The main text area contains three columns of text: a history section starting with 'Since 1981, when Ernest F. Del Guercio Sr. founded Appraisal Systems, Inc...', a services section starting with 'The firm has been successful in providing a full spectrum of mass appraisal...', and a management section starting with 'The management team of Appraisal Systems, Inc., with an average of thirty years of broad and extensive experience...'. There are also two call-to-action buttons at the bottom left: 'Click here for our current revaluations' and 'Click here for our updated powerpoint presentation'. A small image of a residential neighborhood is shown on the left side of the main text area.



www.asinj.com

THE REVALUATION OF TRENTON

5 Meet

Informal Hearings - Sales Boards

 Appraisal Systems, Inc.



BLOCK : 1918
LOT : 34
QUAL :
NBHD : 160

Sale Price
\$450,000
4/1/2013
non-usable sale code:

LOCATION : 280 SIXTH AVE., WEST

Land
LOT SIZE (sq.ft.) : 1,703
LAND INFLUENCE(s):

Improvements
TYPE/USE : Two Family
STYLE : Attached Colonial
YEAR BUILT : 1900
EXTERIOR FINISH : Brick
LIVABLE AREA (sq.ft.) : 2,592
OTHER ITEMS :

Copyright 2012 Appraisal Systems, I

- Recent sales.
- Organized by neighborhood.
- Highlights important characteristics of properties that have sold.
- Photograph of property.

THE REVALUATION OF TRENTON

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 REQUIRED UNDER N.J.S.A. 54-4-38.1

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:

WERE:

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.

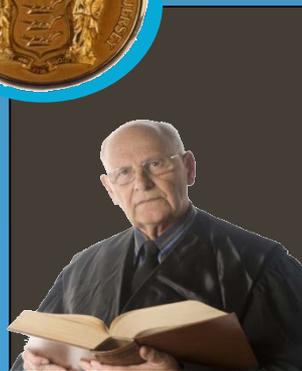


THE REVALUATION OF TRENTON

7 Defend

Tax Appeal

- 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
50 South Clinton Street, Suite 2200
East Orange, New Jersey 07018
(973) 996-6035 Appeal Number _____

Property Class _____ Filed _____
Checked _____
NAME OF PETITIONER _____ Fee Paid _____
(Please type or print) _____ Notified _____
Heard _____
MAILING ADDRESS _____ Daytime Telephone Number: _____
() _____

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: _____

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

<u>CURRENT ASSESSMENT</u>		<u>REQUESTED ASSESSMENT</u>	
Land	\$ _____	Land	\$ _____
Improvement	\$ _____	Improvement	\$ _____
Abatement	\$ _____	Abatement	\$ _____
Total	\$ _____	Total	\$ _____

Purchase Price \$ _____ Tax Court Pending _____
Date of Purchase _____ YES NO

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"/> Veteran's Deduction	5. <input type="checkbox"/> Veteran 100% Disabled or Surviving Spouse of Veteran
2. <input type="checkbox"/> Veteran'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.



THE REVALUATION OF TRENTON

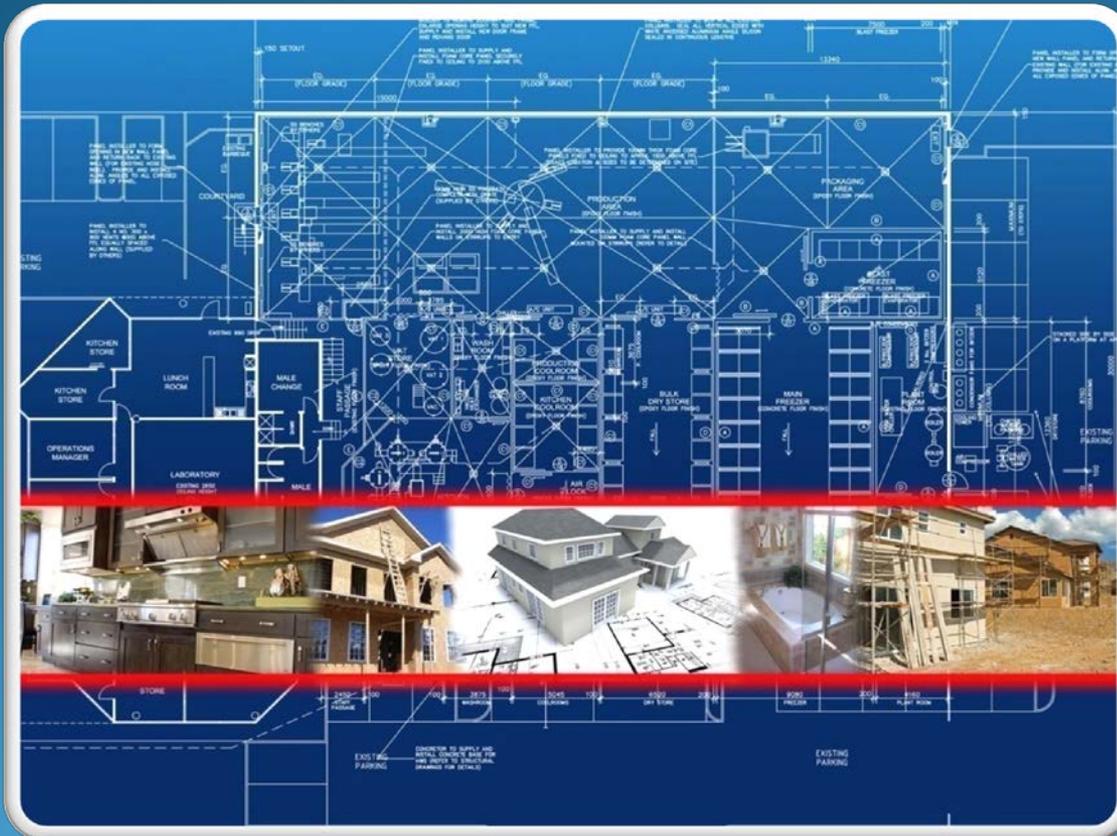
Commercial/Industrial Valuation

- All commercial and industrial properties are valued using three approaches:
 - a. Cost Approach
 - b. Sales Comparison Approach
 - c. Income Capitalization Approach



THE REVALUATION OF TRENTON

Properties Under Construction



- All properties will be valued as of their condition on October 1, of the pre-tax year.
- A property is considered to be taxable when it is “ready for its intended use.”
- The assessor will revisit the property upon completion and subject it to the Added Assessment list.