

2023 Rowan County Revaluation

Presentation of Schedule of Values, Standards & Rules

**Rowan County
Assessor's Office**

Rowan County 2023 Revaluation (Reappraisal)

- This is the process of updating Rowan County's real property values to reflect fair market value as of January 1, 2023.
- Reappraisal reestablishes the fairness of the tax burden between properties which typically change in value at different rates by location and property type.
- It is required by N.C.G.S. 105-286 at least once every eight years.
- Rowan County is currently on a 4 year reappraisal cycle.
- The last countywide reappraisal was conducted 4 years ago with an effective date of January 1, 2019.

Appraisal Facts

- Properties are appraised at 100% market value at the time of a county-wide revaluation. Data is reviewed from the most recent qualified sales leading up to the reappraisal date.
- The **Schedule of Values, Standards and Rules** are manuals to describe the methodology and procedures for appraising real estate at market value at the time of the county's most recent General Reappraisal.
- In order to reappraise all parcels, a process referred to as **mass appraisal** is employed. Mass appraisal is the process of grouping uniform or similar properties together to ensure fair and equitable property values.
- Real property values remain the same until the next reappraisal unless physical changes are made to the property between revaluation years.
- New buildings and other improvements are appraised according to the degree of completion on January 1 of each year.

Appraisal Facts Continued: Approaches to Value

- **Market:** analyzing sales of comparable properties and adjusting for differences to establish value for a specific property
- **Cost:** using the total material and labor cost (minus depreciation) and the land costs to establish value for a specific property
- **Income:** incorporating consideration of a property's rental income, expenses, vacancy rates, and rate of monetary return to establish value for a specific property

Appraisal Facts Continued: Sale Verification

A **qualified sale** is an arms length transaction between a willing buyer and seller.

Reasons a sale could be unqualified: *(all sales must be considered)*

- Sales in connection with foreclosures, bankruptcies, and condemnations
- Sales that occur between relatives or affiliated companies
- Properties sold at public auctions
- Special financing/land contracts

Volume of Sales since 2019

- Residential: 16,706
 - Qualified: 11,941
 - Unqualified: 4,765
- Commercial: 1,137
 - Qualified: 714
 - Unqualified: 423

Revaluations Across the State



2023 Revaluations (22 Counties)

Alamance	Lee
Alexander	Lincoln
Ashe	Macon
Brunswick	McDowell
Burke	Mecklenburg
Camden	Moore
Craven	North Hampton
Gaston	Randolph
Graham	Rowan
Henderson	Rutherford
Iredell	Yadkin

The *average* increase across all property types in the counties with 2022 revaluations (listed below) was 14% to 50%.

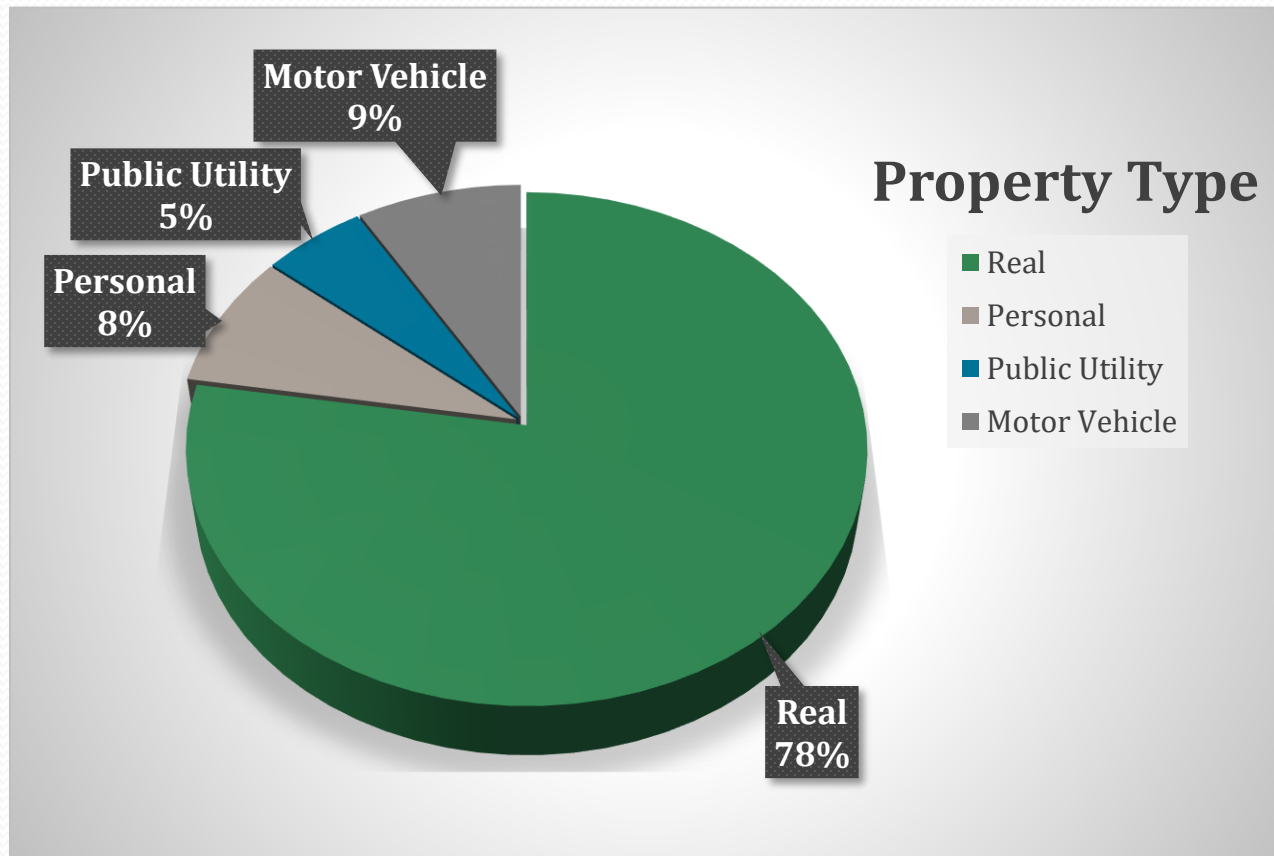
2022 Revaluations (12 Counties)

Avery	Hoke
Bladen	Jones
Chowan	Mitchell
Duplin	Onslow
Guilford	Pasquotank
Harnett	Watauga

2023 Revaluation Facts about Rowan County

- Current Sales Assessment Ratio (based on 2022 sales)
 - 73.38%
 - Example: If a home is sold for \$300,000, the current sales assessment ratio is 73.38% of that sale price.
 - $\$300,000 \times 73.38\% = \$220,000$ is the current assessed value
- Rowan County has approximately 80,563 parcels
 - Residential Parcels: 51,642
 - Commercial/Industrial/Exempt Parcels: 6,705
 - Vacant Parcels: 22,216

Property Value Percentage of Tax Base in Rowan County



Revaluation Timeline

May 2021-October 2022:

- Development of preliminary cost/income/market schedules

November 2021-December 2022:

- Neighborhood Review (Uniformity & Ratio studies)
- Field and desk review using Pictometry (online aerial photographs) of proposed assessments

October- November 2022:

- Re-run market modeling to include more recent sales to reflect changes in the market
- Update website with revaluation information
- Finalize Schedule of Values

October 2022:

- October 17, 2022: Submit Schedule of Values to Board of County Commissioners (BOCC)

November 2022:

- November 7, 2022: Public Hearing BOCC (Must wait 7 days before adoption)
- November 21, 2022: BOCC adoption of Schedule of Values
- November 22, 2022: Appeal period of schedule begins
- November 22 & 29, December 5 & 12, 2022: Advertise adoption order per statute

Revaluation Timeline Continued

February 2023:

- Notices of value mailed to property owners

February 2023- April 2023:

- Real property appeal period
- April 4, 2023: Board of Equalization and Review convene to hear appeals

May 2023:

- Board of Equalization and Review adjourns (appeal period ends)

June 2023:

- Board of County Commissioners Adopts **FY24** Tax Rate

July 2023:

- **FY24** tax bill mailed to property owners

In Conclusion

- Staff will be reviewing data until the end of January 2023.
- The real estate market is changing. We are not seeing as much bidding transactions, and some properties are staying on the market longer. We are also seeing some asking price reductions. Some of this is caused by increased mortgage rates that have occurred in 2022.
- Although all property types will not change at the same rate, the state sales ratio assessment indicates an increase for all property types.
- Property Revaluation is mandated by North Carolina General Statute 105-286.
- Property value is just one component of the budget process.
- Staff will work with citizens through this process by informal and formal appeals.
- Questions?



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Additional Questions

Contact:

Rowan County Assessor's Office

704-216-8586

Wendell R. Main II "Chip"

Rowan County Assessor