

Fairfield Taxpayer Interactive Map of Property Revaluation Changes

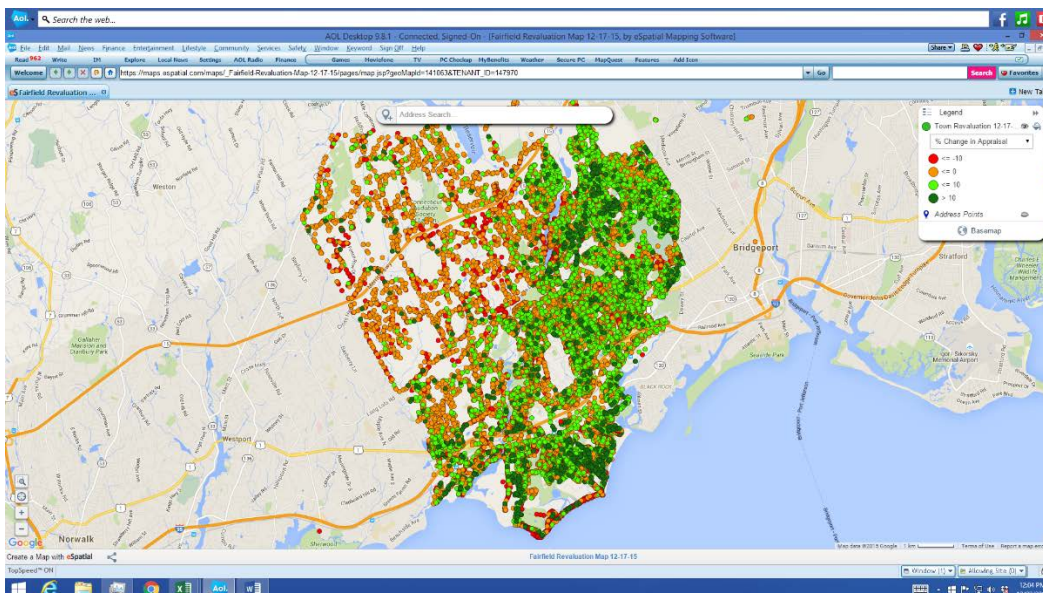
Here is a link to Fairfield Taxpayer's new web page that allows you to look at how the new revaluation changed property values in Fairfield based on the preliminary data provided by the Tax Assessor.

https://maps.espatial.com/maps/Fairfield-Revaluation-Map-12-17-15/pages/map.jsp?geoMapId=141063&TENANT_ID=147970

All property owners should have received a letter from the Tax Assessor dated November 12th informing them of the **Assessed** value of their property as of October 1, 2015. The Tax Assessor reported that about 10% of all Fairfield residential properties were unchanged in value, about 50% were down and about 40% were up,¹ subject to any adjustments after the informal hearing process with the appraisers. You can also find your new assessment at the following website: <http://gis.vgsi.com/fairfieldct/>.

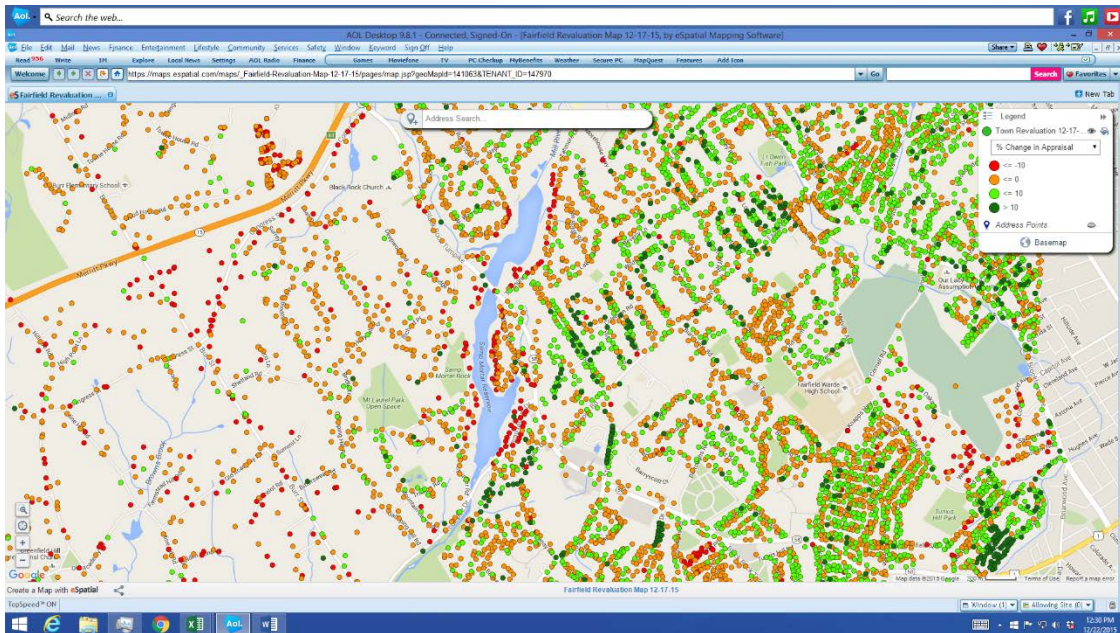
Fairfield Taxpayer's new web page will allow you to analyze much more easily whether your new assessment is fair by comparing how it changed relative to other properties in your neighborhood. Although there are always exceptions, if the percentage change in your assessment is roughly similar to those for most of the properties near you, it is likely that your new assessment is fair. The new web page also makes it much easier to analyze how appraised values changed in different neighborhoods. In a large and diverse town like Fairfield, greater or lesser changes in property values are to be expected in different neighborhoods, since each of them is subject to different trends in land values.

Clicking on the link will take you to a web page that looks like the screenshot below. There is a dot on the map for every residential property in Fairfield, and the dots are color-coded to show how the value for each property changed in the latest revaluation. Dark Green – up more than 10%; Light Green – up 0% to 10%; Beige – down 0% to 10%; and Red – Down more than 10%. As you can see, in general, property values increased on the east side of town and declined on the west side and along Fairfield Beach Road.

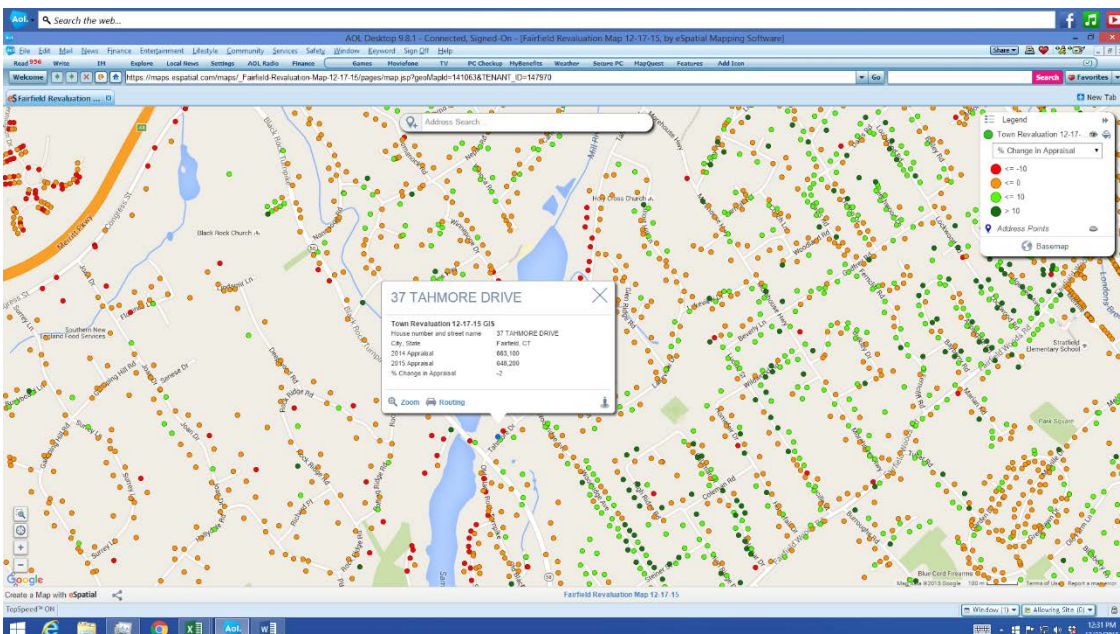


¹ <http://www.fairfieldct.org/taxassessornews/?FeedID=680>

The interactive map also allows you to “zoom in” to a particular neighborhood or street. For example, zooming in to the area around the Samp Mortar Reservoir looks like this.



And, as indicated in the screenshot below, if you click on any of the dots, a box will open on the screen that provides the address of the property, its new 2015 appraised value, its 2014 appraised value, and the percentage change.



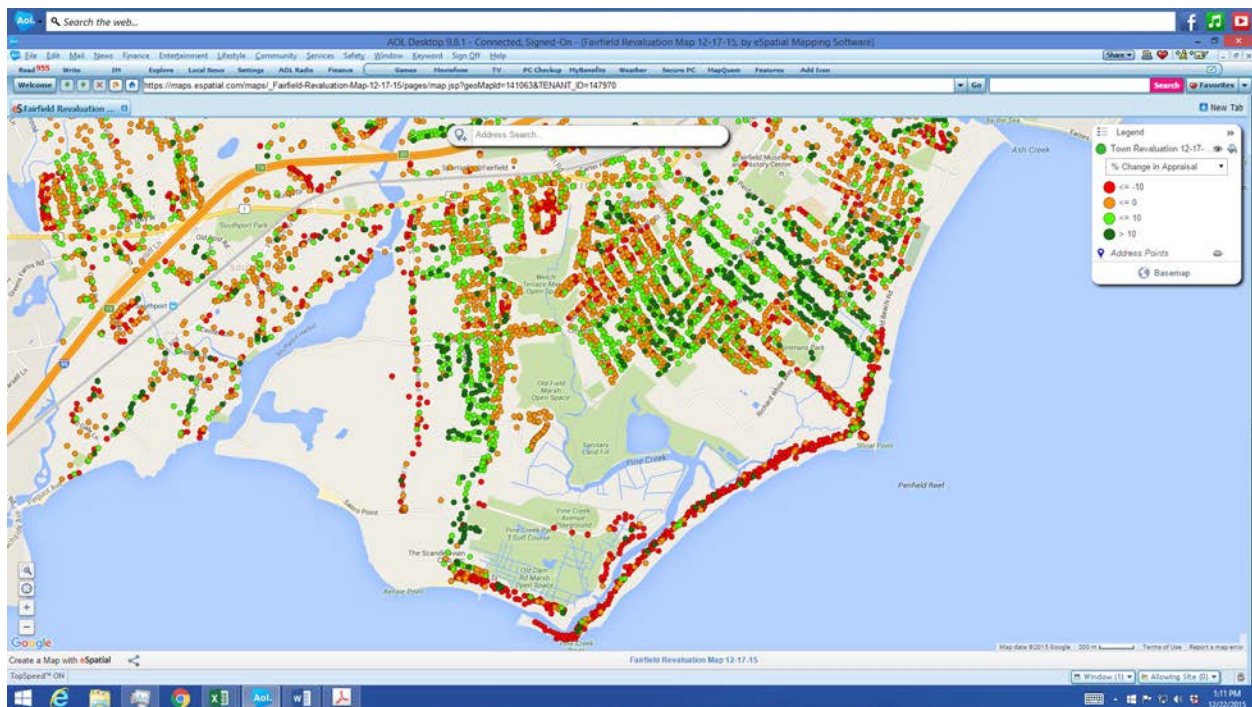
The appraised value as of 2014 is provided rather than as of 2010 (the date of the last revaluation) because otherwise the data would ignore any changes that have been made to the property since 2010. A home that was significantly rebuilt or remodeled since 2010 would otherwise show a much bigger increase (or a smaller decline) as a result of the revaluation than it should.

Changes in Values by Neighborhood

The Tax Assessor divides the Town into approximately 19 different neighborhoods, each of which is assigned a number that appears on a property's field card and is included under the Land section for each property on the VGSI website (<http://gis.vgsi.com/fairfieldct/>), which looks like this:

Land		Land Line Valuation	
Land Use			
Use Code	1013	Size (Acres)	0.55
Description	SFR Water 	Depth	0
Zone	R3	Assessed Value	\$343,280
Neighborhood	0085	Appraised Value	\$490,400
Alt Land Appr Category	No		

However, the value of all properties within a particular area or neighborhood did not change to the same extent or even in the same direction. Perhaps the most dramatic example of this is the Beach area, where, as indicated in the screenshot below, the vast majority of properties along Fairfield Beach Road (Neighborhood #66) declined in value by more than 10%, while many if not most of the properties further inland (Neighborhood #65) between Fairfield Beach Road and the Post Road increased in value.



It is also worth noting that five years ago, many Fairfield Beach Road properties experienced very substantial increases in their appraised values, and that since then the Town experienced two very damaging storms, Irene in 2011 and Sandy in 2012.

The table below provides information on a number of other neighborhoods. The biggest declines are seen in Fairfield Beach Road (-18.1%), Ridge (-14.3%) and Pine Creek /Old Dam /French (-13.9%). The biggest increases are seen in Fairfield Beach Area (+6.2%), Shoreham Village (+2.0%) and Stratfield

/Brooklawn/North Stratfield (+1.2%). Note that there are widely different numbers of homes in each of the 19 designated neighborhoods, and the greater the number of homes, the more likely it is that the total change for a given neighborhood will be closer to the -2.0%² weighted average for all homes. Thus it is not surprising that the range of total changes is quite small for the five largest neighborhoods at -1.2% to +1.2%, which together account for 65% of total homes. In contrast, the five smallest neighborhoods show a much wider range of total changes at -14.3% to +0.2%.

In the Town as a whole, land values are roughly equal to the value of improvements (land 53%, improvements 47%). In general, land values are a higher percentage of total appraised property values in areas with greater housing density. The lowest ratio of land value to total value is the Ridge neighborhood (land = 29%), and the highest is South Pine Creek (land = 66%).³

Fairfield's 2015 Property Revaluation by Neighborhood					
Neighborhood	Number	Count	Market Value		Percentage Change
			2014 (\$ mil.)	2015 (\$ mil.)	
Misc. Condo Complexes	40	67	\$23.99	\$21.77	-9.3%
Southport Village	50	308	\$648.46	\$634.32	-2.2%
Sasco Hill	52	94	\$339.44	\$306.09	-9.8%
Lower Greenfield Hill	54	182	\$220.08	\$200.41	-8.9%
Greenfield Hill	55	515	\$655.07	\$610.23	-6.8%
Upper Greenfield Hill	57	870	\$821.94	\$783.35	-4.7%
Hulls Farm/Greenfield Hill	58	411	\$473.97	\$445.22	-6.1%
Ridge	60	98	\$157.35	\$134.87	-14.3%
Fairfield Beach Area	65	1,160	\$888.15	\$943.59	6.2%
Fairfield Beach Road	66	370	\$458.01	\$375.06	-18.1%
South Pine Creek/Oldfield	67	1,479	\$771.68	\$777.67	0.8%
Pine Creek/Old Dam/French	68	137	\$142.92	\$123.01	-13.9%
Upper Sthpt/Mill Plan/University	70	3,147	\$2,272.95	\$2,244.95	-1.2%
Hoydns/Samp Mortar	75	825	\$511.46	\$492.30	-3.7%
University/Holland Hill	80	2,635	\$1,220.25	\$1,222.64	0.2%
Stratfield/Brooklawn/No. Stratfield	85	3,928	\$1,877.30	\$1,900.22	1.2%
Fairchild Wheeler/Park North	87	617	\$298.54	\$290.77	-2.6%
Tunxis Hill	90	1,840	\$587.83	\$594.33	1.1%
Grasmere	95	521	\$147.17	\$146.61	-0.4%
Shoreham Village	96	354	\$190.15	\$193.86	2.0%
All Other	na	475	\$229.28	\$229.28	0.0%
		20,033	\$12,935.99	\$12,670.55	-2.05%

² "Total residential property assessments declined approximately 2% from 2010 levels. Total commercial/industrial property assessments did not significantly change." <http://www.fairfieldct.org/taxassessornews/?FeedID=680>

³ A breakdown of each neighborhood by land and improvements is available upon request to: fairfieldtaxpayer@gmail.com.

Changes in Values by Price Segment

In general, more expensive homes declined more in value than did less expensive homes. As indicated in the table below, homes valued at more than \$3 million (representing only 0.6% of the total), were **down 5%-6%**, the \$1.0-\$3.0 million segment (11.5% of total homes) was **down 2.5%-3.4%**, the \$350,000-\$1.0 million segment (68.6%) was **down 1.2%-1.7%**, and homes valued below \$350,000 (19.3%) were **down about 3%**.

Price Segment	Count	Market Value		Percentage Change
		2014 (\$ mil.)	2015 (\$ mil.)	
>\$5 million	42	\$357.3	\$338.1	-5.4%
\$3-\$5 million	86	\$346.3	\$325.8	-5.9%
\$1.5-\$3 million	628	\$1,252.1	\$1,209.3	-3.4%
\$1-1.5 million	1,681	\$2,050.6	\$1,998.4	-2.5%
\$750,000-\$1 million	2,316	\$2,033.1	\$1,999.5	-1.7%
\$500,000-\$750,000	5,104	\$3,130.0	\$3,097.1	-1.1%
\$350,000-\$500,000	6,331	\$2,714.5	\$2,681.3	-1.2%
<\$350,000	3,860	\$1,052.1	\$1,021.5	-2.9%
	20,048	\$12,936.00	\$12,671.0	-2.0%

The magnitude of the decline in higher-end homes since 2010 is understated to the extent that many of those homes appealed their October 1, 2010 appraisals and received reductions that were reflected in their 2014 appraisals, which is the base from which the percentage change is calculated. For example, one sample of 20 homes valued at more than \$3 million that appealed their original 2010 appraisals shows an average decline of 6.9% from their 2014 appraisals, but a much greater 18.3% decline from their 2010 appraisals (and a weighted average decline of 18.0%). Twenty other homes in the same neighborhood valued at more than \$3 million that did not appeal their 2010 appraisals show an average decline of 14.5%, and a weighted average decline of 15.7%.

Broader Implications

One of the most important inferences to be drawn from the property revaluation is the trend in Fairfield home values. Indeed, Fairfield Taxpayer believes that one of the most important vital signs of the health of any town, region or state is what is happening to its property values in both absolute and relative terms.

Thus, it is not good news that the total value of residential properties in Fairfield declined about 2% from what they were worth (or, if they didn't exist then, would have been worth) five years ago. Indeed, since there was a net increase in residential properties over the last year (from building more homes and upgrading existing homes), the average home value in Fairfield actually declined more than the overall 2% weighted average decline in the residential grand list.

All towns in Connecticut must update their property valuations every five years, but they do not do so on the same five-year schedule. Only a few towns in our area also revalued their property as of October

1, 2015, including Westport, Greenwich and Trumbull. Only two of these towns (Westport and Greenwich) have reported their preliminary results, neither of which is encouraging to Fairfield residents. Westport's home values reportedly **rose 8%-10%**⁴ and Greenwich's home values reportedly **rose 7%**.⁵ We believe that Trumbull's home values were up slightly. Among other implications is the likelihood that the gap between Fairfield's mill rate (currently 24.79) and those of Westport (18.09) and Greenwich (11.271) will widen further. Trumbull's mill rate (32.87), is currently above Fairfield's. When more information is available, we will provide both the data and our analysis.

Implications for Your Taxes

The bad news for some taxpayers is that their taxes will rise because of the revaluation, but the good news is that the market value of their properties has increased – and *vice versa*.

With Fairfield's residential grand list down approximately 2%, and with the value of commercial property essentially unchanged, the real estate grand list is down almost 2%. If these numbers do not change (due to any adjustments to the preliminary appraisals), and if there is no material change in the value of motor vehicles and personal property (which account for about 7% of total taxable property), then if your appraisal is down 2%, in line with the average, your taxes will not change because of the revaluation. If your appraisal is down less than 2% or if it increased, the revaluation will result in an increase in your taxes. And if we further assume that total taxes and spending rise 1.5% next year, then your taxes beginning on July 1, 2016 will rise or fall by the percentages indicated in the table below.

Change in Value of Your Property	Change in Your Taxes due to the Revaluation	Change in Your Taxes if Spending is up 1.5%
-25%	-23%	-21.5%
-20%	-18%	-16.5%
-15%	-13%	-11.5%
-10%	-8%	-6.5%
-5%	-3%	-1.5%
-2%	0%	+1.5%
0%	+2%	+3.5%
+5%	+7%	+8.5%
+10%	+12%	+13.5%
+15%	+17%	+18.5%
+20%	+22%	+23.5%
+25%	+27%	+28.5%

⁴ <http://m.westport-news.com/news/article/Westport-home-values-rise-8-10-in-new-assessment-6675589.php>

⁵ <http://www.greenwichtime.com/printpromotion/article/Home-prices-in-Greenwich-jump-7-percent-6649651.php>

The combined effect in dollar terms of the revaluation and of a 1.5% increase in taxes next year is provided in the matrix below in terms of how much your tax bill will increase or decrease as a function of the change in your appraisal and the new value of your home.

DOLLAR AMOUNTS BY WHICH TAXES WILL CHANGE DUE TO THE 2015 REVALUATION											
New Market Value	(Assuming a 1.5% Increase in Spending and Taxes in 2016-2017)										
	Percentage Change in the Market Value of Your Home										
	-25%	-20%	-15%	-10%	-5%	0%	5%	10%	15%	20%	25%
\$200,000	-\$1,033	-\$744	-\$489	-\$262	-\$59	\$124	\$289	\$439	\$577	\$702	\$818
\$300,000	-\$1,549	-\$1,116	-\$733	-\$393	-\$88	\$186	\$434	\$659	\$865	\$1,054	\$1,227
\$400,000	-\$2,066	-\$1,487	-\$977	-\$523	-\$117	\$248	\$578	\$879	\$1,153	\$1,405	\$1,636
\$500,000	-\$2,582	-\$1,859	-\$1,221	-\$654	-\$147	\$310	\$723	\$1,099	\$1,442	\$1,756	\$2,045
\$600,000	-\$3,099	-\$2,231	-\$1,466	-\$785	-\$176	\$372	\$868	\$1,318	\$1,730	\$2,107	\$2,454
\$700,000	-\$3,615	-\$2,603	-\$1,710	-\$916	-\$206	\$434	\$1,012	\$1,538	\$2,018	\$2,458	\$2,863
\$800,000	-\$4,132	-\$2,975	-\$1,954	-\$1,047	-\$235	\$496	\$1,157	\$1,758	\$2,307	\$2,810	\$3,272
\$900,000	-\$4,648	-\$3,347	-\$2,198	-\$1,178	-\$264	\$558	\$1,301	\$1,978	\$2,595	\$3,161	\$3,681
\$1,000,000	-\$5,165	-\$3,719	-\$2,443	-\$1,308	-\$294	\$620	\$1,446	\$2,197	\$2,883	\$3,512	\$4,090
\$1,250,000	-\$6,456	-\$4,648	-\$3,053	-\$1,636	-\$367	\$775	\$1,808	\$2,747	\$3,604	\$4,390	\$5,113
\$1,500,000	-\$7,747	-\$5,578	-\$3,664	-\$1,963	-\$440	\$930	\$2,169	\$3,296	\$4,325	\$5,268	\$6,135
\$1,750,000	-\$9,038	-\$6,507	-\$4,275	-\$2,290	-\$514	\$1,084	\$2,531	\$3,845	\$5,046	\$6,146	\$7,158
\$2,000,000	-\$10,329	-\$7,437	-\$4,885	-\$2,617	-\$587	\$1,239	\$2,892	\$4,395	\$5,766	\$7,024	\$8,181
\$2,500,000	-\$12,912	-\$9,296	-\$6,106	-\$3,271	-\$734	\$1,549	\$3,615	\$5,493	\$7,208	\$8,780	\$10,226
\$3,000,000	-\$15,494	-\$11,156	-\$7,328	-\$3,925	-\$881	\$1,859	\$4,338	\$6,592	\$8,649	\$10,536	\$12,271
\$3,500,000	-\$18,076	-\$13,015	-\$8,549	-\$4,579	-\$1,028	\$2,169	\$5,061	\$7,690	\$10,091	\$12,292	\$14,316
\$4,000,000	-\$20,658	-\$14,874	-\$9,770	-\$5,234	-\$1,174	\$2,479	\$5,784	\$8,789	\$11,533	\$14,048	\$16,361
\$4,500,000	-\$23,241	-\$16,733	-\$10,992	-\$5,888	-\$1,321	\$2,789	\$6,507	\$9,888	\$12,974	\$15,803	\$18,406
\$5,000,000	-\$25,823	-\$18,593	-\$12,213	-\$6,542	-\$1,468	\$3,099	\$7,230	\$10,986	\$14,416	\$17,559	\$20,452
\$5,500,000	-\$28,405	-\$20,452	-\$13,434	-\$7,196	-\$1,615	\$3,408	\$7,953	\$12,085	\$15,857	\$19,315	\$22,497
\$6,000,000	-\$30,988	-\$22,311	-\$14,656	-\$7,850	-\$1,762	\$3,718	\$8,676	\$13,184	\$17,299	\$21,071	\$24,542

What If You Are Not Happy with Your New Assessment?

The informal hearings with representatives of the appraisal company, VGSI, to discuss the new assessments ended on December 18th. VGSI will consider the need for any changes, and final assessment notices will be mailed to the property owners with whom they met on **January 6th**. Anyone who is still not happy with their assessment, whether or not they met with a representative of VGSI, may formally appeal it to the Board of Assessment Appeals (BAA) at hearings to be scheduled in March 2016. The deadline for any appeals to the BAA, which are submitted through the Tax Assessor's Office, is **February 19, 2016**, meaning that the Tax Assessor must have received the appeal by that date. Property owners who are not satisfied with the judgment of the BAA, can file an appeal with the State Superior Court.

Important Dates

December 18th: Last day for informal hearings with representatives of VGSI.

January 6th: Notice of results of informal hearings.

February 19th: Deadline for appeal application to Board of Assessment Appeals.

60 Days After BAA Decision: Deadline for appeals to Superior Court.