

LOUDOUN COUNTY OFFICE OF THE COUNTY ASSESSOR

STATUTORY MANDATES

CODE OF VIRGINIA § 58.1-3280

§ **58.1-3280**. Assessment of values.

Every assessor or appraiser so designated under this chapter shall, as soon as practicable after being so designated, proceed to ascertain and assess the fair market value of all lands and lots assessable by them, with the improvements and buildings thereon. They shall make a physical examination thereof if required by the taxpayer, and in all other cases where they deem it advisable.

CODE OF VIRGINIA § 58.1-3330

§ **58.1-3330**. Notice of change in assessment.

Requires that property owners be notified any time there is a change in the assessed value of their real estate.

LOUDOUN COUNTY ORDINANCES

Business Regulation and Taxation Code

860.09(a) ASSESSMENT AND EQUALIZATION OF REAL ESTATE - Assessment and equalization of real estate for local taxation shall be performed on an annual basis.

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MARKET VALUE

“Market value” is the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Market Value may not be the same as the **“sale price”**.

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PRICES AND VALUES

"Prices" are historical facts. **"Values"** are opinions, or hypothetical prices, which are based on actual prices, particularly when the comparable properties sold in a competitive and open market. Market value can also be viewed as the present value of future benefits. This view of market value is the basis of the income approach to valuation. The **date of value** for assessments in Loudoun County is **January 1st** of each tax year. Sales which occur prior the date of value should be time adjusted to establish a trend or future values.

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SALES DATA

Residential analysis typically utilizes sales data for a twelve month period prior to the date of value. Sales data from 1-1-08 through 12-31-08 was analyzed to establish the January 1, 2009 assessments. The commercial analysis typically utilizes sales and income data for up to 36 months prior to the date of value as there are few commercial sales. The income approach to value is better supported by using stabilized income and expenses during a three year period to establish a trend.

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MARKET TRENDS

Fluctuation in real property values vary from locality to locality in northern Virginia relative to density, infrastructure, the government approval process, location, and other economic factors.

The number of transfers that occurred in Loudoun County declined from 2007 to 2008. There were approximately 16,500 transfers in 2008. There were approximately 23,000 transfers in 2007. The transfers are reviewed and sales are verified by the appraisal staff annually in order to support market value assessments.

A foreclosure; or the taking of a property by a lender is not considered an arm's length transaction. However, the resale of the property is considered during the sale verification process if the sale meets the standard of an arm's length transaction of a property not sold under undue duress. A liquidation sale of a property typically takes place under duress and does may not reflect the fair market value of that individual property. The sale price of an individual property may not define value. There were approximately 2,200 foreclosures in Loudoun County during 2008. There were approximately 1,260 in 2007.

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2010 OVERALL CHANGES (taxable)

- **All Real Property changed -3.29% or -\$1.97B; from \$60.04B to \$58.06B**
- **Change in equalized value -4.79% or (-\$2.87B)**
- **Construction/growth \$899.6M (1,589 parcels)**
- **Supplemental assessments \$269.4M**

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2010 OVERALL CHANGES (continued)

- **Residential (class 100) < acre** +0.37%
- **Residential (class 200) >acre< 20** -8.11%
- **Multi-Family (class 300) > 5 units** -11.95%
- **Comm/Indust (class 400)** -5.13%
- **Res (class 500) >20 a < 100 a** -14.21%
- **Residential (class 600) >100 a** -11.63%
- **Exempt** -4.08%
- **SCC** +2.31%

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2010 Class 100/200 Change

- **Equalized Class 100/200 change -2.89% or (\$1.1B)**
- **OA Class 100/200 change -1.32% or (\$505M)**
- **New construction/growth increase \$596.3M**
- **Average equalized Class 100/200 value is \$354,095**

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2010 Commercial Property Overview

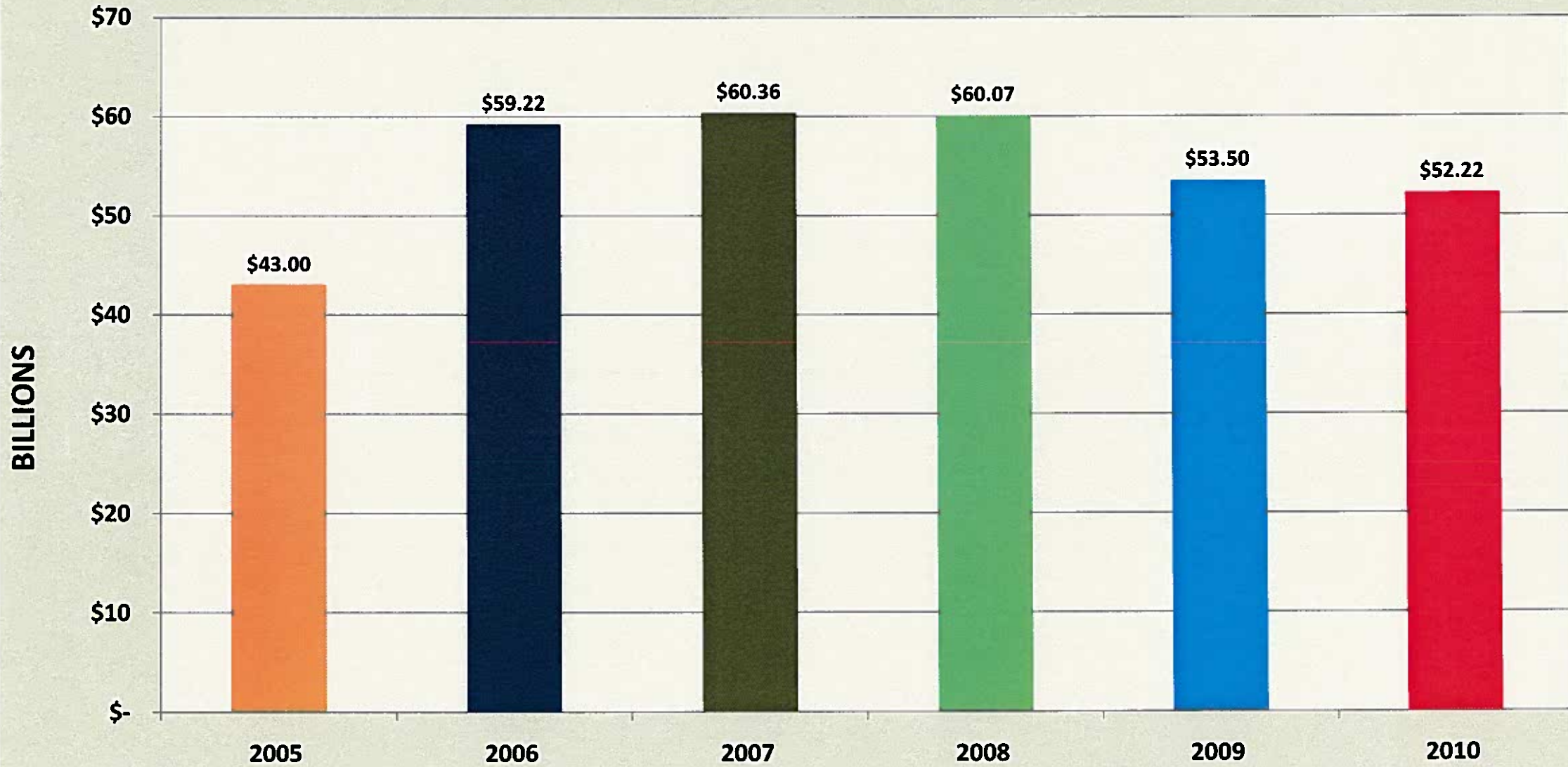
- **Equalized Com change -7.06% or (\$818.2M)**
- **Overall Com change -5.13% or (\$594.5M)**
- **New construction/growth increase \$233.8M**

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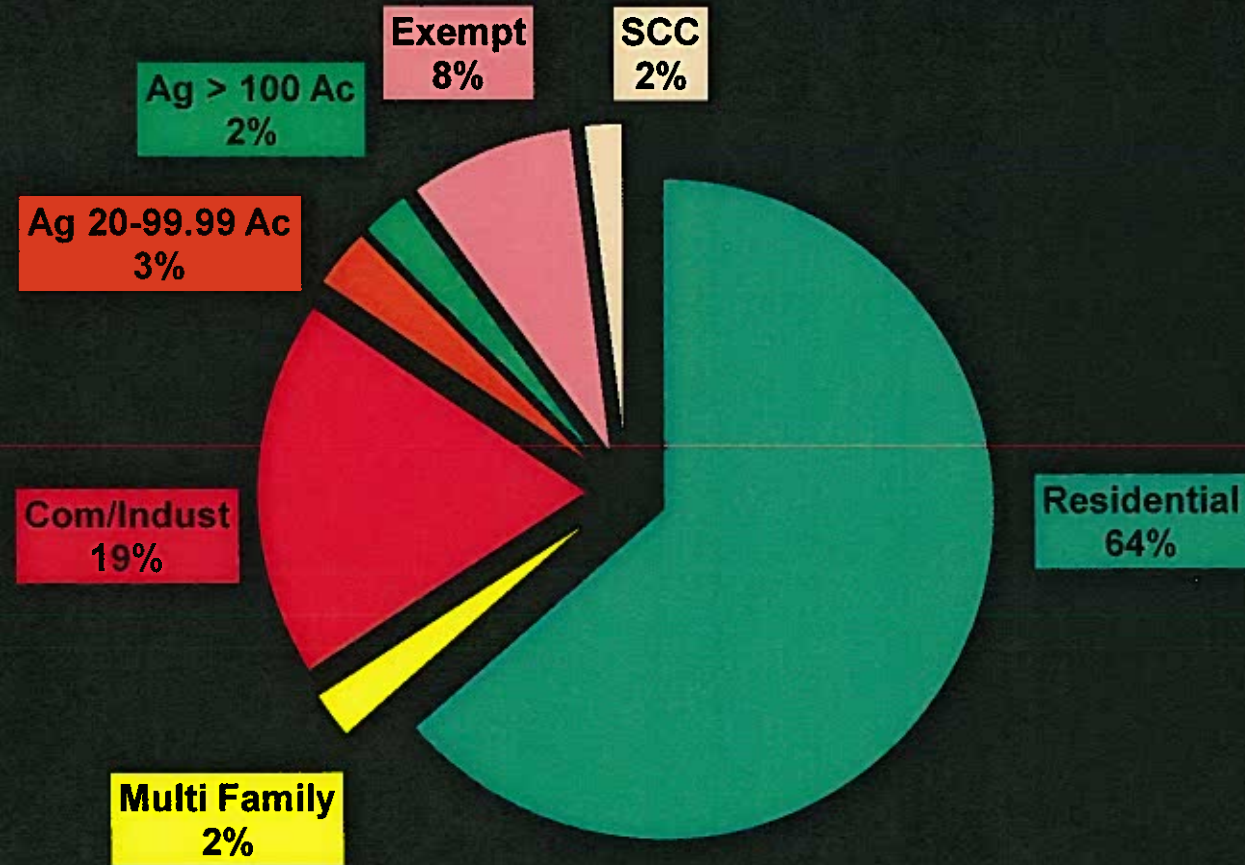
2010 Exempt Property Change

- **Exempt by Classification \$4,554,155,300**
- **Exempt by Designation (10 parcels via ordinance) \$276,539,600 (HHMI provides LC approx. \$1.2 million per year in voluntary fees for schools and F & S)**
- **Total Exempt Property \$4,830,694,900**
- **Equalized change -5.16% (\$259.9M)**
- **OA change -4.08% (\$205.4M)**
- **New construction/growth \$54.5M**

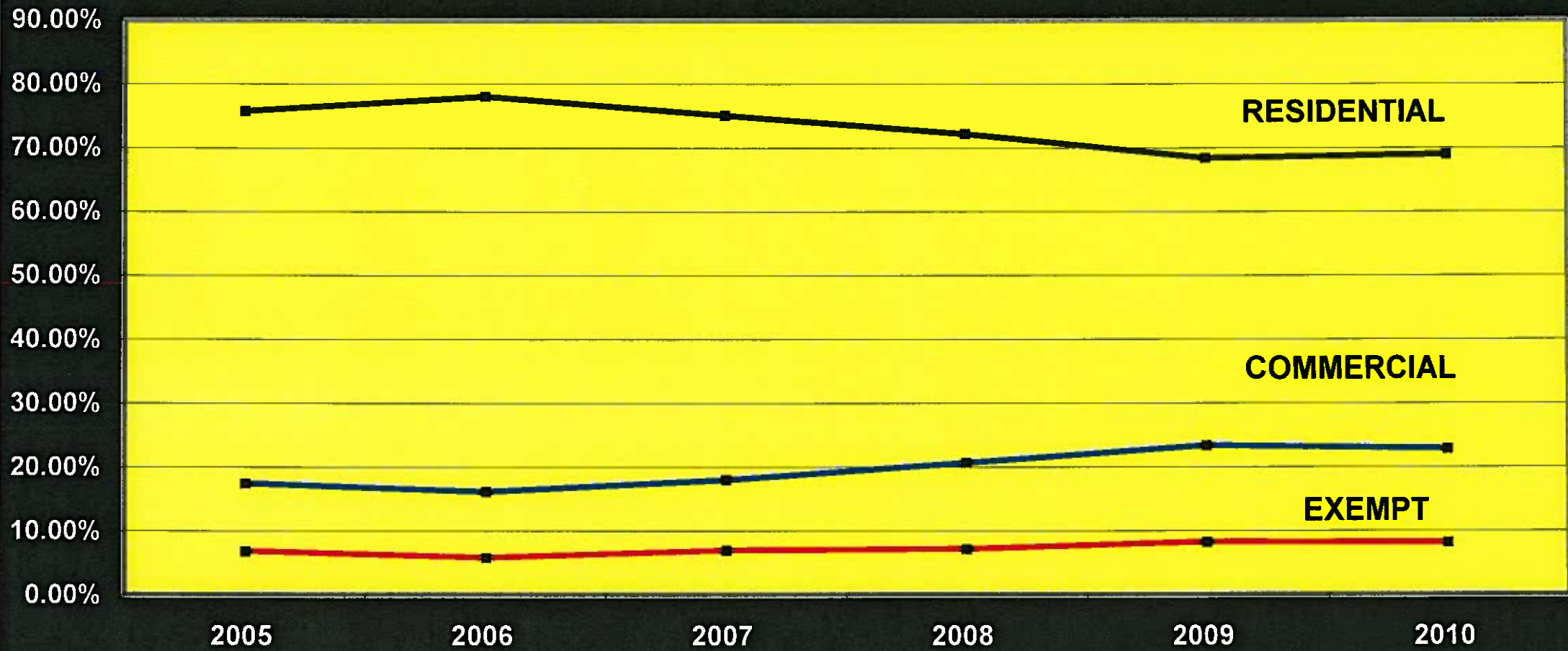
TAXABLE ASSESSMENTS BY YEAR



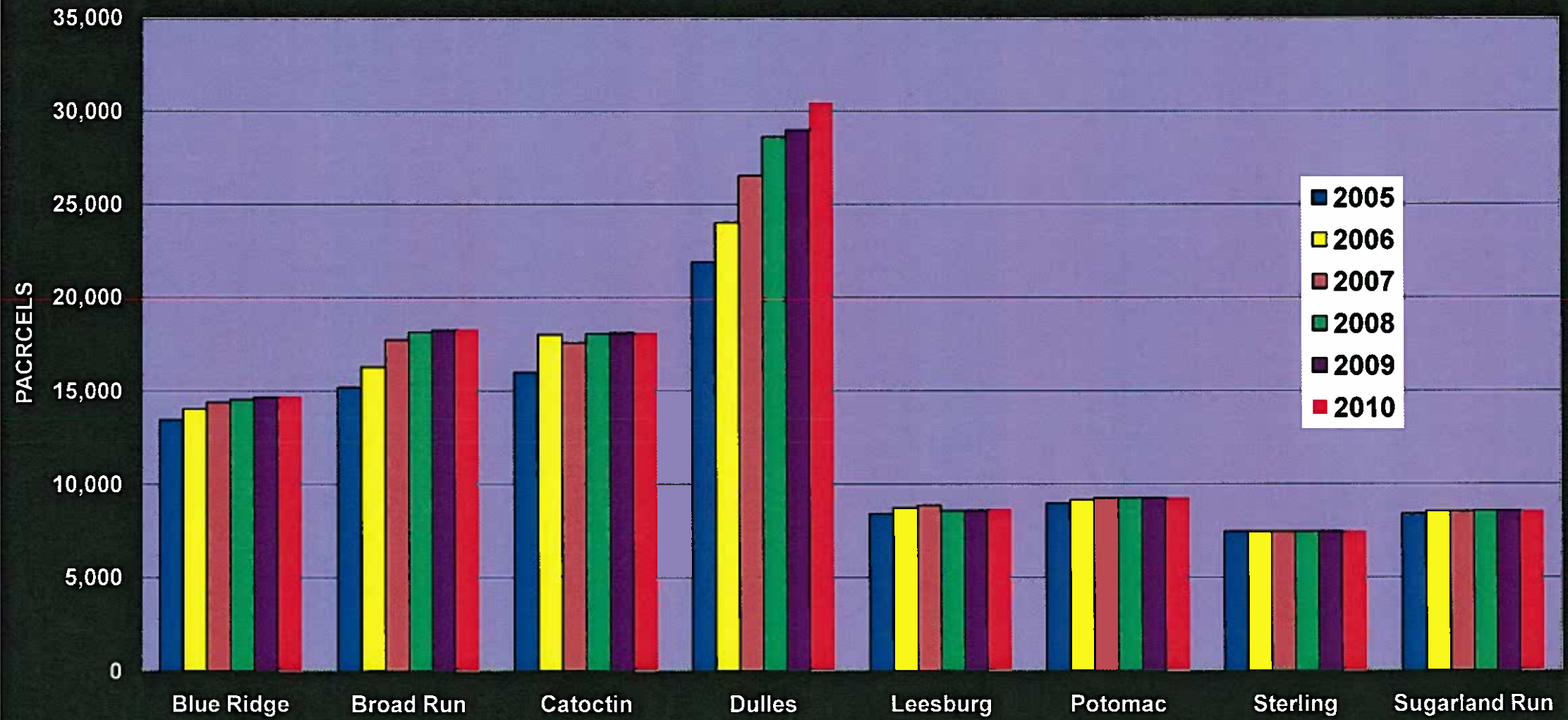
2010 Real Estate Tax Base Distribution



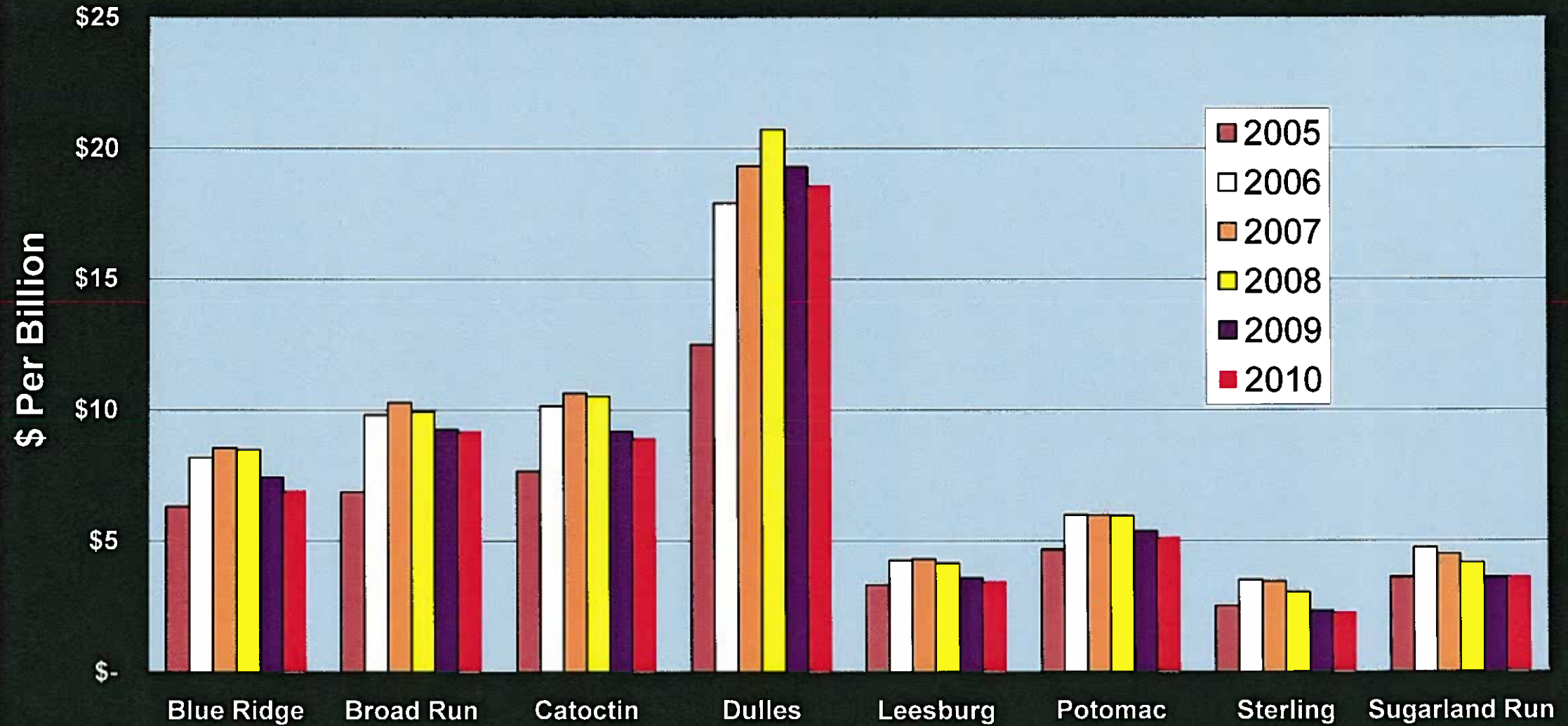
Real Estate Tax Distribution 2005 to 2010



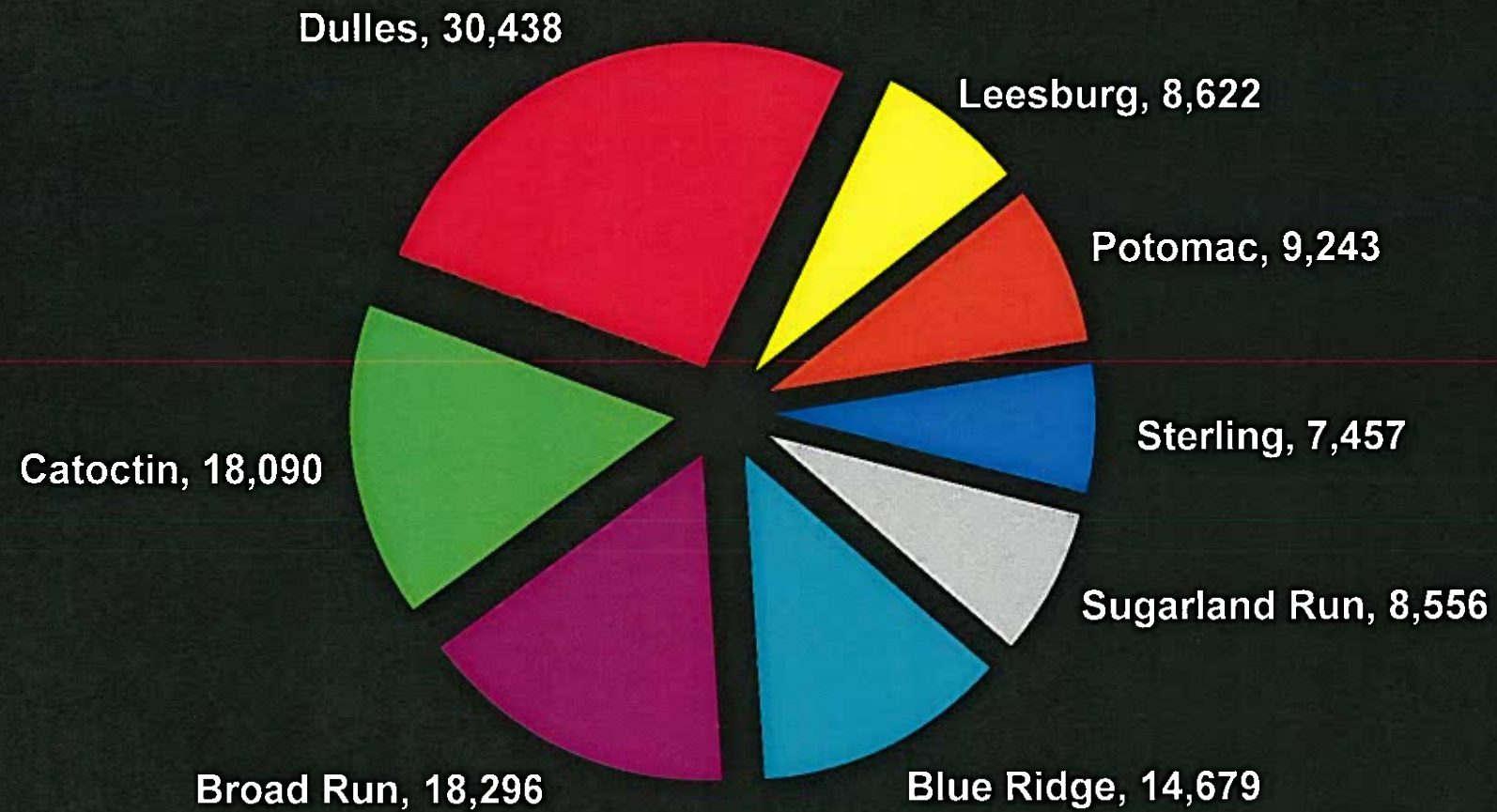
HISTORIC PARCEL COUNT BY DISTRICT



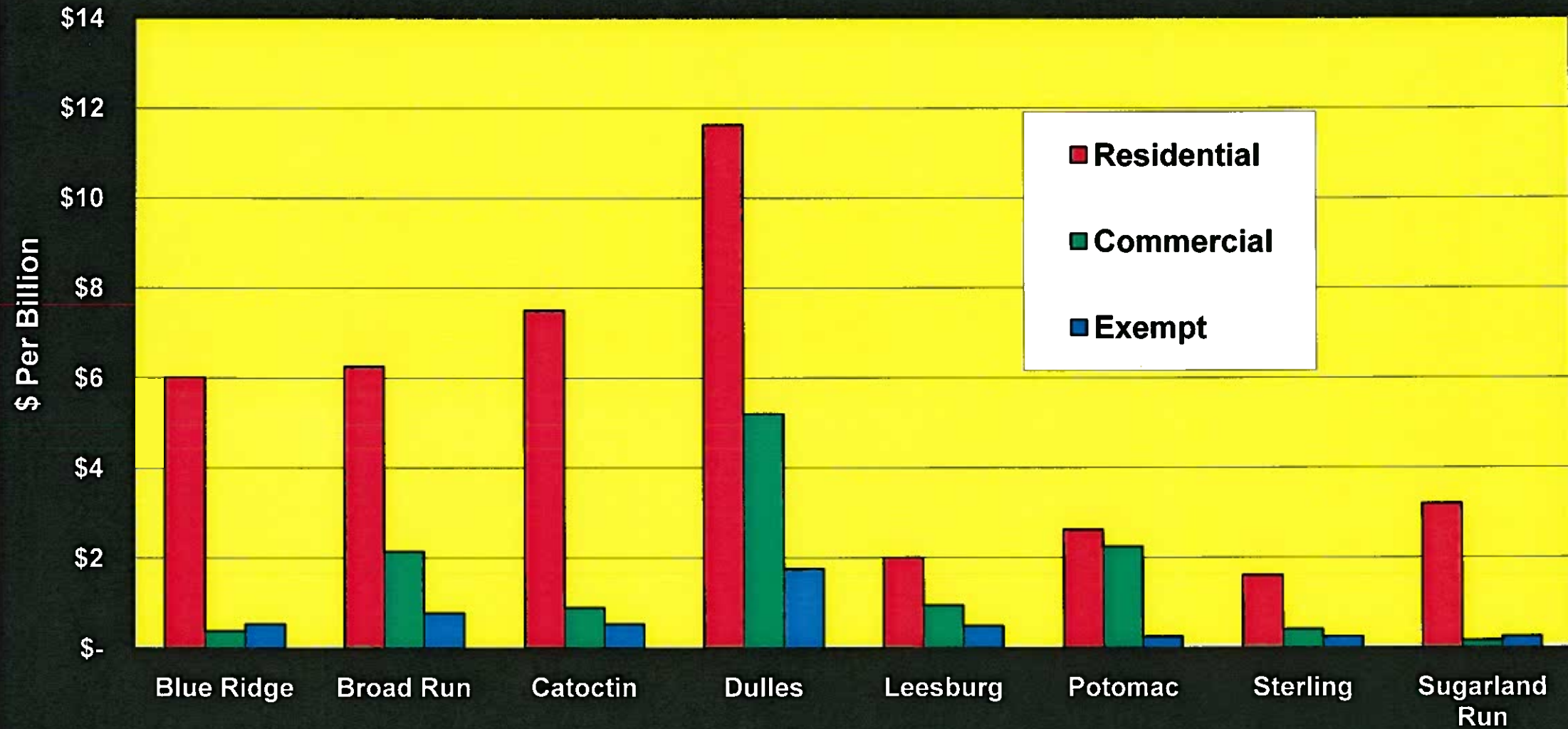
Total Assessments by District



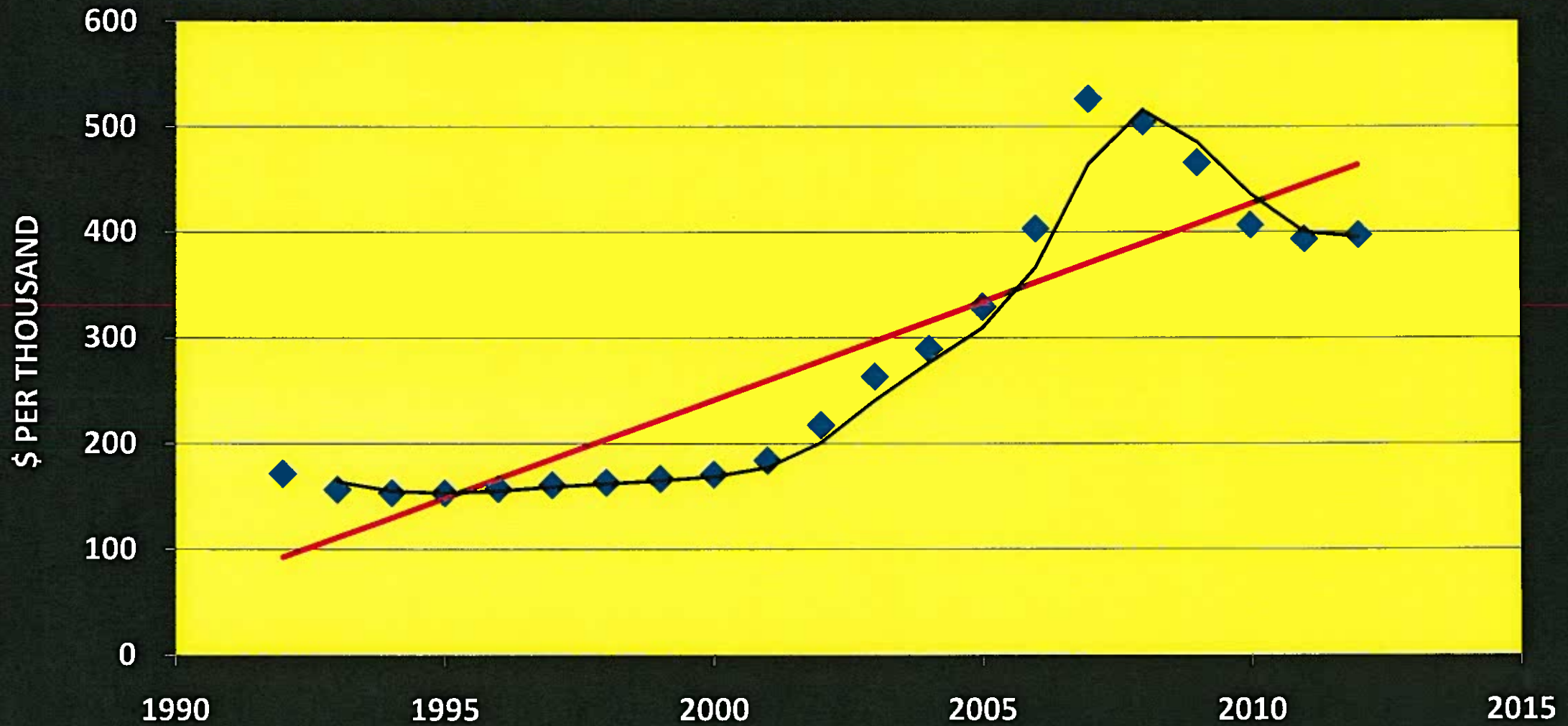
2010 PARCEL ALLOCATION BY DISTRICT



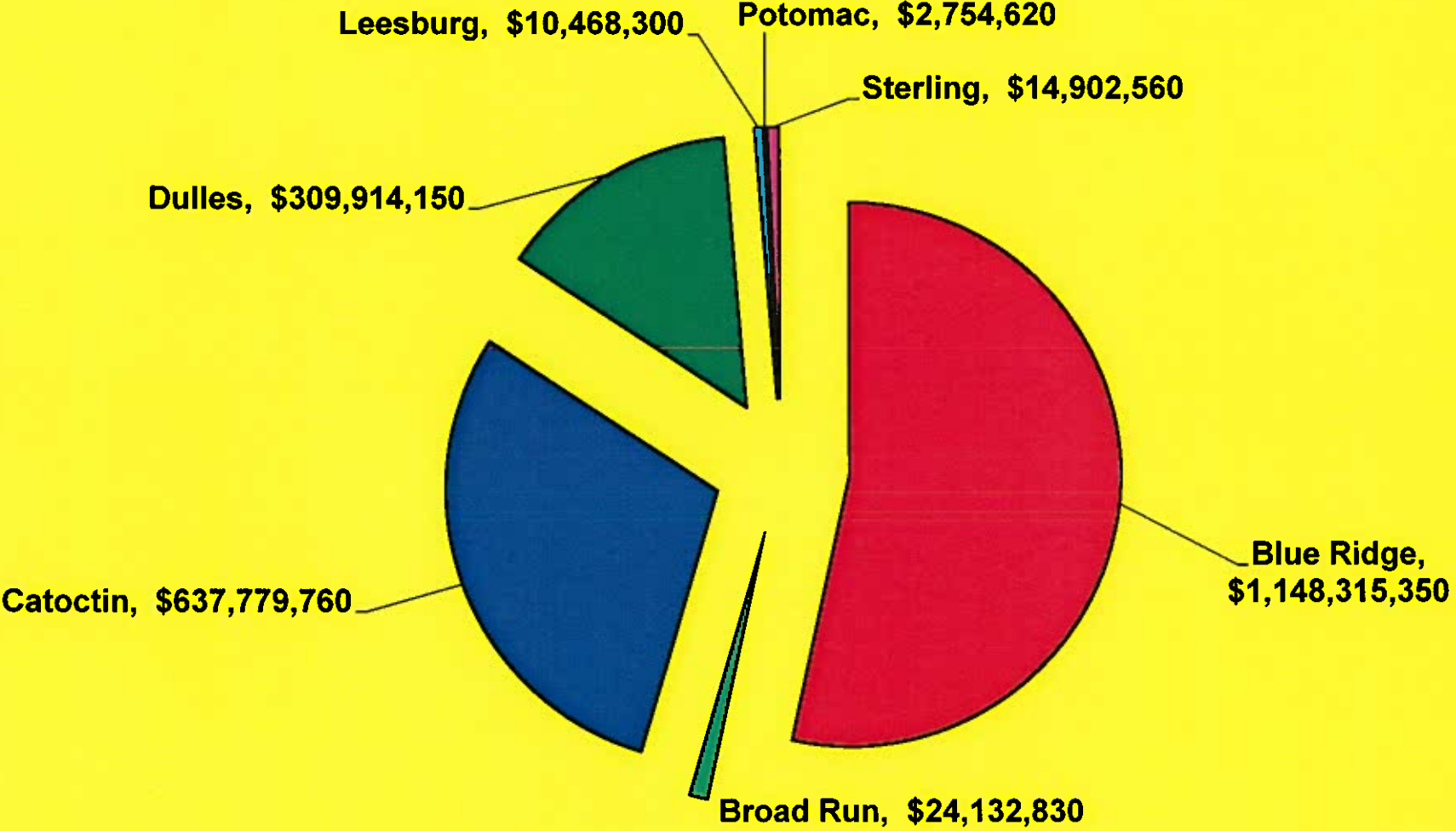
2010 Value Allocation by Class and District



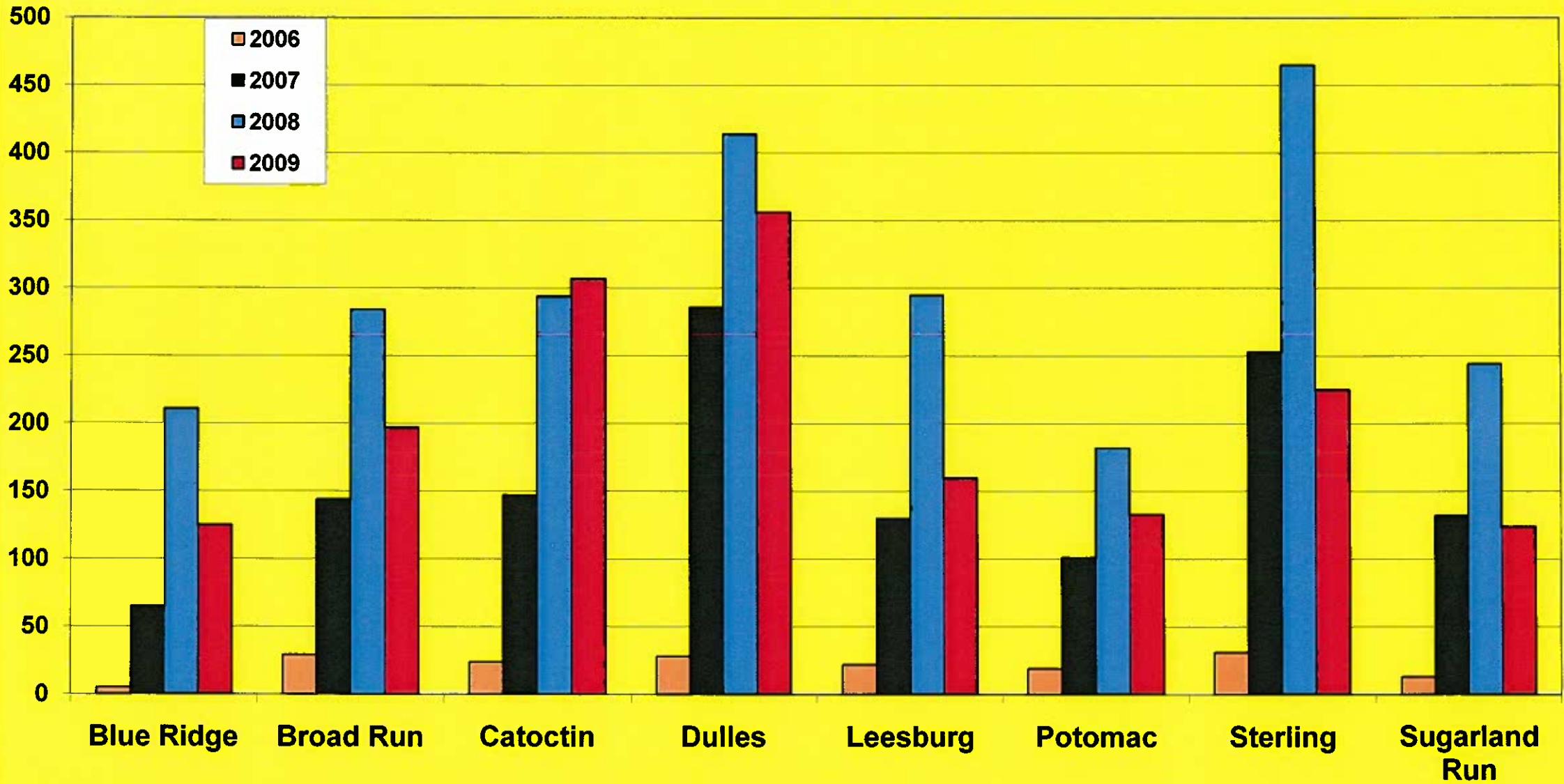
AVERAGE RESIDENTIAL ASSESSED VALUE TREND



2010 LAND USE DEFERRALS BY MAG (FORECAST)



FORECLOSURES BY MAG 2006 TO 2009



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Important Dates

- ❖ **January 1 – Date of value for assessments**
- ❖ **January 22 – Assessment Notices mailed**
- ❖ **January 22 – Assessment Data live on-line**
- ❖ **March 5 – Deadline for Office Review applications**
- ❖ **April – Budget finalized and Tax Rate set**
- ❖ **June 1 – Deadline for BOE applications**
- ❖ **June 5 – First half real estate taxes due**
- ❖ **November 1 – Deadline for Land Use applications**
- ❖ **December 5 – Deadline for late Land Use applications**
- ❖ **December 5 – Second half real estate taxes due**