

2021 Forsyth County Reappraisal

City of Winston Salem Finance Committee

John T. Burgiss, RES

Tax Assessor / Collector

January 11, 2021

General Information

- There are four types of assessed property: Real Estate, Personal Property (Individual and Business), Registered Motor Vehicles and Public Service
- The purpose of each reappraisal is to adjust real estate values to reflect the current real estate market, thereby bringing all property types (Real Estate, Personal, RMV and Public Service) to an equitable assessment level in the same tax year

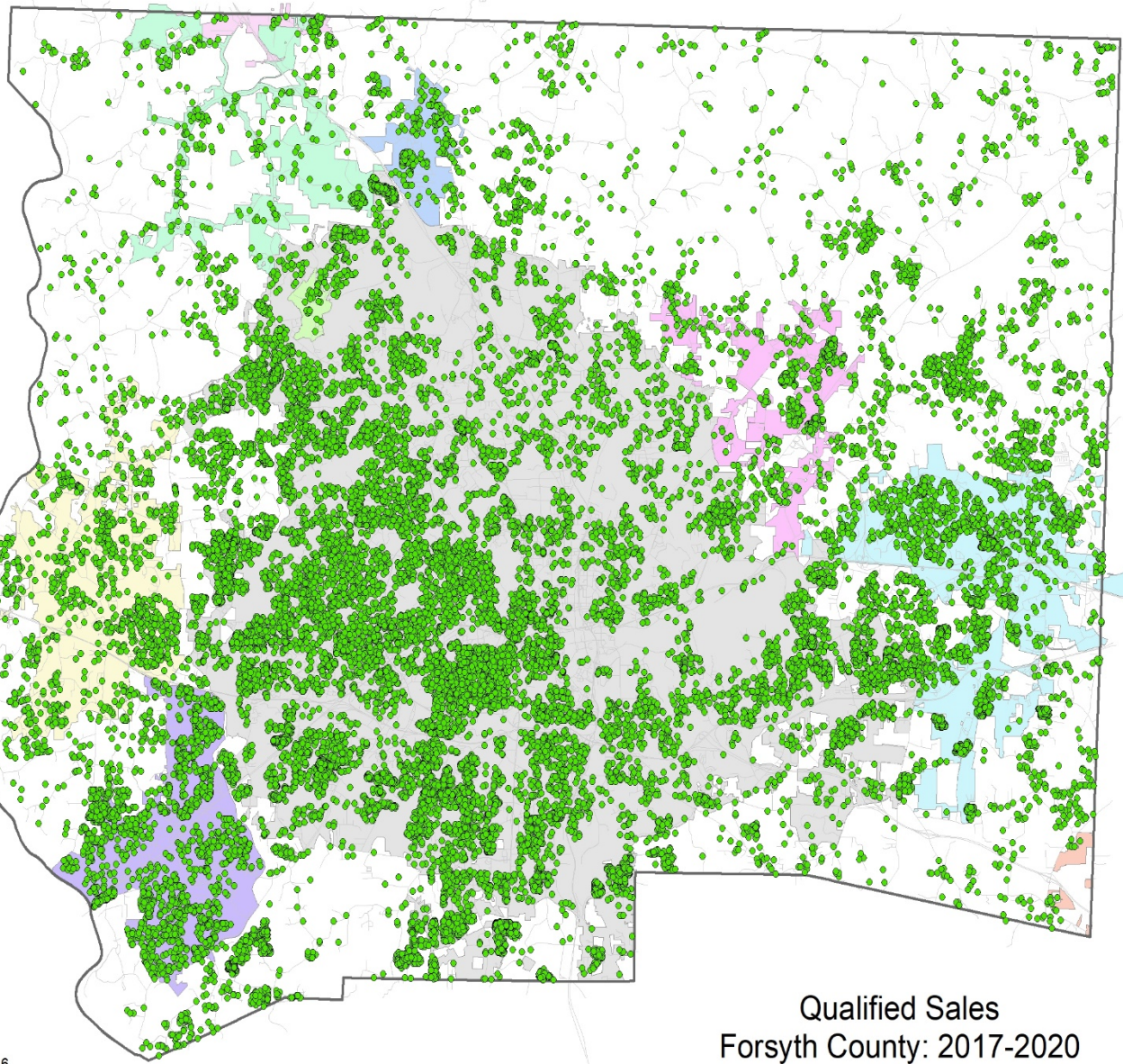
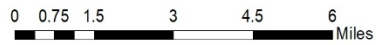
2021 Reappraisal

- G.S. 105-283 states “all property, real and personal, shall as far as practicable be appraised or valued at its true value in money”.
- True value in money is “the price estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used.”

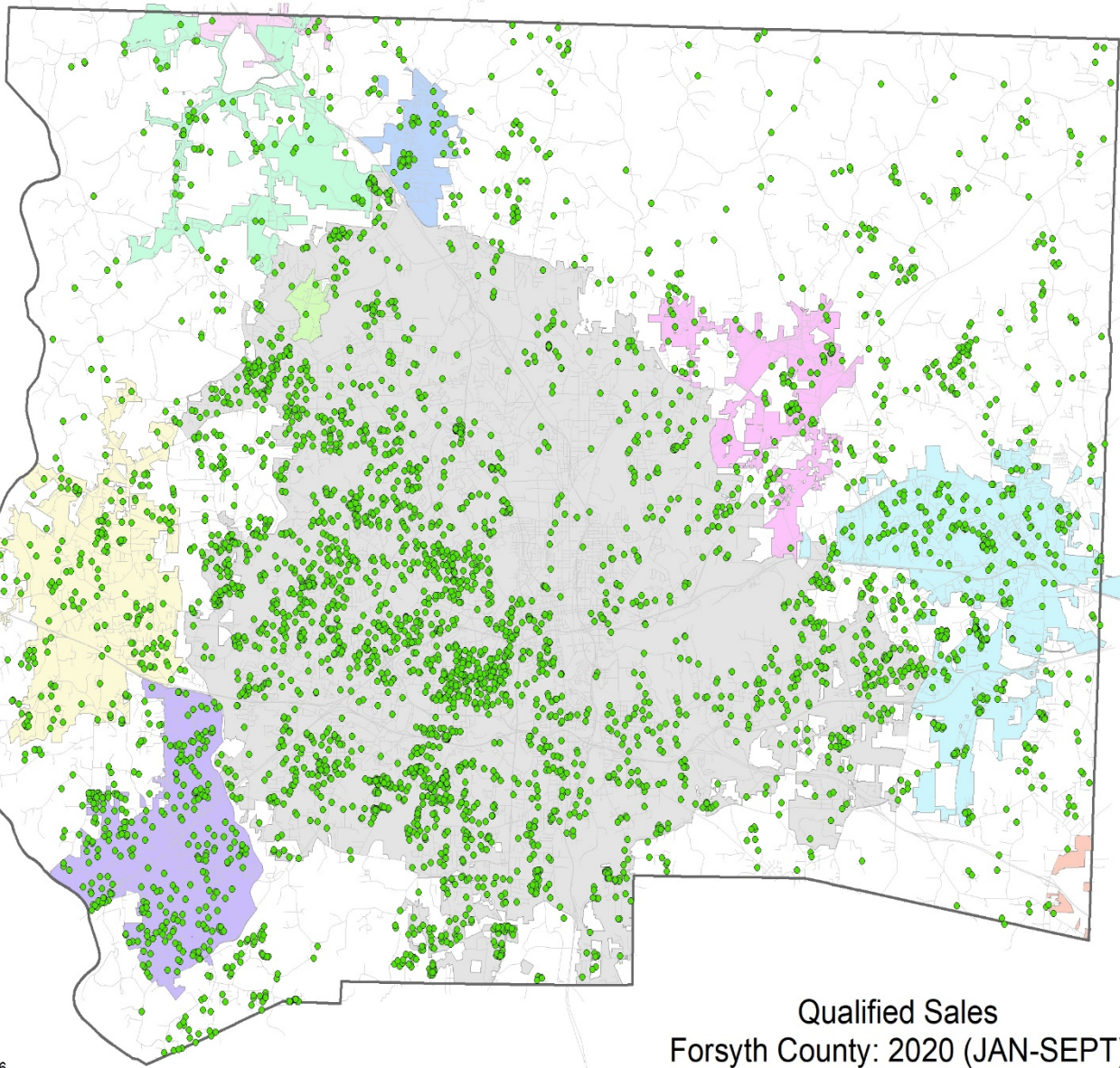
Property Transfer Consideration

- Staff appraisers consider all sales that have occurred in each appraisal market area since January 1, 2017
- Greatest consideration is given to sales of comparable properties that have transferred without duress (~27,000 since 1/2017)
- Forsyth County utilizes the North Carolina Department of Revenue guidelines for qualifying sales to be used by appraisers

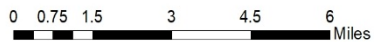
- Qualified Sale
- Streets
- County Boundary
- BETHANIA
- CLEMMONS
- HIGH POINT
- KERNERSVILLE
- KING
- LEWISVILLE
- RURAL HALL
- TOBACCOVILLE
- WALKERTOWN
- WINSTON-SALEM



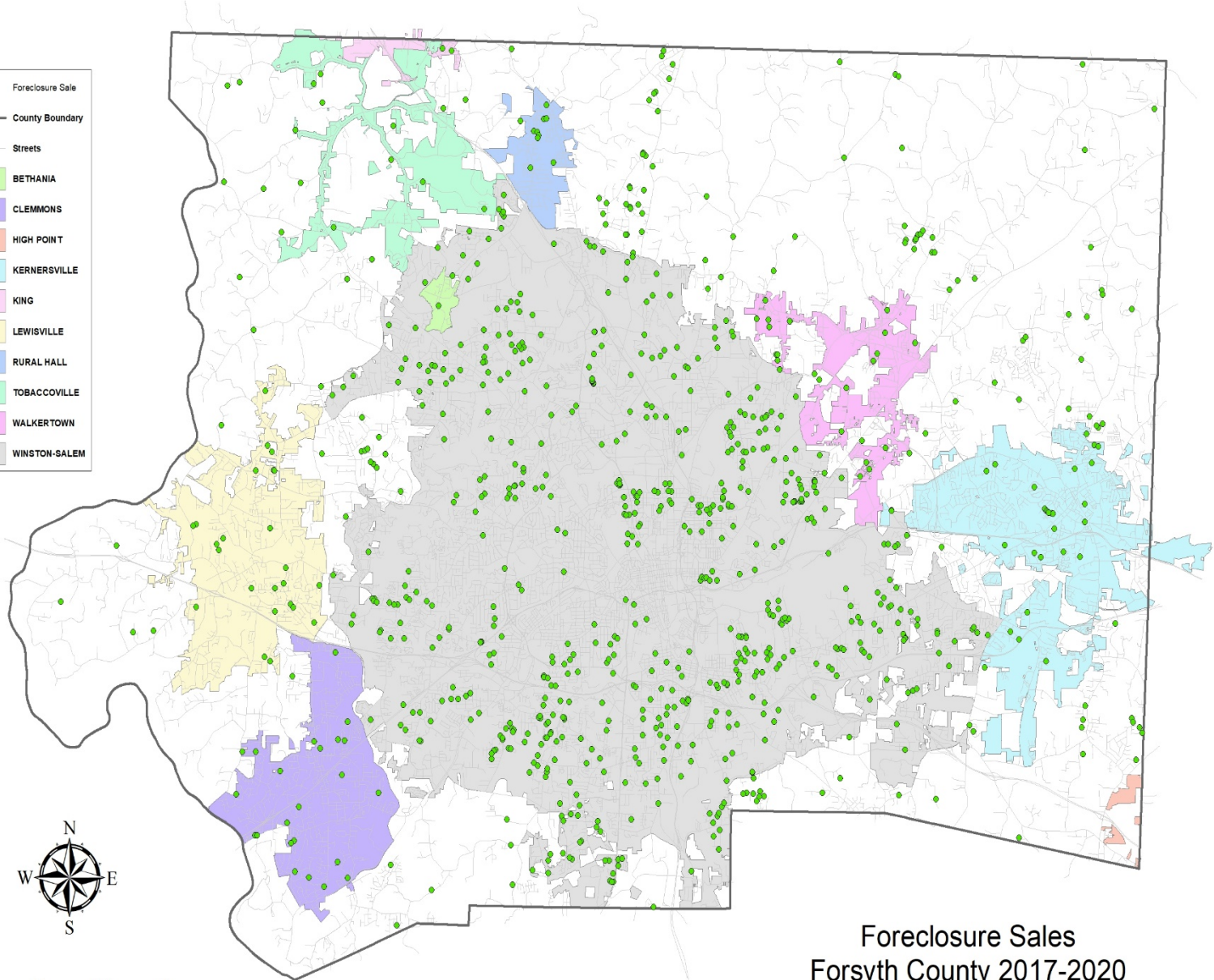
Qualified Sales
Forsyth County: 2017-2020



Qualified Sales
Forsyth County: 2020 (JAN-SEPT)



Foreclosure Sales
Forsyth County 2017-2020



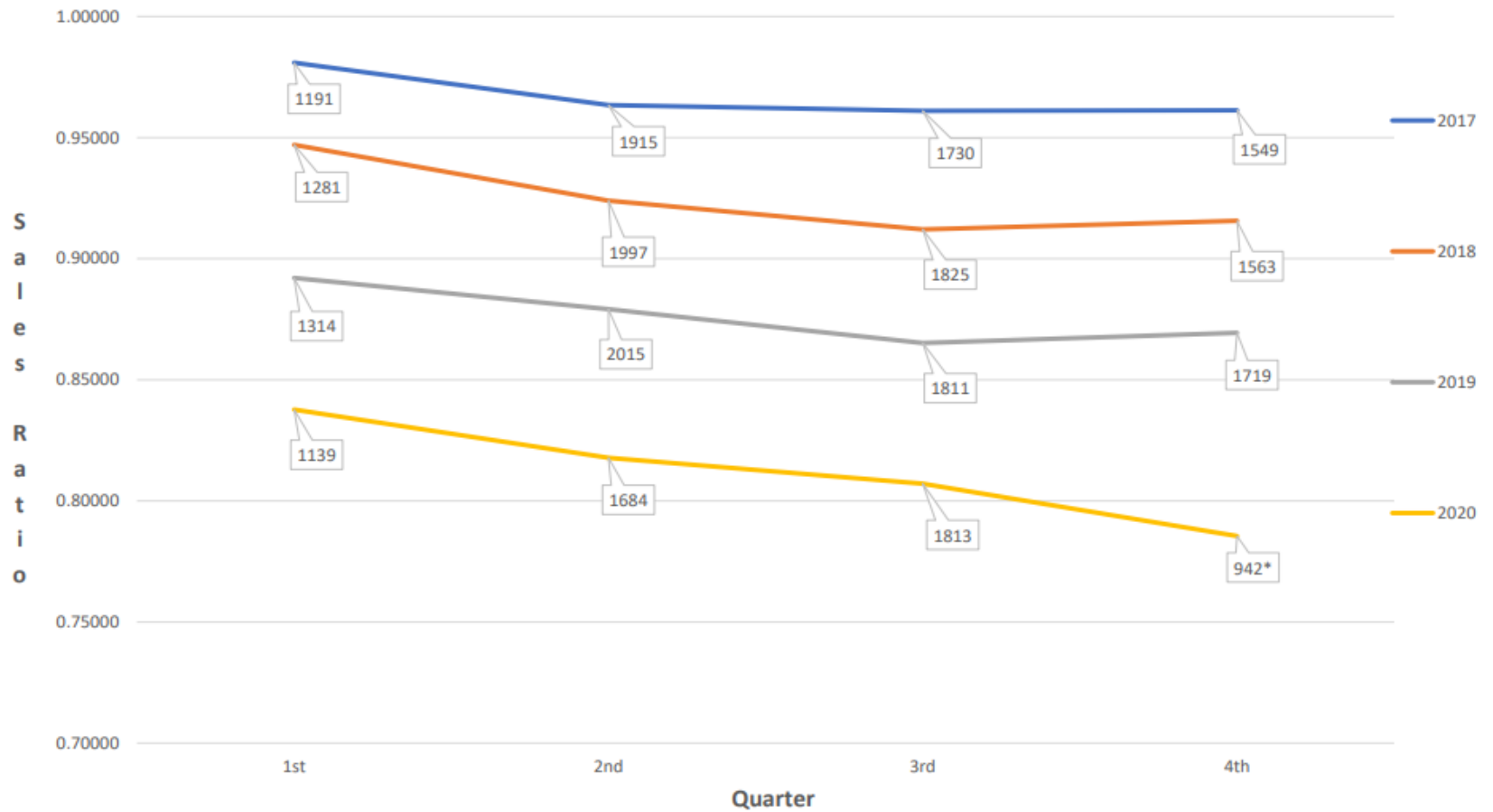
Appraisal Statements

- Objectives: **Fair Market & Equitable** Values
- Appraisers follow real estate markets
- Appraisers use judgment to estimate property values based on a potentially imperfect, or emotionally influenced sales market
- Strengths = data rich, systematic approach, statistical standards
- Weaknesses: estimate building interior condition/items, some areas have limited sales volume, fast changing market

2021 Reappraisal

- There is market-based evidence to prove values in Forsyth County have changed differently since 2017
- Assessment Levels (2020 market sales using 2017 SOV):
 - All residential (improved and land only) = **.81**
 - Improved residential sales less than \$50,000 = **.93**
 - Improved residential sales \$50,000 - \$99,999 = **.78**
 - Improved residential sales \$100,000 - \$149,999 = **.78**
 - Improved residential sales \$150,000 - \$499,999 = **.81**
 - Improved residential sales \$500,000 and greater = **.91**
 - Improved commercial sales = **.95**

Sales Ratio by Quarter for Subject Years



* 4th quarter sales for 2020 are not complete. Missing sales from a portion of November and December.

The information in this graph is based on the 2017 valuations schedules using untrended sales. Developed December 9, 2020, njl

A Market Area example through four reappraisals

- In Reappraisal Year 2009
 - There were 15 sales in 2008 having a median \$/sf of **\$94.80**
- In Reappraisal Year 2013
 - There were 8 sales in 2012 having a median \$/sf of **\$82.30**
- In Reappraisal Year 2017
 - There were 18 sales in 2016 having a median \$/sf of **\$86.07**
- In Reappraisal Year 2021
 - There were 15 sales in 2020 having a median \$/sf of **\$124.93**

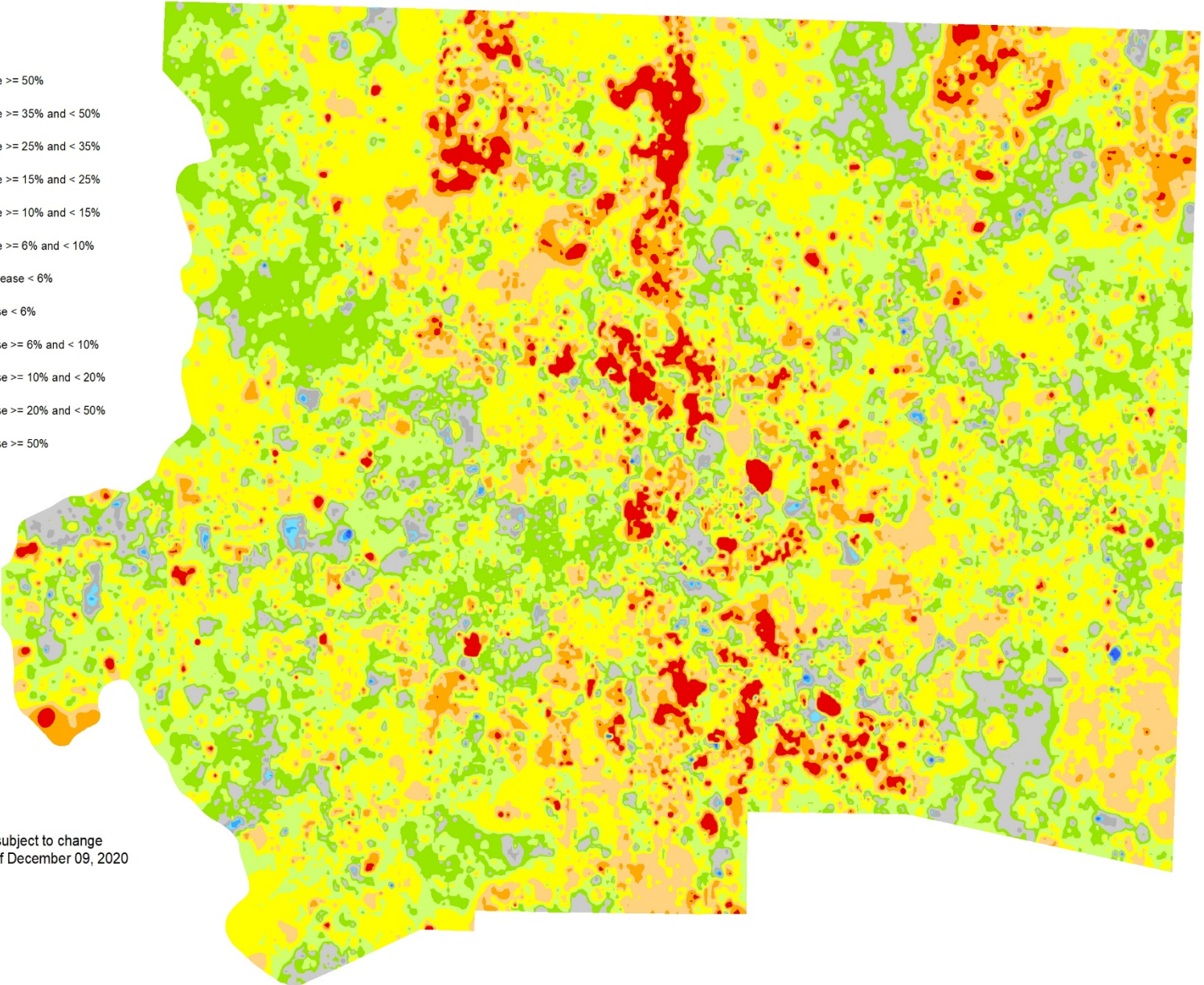
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New Assessment Level Results

- 2020 sales on all properties overall = 99.3% (COD = 4.84; PRD = 1.00)
- 2019 & 2020 sales on all properties overall = 99.5%
- 2019 & 2020 sales on improved commercial* = 99.3%
- 2019 & 2020 sales on vacant commercial* = 99.3%
- 2019 & 2020 sales on improved residential = 99.6%
- 2019 & 2020 sales on vacant residential = 99.5%
- 2019 & 2020 sales on catchalls = 99.0%
- 2019 & 2020 residential sales under \$50k sales price = 1.00%
- 2019 & 2020 residential sales \$50k - \$99,999 = 1.01%
- 2019 & 2020 residential sales \$100k - \$149,999 = 1.00%
- 2019 & 2020 residential sales \$150k – \$249,999 = 99.4%
- 2019 & 2020 residential \$250k - \$499,999 = 99.4%
- 2019 & 2020 residential \$500k - \$749,999 = 1.00%
- 2019 & 2020 residential \$750k and up = 99.4%

2021 Forsyth County Reappraisal Value* Change Heat Map

- Increase \geq 50%
- Increase \geq 35% and $<$ 50%
- Increase \geq 25% and $<$ 35%
- Increase \geq 15% and $<$ 25%
- Increase \geq 10% and $<$ 15%
- Increase \geq 6% and $<$ 10%
- 0 to Increase $<$ 6%
- Decrease $<$ 6%
- Decrease \geq 6% and $<$ 10%
- Decrease \geq 10% and $<$ 20%
- Decrease \geq 20% and $<$ 50%
- Decrease \geq 50%



*Values subject to change and are as of December 09, 2020

When Reappraisal Notices Arrive in mailboxes the first week in January

****residential properties only****

- 10,608 parcels (7.5%) will increase $\geq 50\%$ compared to 2017 values
- 13,962 parcels (9.9%) will increase ≥ 35 and $< 50\%$
- 23,103 parcels (16.3%) will increase ≥ 25 and $< 35\%$
- 37,326 parcels (26.4%) will increase ≥ 15 and $< 25\%$
- 23,821 parcels (16.8%) will increase ≥ 10 and $< 15\%$
- 15,916 parcels (11.2%) will increase ≥ 6 and $< 10\%$
- 13,108 parcels (9.2%) will increase $\geq 0\%$ and $< 6\%$
- 1,957 parcels (1.4%) will decrease > 0 and $< 6\%$
- 519 parcels (0.4%) will decrease ≥ 6 and $< 10\%$
- 672 parcels (0.5%) will decrease ≥ 10 and $< 20\%$
- 369 parcels (0.3%) will decrease ≥ 20 and $< 50\%$
- 69 parcels (0.1%) will decrease $\geq 50\%$

Value Pending and other considerations

- Government owned and Public service properties will not receive any notice (~3,600 parcels).
- Fully exempt property will receive a notice.
- Commercial values are planned for release in mid-January and will receive their Reappraisal Notice then (~12,300 parcels).
- Parcels containing tax relief (Senior Citizen, Disabled Veteran) and Use Value (Agriculture/Forestry and Horticulture) will receive a Value Pending Reappraisal notice which will be followed up with a regular Value Notice.
- Historic deferment properties will receive a Value Pending Reappraisal notice, followed by a regular value notice
- Parcels needing appraisal work (permits, land changes, etc) will receive a Value Pending notice, followed by a regular value notice.
- Tax Relief, Use Value, Historic, and appraisal work items together total ~15,300 parcels.

Closing Thoughts

- Please appeal your new value if you believe it is unreasonable. We welcome appeals and questions.
- Appeal options include either Informal (Assessor) or Formal (Board of Equalization and Review)
- Reappraisal notices will contain an Informal Appeal Form. Formal Appeal Forms can be obtained through Tax Parcel Viewer or by calling us. We also offer a secured electronic submission option as well.
- Informal Appeal deadline is 30 days from the date of the notice. Formal appeal deadline is June 30, 2021.
- Tax Base projections will be issued beginning March 1st and are anticipated to be less than the previous slides indicate.

Please Visit for Additional Information

- General Property Tax Information: “Tax Parcel Viewer”
 - <http://maps.co.forsyth.nc.us/forsythjs/>
- Real Estate Sales Information: “Forsyth Sales”
 - <http://maps.co.forsyth.nc.us/forsythjs/>
- Visit us in person at the Customer Care counter on the first floor of the Government Center @ 201 N. Chestnut St. Winston Salem, or call (336)703-2300