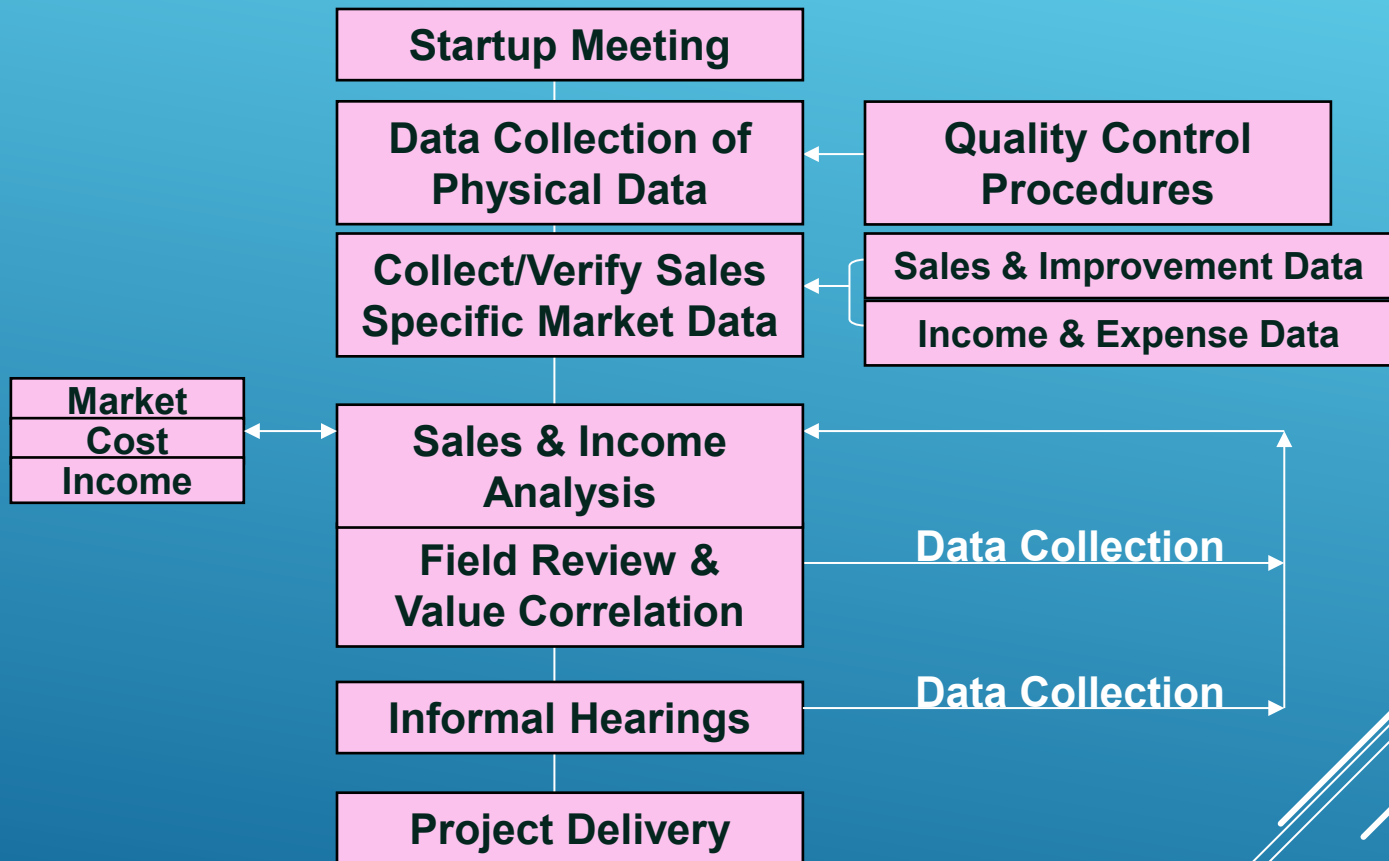


# *TOWN OF SALEM, NEW HAMPSHIRE 2025/26*

## *REVALUATION PROCESS*

# REVALUATION FLOWCHART



# *BENEFITS OF A REVALUATION*

- Corrects disproportionate taxation
- Adjusts values for market shifts
- Captures properties as they exist today
- Provides public process and transparency

# DATA COLLECTION

- Vision Staff
  - Supervisor, sales data collection personnel, and field review Staff.
- Sales Listing Process
  - Complete exterior inspection of all valid sales including measuring of all the buildings on the property.
  - Interior inspection with all the information verified if the property owner allows it. Or the information is reviewed at the door, at the time of exterior inspection of the property.

# DATA COLLECTION (CONTINUED)

## INCOME & EXPENSE INFORMATION

- Mailed questionnaires out to all commercial property owners requesting property related income and expense information
- Research publically available sources and commercial listing services for current rents in Salem only. For example, apartment complexes, self-storage, hotels etc.
- Research vacancy rates & capitalization rates within Salem only.

# MARKET ANALYSIS

- A two year In-Depth Study of all valid Salem sales from: April 1<sup>st</sup>, 2024, to April 1<sup>st</sup>, 2026
- Salem Income/Expense information reviewed
- Review current construction costs for the Town
- Determine Land Prices
- Determine Building Value and Depreciation
- Delineate Neighborhoods (location adjustments)
- Set Market Rents and Capitalization Rates
- Develop Computer Models Based On Market Data
- Statistically Test for Accuracy

# VALUATION

- Three Approaches to Value
  - Sales Approach
  - Cost Approach
  - Income Approach (commercial properties only)
- Set Market Values as of 4/1/2026
- Review of All Values and data in the Field, checking for Accuracy, Consistency and Equity



# HOW WILL THIS EFFECT PROPERTY TAXES?

- The Town does not take in more or less taxes as a result of a revaluation
- Do not calculate your new value with the existing current tax rate
  - The new Town Tax Rate will be set for the municipality next fall by the NHDRA.
- Tax Rate = 
$$\frac{\text{Budgets} - \text{Income from other sources}}{\text{Total Assessed Value of Town}}$$



# *INFORMAL HEARING PROCESS*

- Notification to Taxpayers of New Proposed Assessment
- Information will be available on the VGSI Website
- Informal Hearings Begin
- Discuss property data and value with the Taxpayer
- Valuation Review, inspection if necessary
- Change Notice sent out as a result of Hearings

# *PROJECT FINALIZATION AND DELIVERY*

- Final Values are Set
- Valuation Reports finalized
- All final work products delivered to town
- Appraisal Manual is completed and given to the municipality and DRA