

Currituck revaluation rules online

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CURRITUCK — The rules Currituck will use to determine new property values are now online, but it will be a few months longer before county taxpayers know how those rules will affect them.

The schedule of rates, standards and values used in appraising property does not list specific properties yet. Rather, the schedule of values explains how appraisers will calculate the value of nearly 24,000 properties in Currituck in the coming year. The document is on the county's Web page, www.co.currituck.nc.us, and available for viewing at the tax office.

Under state law, counties are required to reevaluate property at least every eight years. Once adopted, those new property values are used to determine how much owners will pay in taxes.

The new rules are designed to make sure all properties are treated the same, said Currituck Tax Director Tracy Sample.

"The goal is to get market value, and the even bigger goal is to treat everybody the same, to treat everybody fairly," said Sample.

Currituck commissioners have agreed to set a public hearing on the schedule of values for Jan. 7. Once adopted, the new rules can be used to figure the new property appraisals.

Taxpayers could receive notice of new values by late February or early March 2013, said Sample. Initially, the county had estimated an earlier mailing, but complications with a computer program slowed the process a little, he said.

The revaluation process actually began more than a year ago.

Throughout 2012, appraisers have been visiting each property in the county to assess its value. The appraisers were looking for certain features that may add to or subtract from the value of a home, business, or farm. The goal for appraisers is to value the property at what the typical buyer would be willing to pay for it.

Appraisers look at what other similar properties are selling for to determine that value. They also look at other factors.

Appraisers basically rank houses at five levels, from "X" for superior quality to "D" for fair quality. Houses with gabled roofs and unique designs usually rank higher than less distinct box-like houses. The house's condition, size, age, and location also factor into its ranking. For businesses, the property's money-making potential is a likely consideration.

Building materials also make a difference. For a commercial building, a brick veneer rather than a wood one adds to its value. According to the schedule of values, brick can add \$9 to \$13 a square foot to the

value of a building, compared to about \$6 to \$9 a square foot for a wooden storefront or about \$3 a square foot for a light metal one.

Add solar glass, a deluxe heating and air-conditioning system or a balcony, and the value is likely to go up.

Location also matters. A house on the oceanfront could be valued at more than \$1.5 million over a soundfront home on the mainland. Typically, appraisers will look for how much houses nearby are selling to come up with the value.

For farmland, the type of soil is a big factor because better dirt means higher yields and money-making potential. Sand or "Currituck muck" ranks the lowest for farmland while Portsmouth or Altavista soils have greater value.

All the factors are plugged into mathematical equations to determine the property's value. Even the calculations can vary, depending on what information the appraisers are able to gather.

The selling price of houses in their neighborhood is likely to make a big difference. With the upswing in foreclosures and short sales in recent years, property values are likely to go down. Because of the downturn in the real estate market, county officials are expecting lower appraisals overall than eight years ago.

Some areas in Currituck are more likely than others to be affected by that trend. Sample said he expects property values in the four-wheel drive area of the Outer Banks to go down the most. Houses in Moyock, where real estate sales have been less affected by the economic downturn, are expected to either hold their value or go down less than other areas of the county.

Sample said he doesn't know how property owners will react to the new appraisals.

Normally, property owners are most concerned when values go up because that means higher property taxes. It's uncertain how many residents will decide to challenge appraisals that actually go down, he said. Commissioners will be scheduling appeals sometime after the new appraisals are mailed out.

County officials are expecting some challenges regardless.

With all the variables involved, coming up with property values is not an exact science, appraisal company Tyler Technologies acknowledged in the rate schedule report.

"No program, regardless of how skillfully administered, can ever be expected to be error-free," reads the report. "The appraisal must be fine-tuned, and this can best be done by giving the taxpayer an opportunity to question the value placed upon his property and to produce evidence that the value is inaccurate or inequitable."