

Ned Chappell, MAI, CAE
Chief Litigation Appraiser Litigation Supervisor
Maricopa County Assessor's Office

(602) 372-3690

ned.chappell@maricopa.gov

FIRST DAY

What did you just say?





Who are we & what do we do?

- Identify all real property in the county.
- Determine who owns the property
- Determine FCV as of 1/1 of each year
- List the property with the FCV as the tax roll



THE UNRELIABLE EYE ...
YOUR HOUSE AS SEEN BY ...



YOUR LENDER ...



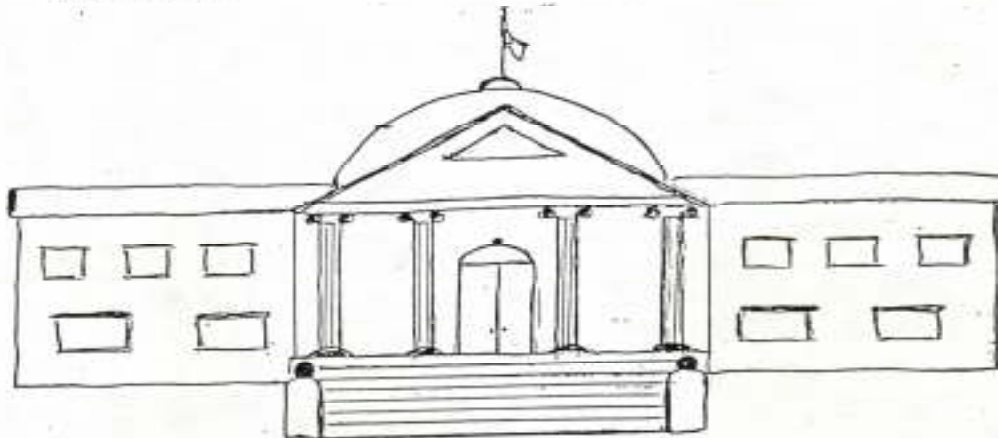
YOUR TAX ASSESSOR ...



YOUR BUYER ...



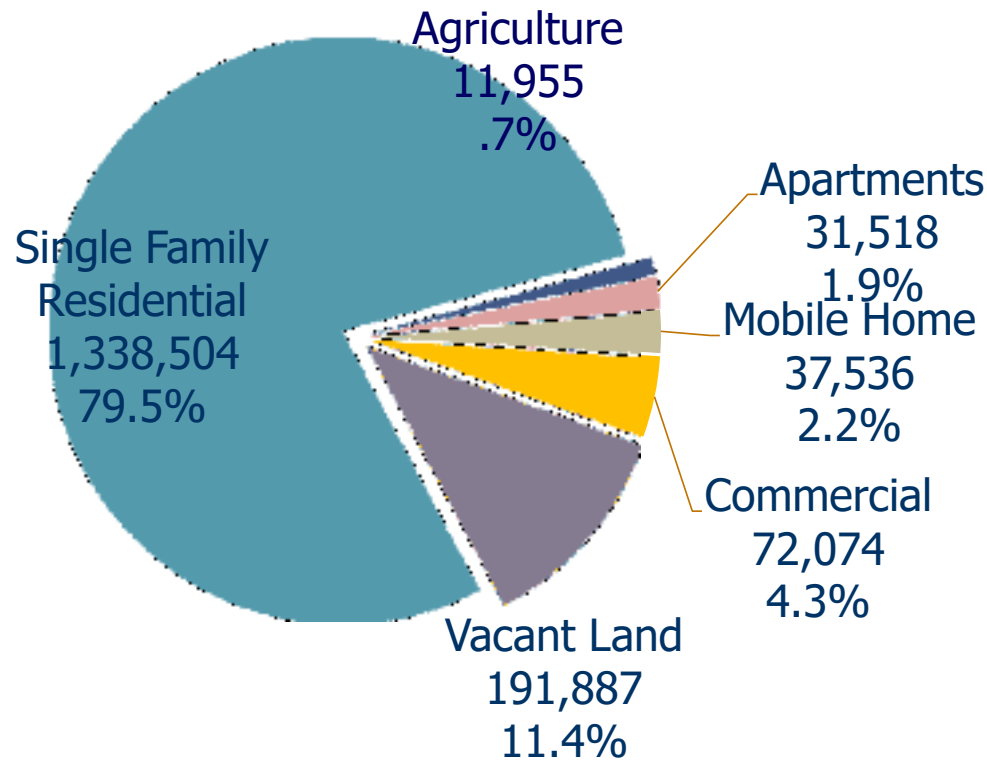
YOUR APPRAISER ...



YOURSELF ...

You Know the
Story about
Valuation

Maricopa County Property types



Total Parcels: 1.68 million

Tax year 2022/2023 FCV comparison

	Median Values				FCV %	LPV %
	FCV 2023	FCV 2022	LPV 2023	LPV 2022	Change	Change
VACANT LAND	53,200	40,500	16,892	16,170	31.40%	4.50%
SINGLE FAMILY RESIDENTIAL	352,000	269,700	196,415	187,062	30.50%	5.00%
CONDOMINIUM	225,700	180,000	110,068	104,827	25.40%	5.00%
APARTMENTS	474,000	338,500	130,583	124,365	40.00%	5.00%
COMMERCIAL	851,700	723,600	542,983	518,553	17.70%	4.70%
MANUFACTURED HOUSING	92,300	74,200	67,637	64,416	24.40%	5.00%
All exempt property, new construction, additions alterations or any change in use have been removed from this analysis.						



CAMA DOES MAGIC

CAMA puts all the models together



What is a Ratio Study

- Sale based study used to monitor and evaluate Mass Appraisal performance
- Arizona guidelines for Ratio Studies administered by the Property Tax division of the Department of Revenue (ARS Section 42.11054.C)
 - “For the purposes of determining full cash value the department and county assessors shall use and apply the ratio standard guidelines issued by the department for tax year 1993 in the same manner as they were applied in tax year 1993. This subsection does not apply to property that is valued according to prescribed statutory methods or to property for which values are determined in the year after an appeal pursuant to section 42-16002”
- National standards – IAAO
 - Standard on Ratio Studies

DOR Guidelines for Ratio Studies

- Level of Assessment
 - Median (most common), Mean, Weighted Mean
 - DOR guidelines (Median):
 - 73-89% - Commercial (target 81%)
 - 74-90% - Non-Commercial (target 82%)
 - Compliant if the 95% confidence interval (median) overlaps the allowable ranges and COD within the acceptable range
- COD – measures uniformity
 - Percent deviation from the median ratio
 - DOR guidelines:
 - <15% for SFR and Small Apartments
 - <25% for Vacant Land and Commercial
 - Compliance determined by MAX COD which is adjusted by the sample size

What is a Ratio Study

$$\text{Ratio} = \text{Appraised Value (FCV)} / \text{Sale Price}$$

Full Cash Value (FCV)

- Determined by Mass Appraisal methods and techniques and in accordance with DOR guidelines
- Approximates market value assuming no statutory valuation method
- January 1st annual valuation date

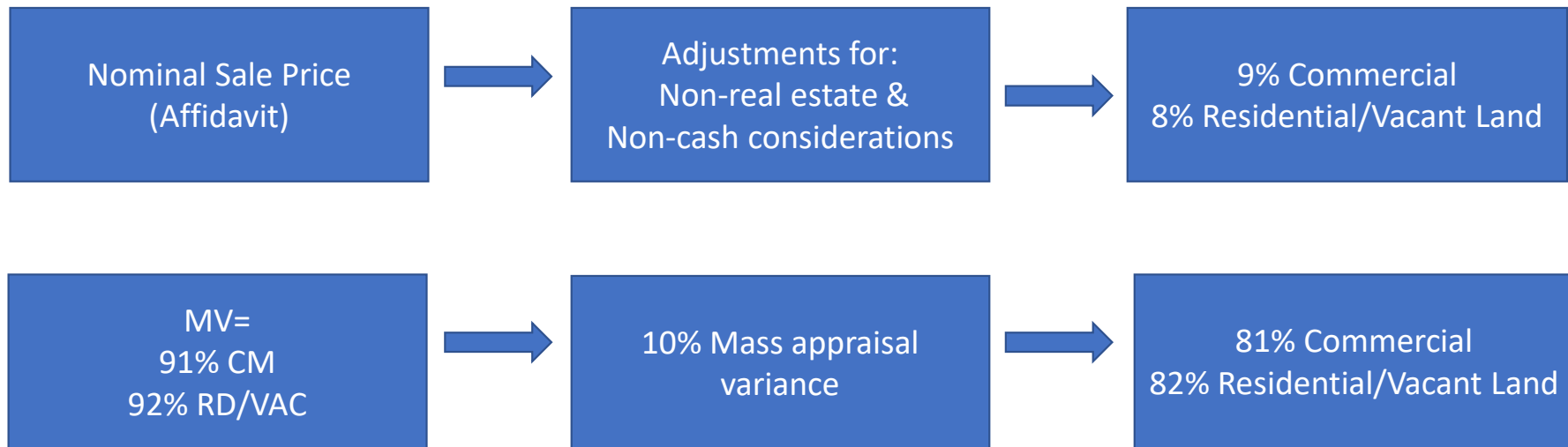
Sale Price

- Affidavit of property value (nominal)
- Represents arms-length transactions
- Time-adjusted to a common date

Why use Ratio Studies

- Provides a series of statistics that are used to measure assessment level and uniformity
 - Most common include:
 - Median, Mean, Weighted Mean (Confidence Intervals for each)
 - Coefficient of Dispersion (COD)
 - Price related Differential (PRD)
 - Coefficient of Price Related Bias (PRB)

81/82% Target - Mass Appraisal



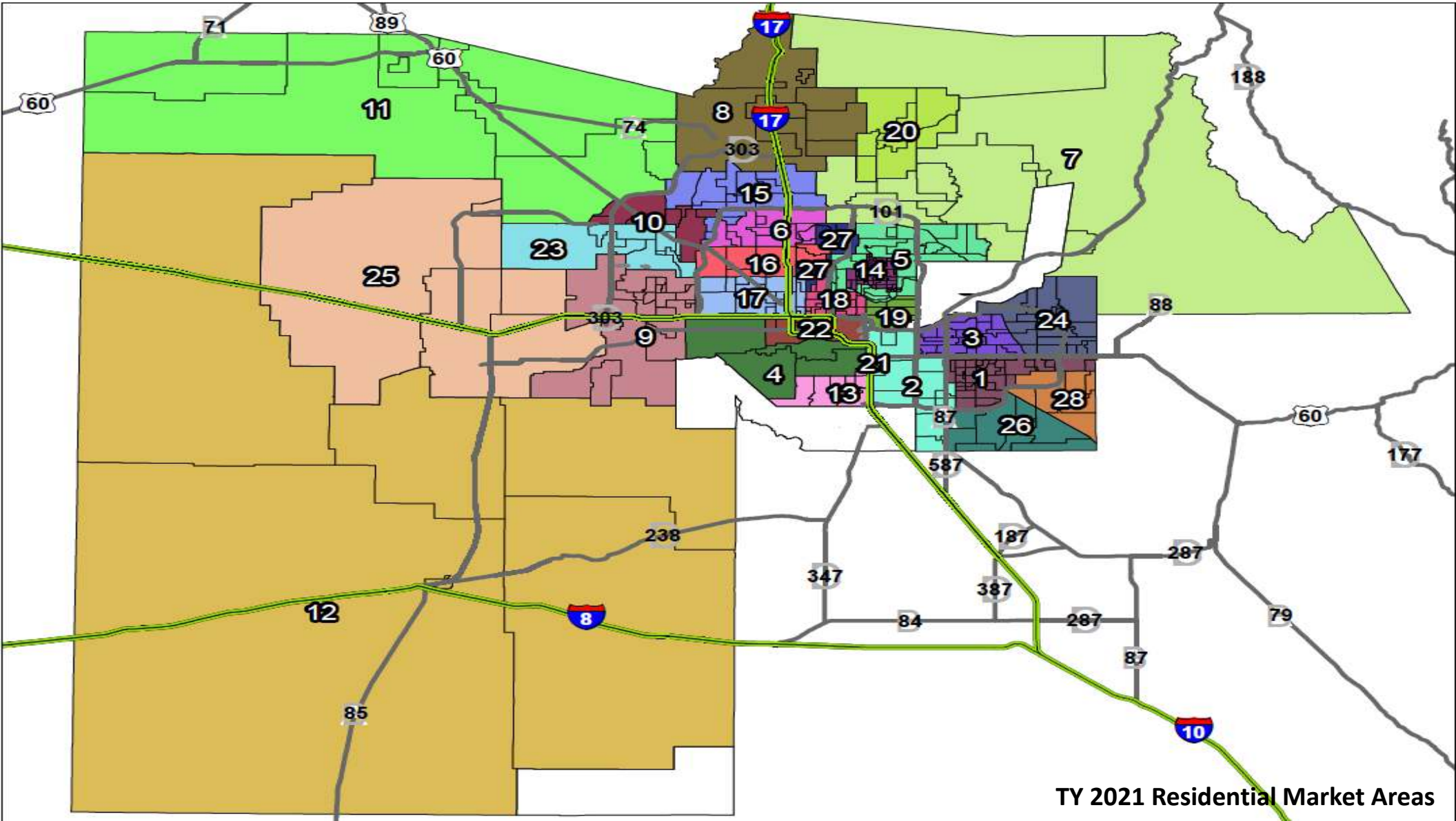
Why not...81/82%

“The sales ratio standard does not apply to the valuation of individual properties and should not used as a means to seek value reductions.”

- Adjustments for individual sales can be made for the non-real estate and non-cash equivalent items included in the sale price
- IAAO – “ratio study statistics cannot be used to judge the level of appraisal of an individual parcel”

Maricopa County Assessor's Office Profile

- Approx. 1.66M parcels
- Annual Reassessment
- 120,000+ sales per year (2017-2020)
- 29 Residential market areas, 7 Commercial
- 76 Mass Appraisal Models (TY 2022)
 - 27 Residential
 - 18 Condo
 - 24 Land
 - 3 Commercial
 - 2 Multi-Family



TY 2021 Residential Market Areas



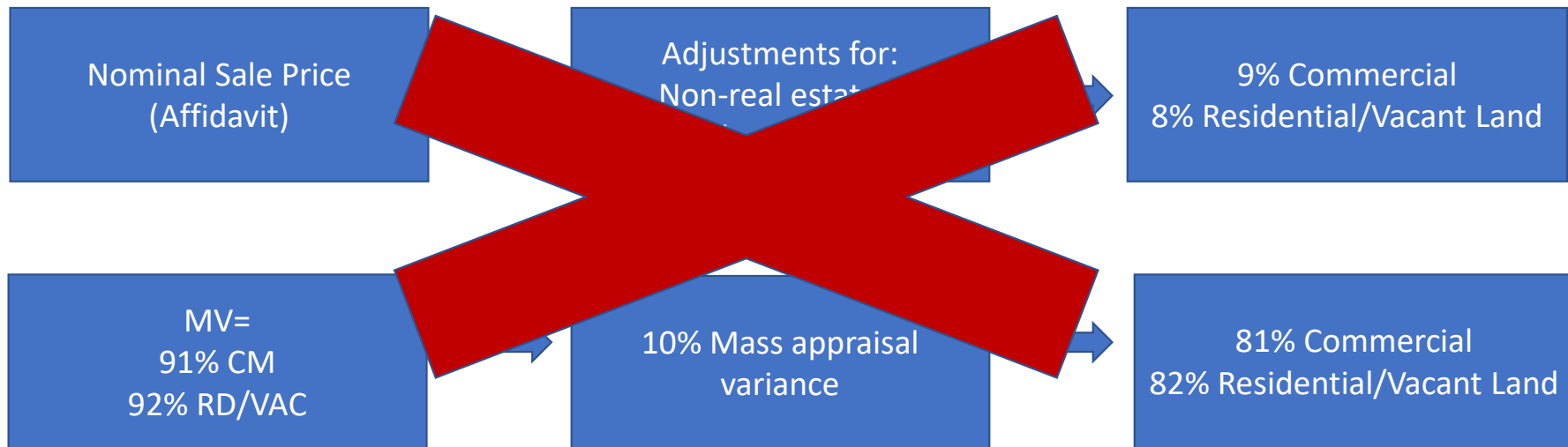
ASSESSOR

CAMA Model Overview

PROPERTY TYPE	MODEL TYPE
Residential	Market
Condo	Market
Vacant Land	Market
2-12 Unit Apartments	Market
13 + Unit Apartments	Income
Hotels/Resorts > 200 Rooms	Income
Commercial Condo	Market
Warehouse/Industrial	Market
Offices < 22,000 SF	Market

All remaining property types are valued using the Cost Approach.

81/82% Target - Appeals/Single Property



We have to follow a Statutory Calendar ea. yr

- **August 2022**
 - Board of Supervisors certifies 2022 tax roll.
- **September 2022**
 - 2022 Consolidated tax statements are sent to taxpayers.
- **October 2022**
 - October 1 - First half 2022 taxes are due.
- **November 2022**
 - November 1 - First half 2022 taxes are delinquent after 5:00 pm for bills over \$100. *(To ensure mailed payments are postmarked on the 1st, payments should be walked into the post office.)*
- **December 2022**
 - December 1 - Final delinquent tax notices are sent to taxpayers for 2021 taxes.
 - December 31 - Final day to pay 2022 current full year taxes without interest for taxes over \$100 (*).
 - December 31 - Full year tax bills equal to or under \$100 become delinquent after 5:00pm (*).
 - * If December 31 falls on a Saturday, Sunday or legal holiday, the taxes will accrue interest after 5:00pm on the next business day.

Calendar for 2023

- **January 2023**
 - January 1 - Delinquent 2021 taxes are assessed advertising fee.
 - January 13 - Final date to purchase sub-tax and assignments.
- **February 2023**
 - February 15, 2023 - RealAuction Internet Back Tax Lien Sale for 2022 taxes.
 - February, 2023 - Assessor mails 2024 Notices of Value.
- **March 2023**
 - March 1 - Second half 2022 taxes are due.
 - March 6 - State CP Sales begin.
- **May 2023**
 - May 1 - Second half 2022 taxes are delinquent after 5:00 pm.
- **June 2023**
 - June 1 - CP holders may begin to subtax 2022 liens. Delinquent tax notices are sent to taxpayers for 2022 taxes.
- **August 2023**
 - Board of Supervisors certifies 2023 tax roll.

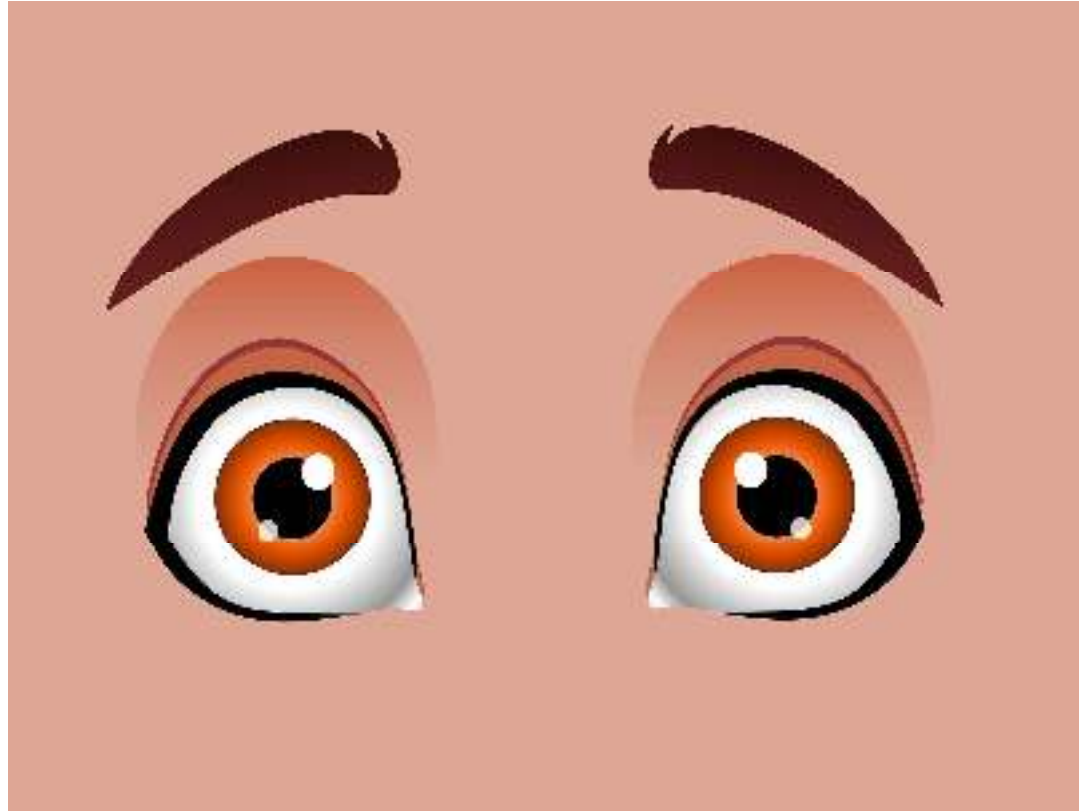
You're Late!!!

- Your first half taxes are due by November 1.
- YOU'RE LATE



OK, You can pay by 12/31

But, you can pay 100% of the
tax by 12/31 without a
penalty



What is the DOV???

- For 2023 the effective date of Value was 1/1/2022.
- The next notice of value you get at around the end of Feb 2023 will be for 2024

