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City Values Rise By 1%

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Median Compared To 2009

By Jeff Mellott

HARRISONBURG - The owner of a home assessed at the median value of all residences in Harrisonburg - which comes in at just under $210,000 - will see their tax bill go down $2 if the city's tax rate does not change, according to the latest city reassessment.

The Harrisonburg real estate office last week sent about 5,000 notices to property owners whose assessments changed from last year. Property owners started receiving the notices in the mail late last week.

Declining values of single family and townhouse properties largely offset gains by commercial parcels to leave the median assessment of all Harrisonburg real estate up just 1 percent since last year, according to the city's Commissioner of the Revenue office.

The preliminary results of the current reassessment, which is now conducted every year, show a median increase of 11.4 percent for apartment buildings in the city. The median increase for hotel and motel properties, which fall under the commercial category, increased 9.6 percent.

But single-family homes declined 1.4 percent and townhouses dropped 0.3 percent, according to city officials.

The median is the value of the listing that falls exactly in the middle of a list of all properties and their assessments in a certain category, ranked from most to least valuable.

Activity

The increased median assessed values for hotels, motels and apartments were largely driven by new construction, said Harrisonburg Commissioner of the Revenue June Hosaflook.

More visitors to the city and construction workers staying in the city have helped spur the construction, she said.

But with the decline in property values for single family homes and townhouses, the city's relatively flat change in the median assessed real estate value showed the effects of a down economy, she said.

Appeal

The assessments are subject to appeal.

Property owners can address questions to the Harrisonburg Real Estate office and more information about the reassessment can be found at http://ci.harrisonburg.va.us/.

Questions about individual reassessments should be directed to the real estate office at 432-7795.

Formal appeals can also be made to the Board of Equalization, which will hear individual cases in February.

The assessment process establishes the property's market value, said Harrisonburg Real Estate Director Lisa Neunlist.

Neunlist factors in new construction cost, renovation costs, income such as rent and a comparison of property sales in making the real estate assessment.

"In this kind of economy, you do not have a lot of movement. You do not have a lot of sales to look at," Neunlist said.

Tax Bills

The impact of the reassessment on tax bills will not be determined until next spring. After the assessment appeal process is completed, the Harrisonburg City Council will set the real estate tax rate to support its 2011-12 budget.

According to city figures, some homeowners can expect their real estate tax bills to remain flat or decline if the council keeps the tax rate at 59 cents per $100 of assessed value.

For example, the owner of the median assessed valued home of $209,600 this year paid $1,236.

With the reassessment, the same home would be assessed at $209,200 and have a tax bill of $1,234, or $2 less.

Similarly, the median assessed value of a townhouse at $153,200 had a tax bill of $903 this year. With the reassessment, the townhouse would be valued at $152,700 and be taxed at $900, a $3 decrease.

Neighborhoods

The decline in median assessed value for single-family homes and townhouses generally declined across Harrisonburg, according to the city's real estate office.

Of eight city neighborhoods selected for comparison by the real estate office, only Old Town near Harrisonburg's downtown increased in value.

Old Town's assessed value increased by 0.8 of a percent compared to a decline of 1.4 percent in Fairway Hills, Sunset Heights and Ashby Estates.

Neunlist said rents paid by students living in the neighborhood could have boosted Old Town's assessed value.

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