

2009 Valuation Notices -- Frequently Asked Questions

How are market values determined?

The Assessing division maintains records for every property in the city (style, size, quality, age, condition). Adjustments to the assessed market value are based on review of the property characteristics versus actual market transactions using a computer assisted mass assessment (CAMA) program. When a property is under review or appeal, the appraisers reconsider the property individually against comparables in the market. Bottom line... the assessed market value should reflect the property's actual market value as of January 2nd.

Many property owners are concerned about declining values and their equity. What should they do?

The assessed values are based on actual market sales of similar properties located within St. Louis Park. In addressing equity concerns, we strongly recommend that the owner continue to maintain their property which is an investment as well as a home or business. We have found that well maintained properties consistently enjoy a better retention and appreciation of market value. St. Louis Park properties, in general, are relatively well maintained and have enjoyed greater value stability versus many of the metro area communities.

If my market value is going down, does that mean my taxes are going down?

Not necessarily. The 2009 assessed market value is used to calculate taxes to be paid in 2010. The budget for 2010 has not been set yet and we cannot say with certainty what will happen. The City Council makes budget decisions with considerable thought as to the value of the services provided.

What if I have questions or do not agree with my property valuation or classification?

The first step is to call the Assessor's office and ask to speak with the appraiser who handles your property. We recommend verification of the property's physical attributes (style, size, finished areas, condition, etc) and we also can discuss sales in your neighborhood. If the property owner has evidence of a differing valuation or classification, the appraisal staff is more than happy to review it.

How does the appeal process work?

The first step is to contact the Assessing division and ask to speak with the appraiser who handles the neighborhood and/or property type. The majority of concerns are handled with a discussion of the property characteristics and the sales activity in the neighborhood. If the property owner intends to appeal, the options are as follows:

- The **Local Board of Appeal and Equalization** is set for April 13th at 6:30 pm. We ask that all property owners contact the Assessing division for an application on or before April 3rd. The property owner may appeal in person, by letter or via an authorized representative. In all cases, we ask for early contact in order for staff to have time to respond to questions and review the valuation.
- The **Hennepin County Board of Appeal and Equalization** begins on June 15, 2009. An application for the County level appeal is required no later than June 3rd. **To appear before the County Board, the property owner is required to have first appealed at the City of St. Louis Park Local Board.**
- **Minnesota State Tax Court.** Property owners may appeal Local and County Board actions to the state tax court—or— they may appeal directly to the tax court. There are two divisions which are the Small Claims Division and the Regular Division. The valuation notice gives more information regarding how each division works and the filing requirements. The deadline to file for state tax court is April 30th, 2010 for the 2009 assessed value period.

2009 Assessed Market Value -- Quick Fact Sheet

The total valuation of the city stands at \$5,577,976,300 as of January 2, 2009 (down 0.4% vs 2008).

Residential uses...	69.9% of total value in 2008	versus	68.9% of total value in 2009
Apartment uses...	9.1% of total value in 2008	versus	9.5% of total value in 2009
Commercial & industrial uses	20.9% of total value in 2008	versus	21.6% of total value in 2009

Assessed market value change for dominant sectors (static comparison of 2009 assessment vs 2008).

Single-Family Residential	- 2.3% Static Basis	versus	-1.9% with Improvements
Condominium	- 3.0% Static Basis	versus	-3.0% with Improvements
Townhomes	- 0.2% Static Basis	versus	-0.1% with Improvements
Apartments	+1.0% Static Basis	versus	+3.6% with Improvements
Commercial-Industrial	+0.7% Static Basis	versus	+2.4% with Improvements

Assessed market value adjustments at residential home pricing points: Low Mid High

Below \$175,000	5% of Total Parcels	Ranging from: - 5%	-18%	-30%
\$175,000 to \$350,000	79% of Total Parcels	Ranging from: +2%	- 2%	- 5%
\$350,000 to \$500,000	11% of Total Parcels	Ranging from: +8%	- 0 -	- 4%
Over \$500,000	5% of Total Parcels	Ranging from: +8%	- 0 -	- 2%

Regarding the ranges, the dominant change is toward the mid-point with individual and neighborhood variations. The lower bracket stock is by far the softest performer with competitive alternatives (i.e. condos, townhomes, and foreclosures) as notable factors. In general, the mid-range brackets are down slightly although relatively stable while the upper brackets are stable to up slightly although marketing times are extended.

Change in assessed market value for single-family homes (2009 assessment vs 2008).

76.4% of Parcels	Decrease in Market Value
19.6% of Parcels	No Change in Market Value
4.0% of Parcels	Increase in Market Value

Actual sales performance illustrating our competitive position versus neighboring communities.

Annual 2008	Median Sale Price	% Change from 2007	Mkt Share Mediated	Traditional Sale Market	% Change from 2007	Lender Mediated	% Change from 2007
St. Louis Park	226,950	-2.7%	14.0%	237,000	0.9%	165,000	-5.7%
Golden Valley	257,450	-4.9%	13.7%	280,000	1.8%	189,900	0.0%
Edina	387,500	2.2%	8.1%	410,000	6.5%	188,000	-16.1%
Hopkins	172,250	-16.4%	32.2%	222,083	5.3%	87,240	-36.7%
Minnetonka	263,250	-7.6%	14.7%	274,900	-5.0%	196,000	-8.4%

Source: Minneapolis Association of Realtors Sales Data

Contact Reference for the Assessing Division – Public Access # Value Notices: 952-924-2639

Cory Bultema, City Assessor	952-924-2536
Bridget Nathanson, Commercial	952-924-2530
Deb Lynch, Residential	952-924-2532
Mark Hoppe, Residential	952-924-2529
Marty Fechner, Residential/Tech	952-924-2533
Kelley Schomer, Residential	952-924-2639