

TOWN OF NORTH ANDOVER ASSESSOR'S OFFICE **FREQUENTLY ASKED QUESTIONS**

REAL ESTATE - PROPERTY VALUES

Where can I find information on my property?

Property record cards, which contain ownership information, visit history, land and building details, and other notes, and which display a property's valuation, are available in our office at: 120 Main Street and at our website: [North Andover Assessing Department](#)

What do the assessors look at when determining an assessment?

The assessor collects many data elements about a property in order to develop the total valuation. The most significant factors in determining the value are:

- Age of the Building(s)
- Condition
- Land Area
- Location
- Size
- Style
- Quality

Other factors include amenities or detriments on the land and features in the building such as:

- Fireplaces
- Interior/Exterior Finishes
- Jacuzzis
- Number of Bathrooms
- Saunas
- Type of Heating/Cooling
- Other Special Features

Also considered are detached structures (outbuildings / yard items).

How do I know if my valuation is fair and equitable?

The best comparisons are to properties that have sold in your economic neighborhood and have similar aspects to your property. You can also compare your property's assessment to the assessments of the most similar properties. Although properties will most likely never be a perfect match, assessments for similar properties should fall in a close range of valuations.

How can my assessed value increase (or decrease) when I did not do anything to the property in 5 years and I am not selling the property?

The assessed value represents the estimate of market value of the property. The real estate market changes constantly. The assessment for fiscal year 2019 represents the estimate of market value as of January 1, 2018. This estimate of market value is determined by examining sales of properties from calendar year 2017. Although there may not have been any physical changes to

the property, buyers may be paying more or less for properties than they were in previous years.

The assessment changes reflect the changes in the purchase prices of similar homes in the neighborhood. The assessments do not predict market value. The assessments reflect (or report) market value. The real estate market can change dramatically from year to year. Buyers and sellers determine the market value of properties. The assessments reflect what the buyers and sellers are doing as of the assessment date.

Why did my valuation change from the prior year's valuation more (or less) than my neighbor's?

Market value changes occur in many forms. From year to year economic conditions and local factors change and influence the values of different classes of property in different ways. Buyers have different requirements and these requirements sometimes change from year to year. Renovations may have been performed on a property that would cause a change in assessed value different from a similar property that did not undergo renovations.

A recent inspection by the Assessor's office also may have contributed to a change in assessed value, perhaps adding something that had been missed or reducing something that was overstated. Your style or size or land area or other factor(s) may differ from your neighbor's and that caused the valuation changes to differ.

I think my assessment is out of line with my neighbor's property, whose property is assessed lower. What do I do if I want my assessment to be as low as theirs?

The first step in comparing properties is to examine the factual components of each property. Many times properties that appear larger are in fact much smaller than people think. Quality characteristics should also be examined when making comparisons. Ultimately, the assessors have to determine if the assessment represents market value on the subject property and also if the assessed value on the neighbor's property represents market value.

If a neighboring property is too low in relation to surrounding properties, the assessors cannot compound their low assessment by also lowering surrounding properties. The resolution may be that the assessors have to raise the neighboring property's assessed value to make it more in line with the surrounding properties. The most important criterion the assessors examine in an abatement request is the market value of the property of the person filing the abatement and the market value of any property that the person filing the abatement mentions on the application.

I recently purchased my home for a price which is different than the valuation for this year. How is this possible?

The real estate market is not a "perfect market" and price is not always equal to value. Similar properties usually do not sell for exactly the same price because the motivations of buyers and sellers are not always similar. Similar properties usually tend to sell within a "value range" rather than for one specific price. According to the definition of fair market value, your value represents "the most probable selling price" and tends to be the middle of the range of what similar properties have recently sold for. Therefore, your appraised value could be higher or lower than what you actually paid for your property.

Additionally, state laws require that real estate be assessed at 100% of market value as of January 1st immediately preceding the current fiscal year. This is the assessment date. The sales

considered in order to determine the market value are those that took place during the calendar year prior to the assessment date. If your sale took place subsequent to the assessment date, it will be in the group of sales analyzed in the preparation of the following year's valuations, and is not relevant to the current year's valuation.

ASSESSMENT PROCESS

What is Mass Appraisal?

Assessors must value all real and personal property in the community to their full and fair cash value. Mass appraisal is the process used by every Massachusetts' city and town to create the property assessments. Assessments are based on an analysis of North Andover's entire real estate market for a specified period of time. This study guides the setting of valuation parameters that are used to calculate the property values town-wide. It differs from the more well-known "bank" or fee appraisal. Although the appraisal concepts are the same and the results similar, the process is different. No particular sale or group of sales is used to determine the value of your property, but all of a certain calendar year's sales are included in the analysis that set the parameters for the next fiscal year.

What is market value?

Market value, or full and fair cash value, is the most probable price for which a property will sell in an open, competitive market that a willing buyer will pay for a property to a willing seller, both acting knowledgeably and prudently and neither being under any obligation to buy or sell. Sales such as foreclosures and family sales are not considered to be "arms length" or fair market transactions.

How often does the valuation of properties change?

Every year the Assessors subject the arms-length sales that occurred in the prior calendar year to a statistical examination based on market area, style of house, age of house, effective area, size of lot and sale price to see what changes the market has shown. The tables used in the Computer-Assisted Mass Appraisal (CAMA) system are adjusted so that the median assessment of the sales sample is within 10% of 100% of market value, and the dispersion of the assessments to sales ratios in the sample are within state guidelines. These new factors are then applied to all properties for the new Fiscal Year.

Every fifth year the Department of Revenue (DOR) requires each city or town to conduct a revaluation. This is a year-long process during which the DOR examines every phase of the assessing operation before certifying the values. During the four years in between revaluations the Assessors may change the values if sales activity so indicates. These yearly updates are called Interim Year Adjustments.

How is the calendar year different from the fiscal year?

Massachusetts cities and towns operate on a "Fiscal Year" basis. The calendar year runs from January 1st through December 31st. The fiscal year runs from July 1st through June 30th. The assessment date is January 1st preceding the fiscal year. That is, for Fiscal Year 2019 the assessment date is January 1, 2018.

EXEMPTIONS AND ABATEMENTS

What is the difference between an exemption and abatement?

An exemption is a discharge from the obligation to pay all or part of a real estate tax based on certain age, income, military, or disability status as set forth by the Commonwealth of Massachusetts. An abatement happens as a result of an adjustment that lowers a property's valuation after the actual (not preliminary) tax bill has been issued. Exemptions are available for:

- Blind Persons
- Low Income Seniors
- Seniors
- Surviving Spouse or Surviving Minor Child
- Veterans With Disabilities

What other options are there to reduce taxes?

There is a tax deferral program available for older citizens.

For low/moderate income, there is a personal exemption from the Community Preservation Surcharge, and the state Circuit Breaker Tax Credit for seniors.

Senior citizens can participate in the "senior tax work off" program.

What if I feel the value of my property value is overstated?

This is when an owner would file for an abatement. There are 3 basic reasons for granting an abatement: data error(s), overvaluation, or inequitable assessment. An abatement application is not a complaint about taxes or how much your assessment has increased. It is an attempt to prove that your property's estimated market value is inaccurate or unfair based on recent sales of comparable properties. For detailed instructions on the abatement application process, please see: [Real Estate Abatement](#)

Do I have to apply for an abatement every year if I received one in the past?

Not necessarily. If a data correction or adjustment has been made that should be permanent, it will carry forward to the next and following years until such time as there is a change in the property and/or a change in the valuation methodology that affects that property. Therefore, it would not be necessary to reapply the following year(s). If, however, a 1-time adjustment were granted just for the current year, the assumption is that the adjustment does not carry forward into the next year. If the property owner then feels that the valuation is overstated in the following year, he/she must submit a new application.

What if I am not satisfied with the result of the abatement hearing?

Property owners may submit an appeal to the Massachusetts Appellate Tax Board (ATB) at:
100 Cambridge Street
Number 200
Boston, MA 02114

For more information, visit [their tax board page](#).