

## **ASSESSMENT PROCESS**

The legislation enabling and requiring the City to annually assess real property for local taxation is found in the Virginia Constitution, Code of Virginia, the Charter of the City of Alexandria, and Alexandria City Code. The Office of Real Estate Assessments (OREA) annually assesses all parcels of real estate in the City at 100% of fair market value. In establishing annual real property assessments, OREA uses mass appraisal methods to estimate the fair market value. Mass appraisals replicate the market for one or more land uses across a wide geographic area, while single-property appraisals represent the market for one kind of land use in a limited area. Notwithstanding the relative difference, mass appraisal builds on the same principles as single-property appraisal. The CY 2024 real property assessments are the result of measuring market indicators from arm's length transactions, property income and expense information, comparable sales data, and relevant construction cost data. Staff also employs numerous data services and our Computer Assisted Mass Appraisal (CAMA) System to produce equitable values for all properties in the City.

For CY 2024, 45,898 local taxable properties were assessed. Also assessed on an annual basis were 1,135 tax exempt parcels. Assessment notices will be mailed to property owners beginning February 14, 2024. Real estate assessment information is available on the City's web site in conjunction with the City Council presentation and includes the information about the forms needed for the review and appeal process, the 2024 assessments for all locally assessed properties, general assessment information, and the property data search function which enables the public to view property record information, sales used to determine assessments, and other recent sales data.

The 2024 assessment notices include information about requesting a review of assessment with OREA by March 15, and information about filing an appeal of the assessment with the Board of Equalization and Assessment Review by June 3. Typically, fewer than 2% of real property owners challenge their assessed value through the annual assessment review and appeal process. The Board of Equalization and Assessment Review is required to have heard and acted upon an Appeal of Assessment before a property owner has the right to file an appeal to the Circuit Court. It is anticipated that property owners will continue to file appeals to protect their right to file suit in the future for the current and three prior tax years.

To stream-line operations and eliminate redundancies, the Office of Real Estate Assessments, has consolidated assessments for properties sited on multiple tax parcels but operating as one economic unit. A parent parcel will be identified which will include the total assessment for the economic unit. The related parcels will be noted in our record and on our website, but will have no assessed value. This benefits both the taxpayer and the City with the issuance of one bill for each economic unit, the need for only one Request for Review or Appeal of Assessments for each economic unit, and the need for only one income and expense statement for each economic unit.