

Rumson 2024 Reassessment Report

11/1/23



[Reassessment FAQ](#)

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A Message from the Assessor

The last four years have marked an extraordinary chapter in the realm of real estate. Property values have increased steadily, and prices had not yet abated as of the valuation date for the 2024 Reassessment (10/1/2023). The Borough is required to reassess all properties annually in order to maintain fair tax distribution. The goal of the reassessment is to react to the market, rather than predict it. While the higher interest rate environment may have impacts on property values in the future, the assessments are still catching up to the recent period of historic appreciation. The ongoing transformations in the market underscore the pivotal role of the assessment process, serving as the linchpin for *distributing* county, school, and municipal tax levies.

The New Jersey constitution mandates the distribution of annual tax levies based on market value. Contrary to popular belief, property assessments do not generate taxes. They simply *distribute* them. Despite technological advances, many municipalities in the state still take a “portfolio snap-shot” at a given point in time and distribute their property taxes the way that picture looked for the subsequent 10 or 20 years (*see exhibit A*). By not implementing a proactive assessment maintenance approach, tax distribution becomes less accurate each year that passes. The static model wrongly assumes that all properties within a municipality appreciate or depreciate at the same rate. This does not reflect the real-world, as property values evolve diversely across different property types, price points, and market sectors. The real estate markets within the Borough of Rumson have demonstrated how varying price points and submarkets experience distinct growth rates, and at times, even move in opposing directions. Annual assessment maintenance is an essential step toward ensuring tax distribution fairness, a requirement stipulated by the New Jersey constitution.

Through the 2024 reassessment, changes to the global assessment modeling were made to target market value. Adjustments were also made to all individual properties, neighborhoods, and submarkets to refine assessment accuracy. The goal of a reassessment is to annually target 100% market value so that statistical measurements represent better assessment accuracy. For the upcoming 2024 tax year, the total aggregate value of Rumson will be 9.07% greater than it was in 2023. In turn, most property assessments will go up in value as a reflection of this increase. This does not mean your taxes will go up 9.07%.

It means that the overall value of properties in the Borough has increased. The aggregate value of Borough property and the tax rate have an inverse relationship. The higher property assessments will cause a lower tax rate. We anticipate that the 2024 tax rate will be lower than the 2023 tax rate due to the increase in property values (*see figure 8*). This report provides a deeper insight into the reassessment process and its outcomes.

Erick Aguiar, CTA



Assessor
Borough of Rumson

Tax Rate History

2017- 1.469%
2018- 1.482%
2019- 1.469%
2020- 1.433%
2021- 1.423%
2022- 1.287%
2023- 1.169%
***2024- 1.110%**

*Estimated assuming +3% increase to tax levy and
2024 preliminary net taxable value of Borough
(less 0.5% to account for appeals)

Prior Year (2023) Assessment Accuracy Reflection

Each October, the NJ Division of Taxation conducts statistical studies which measure the accuracy of current year assessments. These studies could be considered the “assessor’s gradebook” for that year’s assessments and resulting tax distribution. Nevertheless, recognition must be made that the assessments are produced the prior year based on past sales, and the study is done the subsequent year based on future sales. Appreciating markets would likely result in a ratio under 100%, while depreciating markets would likely result in a ratio over 100%.

As anticipated, the dynamic and volatile market has affected assessment accuracy/market predictability statewide and beyond. It should be well understood that when markets are more volatile (up or down), assessment coefficients will statistically be higher. The incredible price appreciation experienced since COVID comes with volatility and an inherent level of difficulty for the market participants (buyers and sellers) to discover a tight range of “Fair Market Value (FMV)”. In such an environment, FMV understandably has a wider range, and it is expected for assessment coefficients to rise to some degree. Further, when markets move so rapidly (like the 1-2% per month appreciation we have seen in recent years), the dataset of sales within the sampling period will contain sales from various points in time when the market was different. Since the sampling period extends the entire timeframe, without accounting for market changes, the State’s Coefficient of Deviation (COD) measurements are expected to be higher.

While CODs will be higher in both; reassessment and non-reassessment districts, the fact remains that the reassessment districts are better suited to deal with this higher level of volatility. Coefficients in stagnant assessment districts will continue to deteriorate each year the assessment maintenance is ignored. On the other hand, reassessment districts can adjust assessments accordingly with the changing market. Municipalities that regularly reassess stand the best chance of providing their constituents the fairest level of tax distribution possible, even in the most difficult of times. It should be no surprise that municipalities that take proactive steps in maintaining fair tax distribution consistently outperform those that ignore such an initiative (*see exhibit A*).

For municipalities that do not take any proactive approach to maintaining fairness, the trajectory is ominous. The continued spike in interest rates will likely cause further volatility. Projected price depreciation, in this case, will not be equal across the board. All markets and price points will be affected differently. The opposite occurred on the way up, with a noticeable market compression (likely attributable to historically low interest rates as the monthly payment is a bigger market diving force on lower priced homes than it is on higher priced homes). Tax Distribution fairness in non-reassessment municipalities will be completely at the mercy of the volatile market changes. Proactive municipalities will continue to adapt annually, incorporating the various market changes into the subsequent year tax distribution.

Director’s Ratio

Rumson’s 2023 Director’s Ratio was 100.28%. While the “Director’s Ratio” is a complex calculation, this measurement is intended to express the typical relationship between assessments and sale prices in a given municipality. The sampling period used for the Director’s Ratio contains sales that took place between January and June. It is then blended with the Director’s Ratio from the prior year to stabilize shared levy impacts. With assessments being set during the pre-tax year (based on sales that took place during the prior two-year period), it is expected that ratios will be lower than 100% when markets are appreciating. Only recently have markets started to show signs of stability (or at least a slowing of appreciation). The 2023 Ratio increasing closer to 100% reflects the same. The 2022 ratio was 95.42%.

General Coefficient of Deviation (COD)

The General Coefficient of Deviation is widely held as the best indicator in determining proper tax distribution. It is a way to measure how tightly clustered individual assessment ratios are in relation to the average ratio. A lower COD means more accurate and fair tax distribution. The COD normalizes ratios to show accuracy within a municipality regardless of what the Director's Ratio is in any given year.

The more homogeneous the properties in a municipality are, the lower the COD should be. For example, a municipality that is comprised of mostly townhouses would be expected to yield better assessment accuracy than a municipality that is comprised of a complex range of property types and values (like Rumson). Through annual reassessments, Monmouth and Somerset Counties are showing much lower CODs compared to historical or statewide data.

Despite the complexity of the Borough, Rumson's COD is more accurate than the norms in the rest of the state, meaning that the assessments and resulting tax distribution are more fair. Rumson is also trending to be more accurate than historical coefficients. Prior to the COVID market volatility, the 2020 COD was **8.38**, which was the lowest COD on record for Rumson (in at least the past 30 years). While a historical comparison is an important measurement, the COD must continue to be analyzed over time as coefficients will inevitably be higher during years that the underlying market is more volatile (like the 2021 - 2023 market). While Rumson's COD experienced a spike during the volatile COVID market in 2021 and 2022, the COD was still lower than the historical average in Rumson. Despite the continued market volatility, the 2023 COD has now dropped back below 10, indicating improved stability over the past two years.

Below is a summary of Rumson's general COD for the past 9 years (*see figure 1*). Rumson's average COD prior to implementation of annual reassessments (years 1991-2014) was 13.68.

Year	General Coefficient of Deviation
2015	18.95
2016	11.74
2017	12.50
2018	12.57
2019	9.45
2020	8.38
2021	10.69
2022	12.62
2023	9.87

(figure 1)

Inspections (data collection)

The Borough completed the first five-year inspection cycle in 2018. The second cycle was front loaded to be complete as a 50/50 schedule split between 2019 and 2020. That cycle is now complete (see figure 2).

Unfortunately, the Division of Taxation recently established a regulation that requires all annual reassessment districts to inspect properties every five years (see exhibit B). Rumson had planned on operating under a previously permissible eight-year inspection cycle which would have been a lower cost and would have inconvenienced residents with inspections less frequently. The law allowing the eight-year cycle was put in place only a few years ago as a cost saving measure for municipalities. Recently, a new law was passed to allow virtual inspections (and established some other changes). In the new law, the language specifically allowing the eight-year cycle was removed and no longer specifies a timeframe. Division of Taxation’s decision to regulate as a five-year cycle removes the Borough’s ability to spread the cost over the eight-years. On the bright side, the Borough has been granted permission to deviate from the “20% per year” inspection routine and instead shall comply with the schedule set forth in figure 2.

Inspection Plan

1341 Rumson				
First Cycle (COMPLETE)	Year	Original Planned	Completed	Notes
	2014	20%	20%	5 yr cycle (2014-2018)
	2015	20%	20%	
	2016	20%	20%	
	2017	20%	20%	
	2018	20%	20%	1st cycle complete in 2018
Approved Second Cycle (COMPLETE)	Year	Approved Plan	Completed	Notes
	2019	20%	50%	County/State approved modification to plan to front load all to 2019&2020
	2020	20%	50%	2nd Cycle complete in 2020
	2021			5 yr cycle (2019-2023)
	2022			
	2023			
Planned Third Cycle (plan approved 8/19/21)	Year	Planned	Completed	Notes
	2024			
	2025	RFP		Plan to RFP in 2025 for 2026/2027
	2026	50%		5 Year Cycle (2024-2028)
	2027	50%		
	2028			

(figure 2)



General Comments on the Current Real Estate Market

Real estate industry experts have found themselves in a state of perplexity. One year ago, the rate of local property appreciation appeared to be decelerating, a trend that persisted throughout the winter months of 2023. However, the spring and summer seasons witnessed an unanticipated surge in demand, driven by a scarcity of available listings. Consequently, residential properties listed on the market were swiftly acquired, often at prices exceeding the initial asking amounts due to intense bidding competition. Over the past two years, interest rates have experienced a consistent upward trajectory, with notable surges occurring in both the spring and fall of 2022. Presently, interest rates have reached their highest levels of the 21st century, yet housing prices have displayed resilience, showing no signs of decline. Low inventory levels persist, primarily due to homeowners with low-interest rate mortgages opting to retain their properties rather than list them for sale. The projected decline in property values, initially anticipated to coincide with the rise in interest rates, has been deferred, although there are observable indications of a gradual slowdown in appreciation.

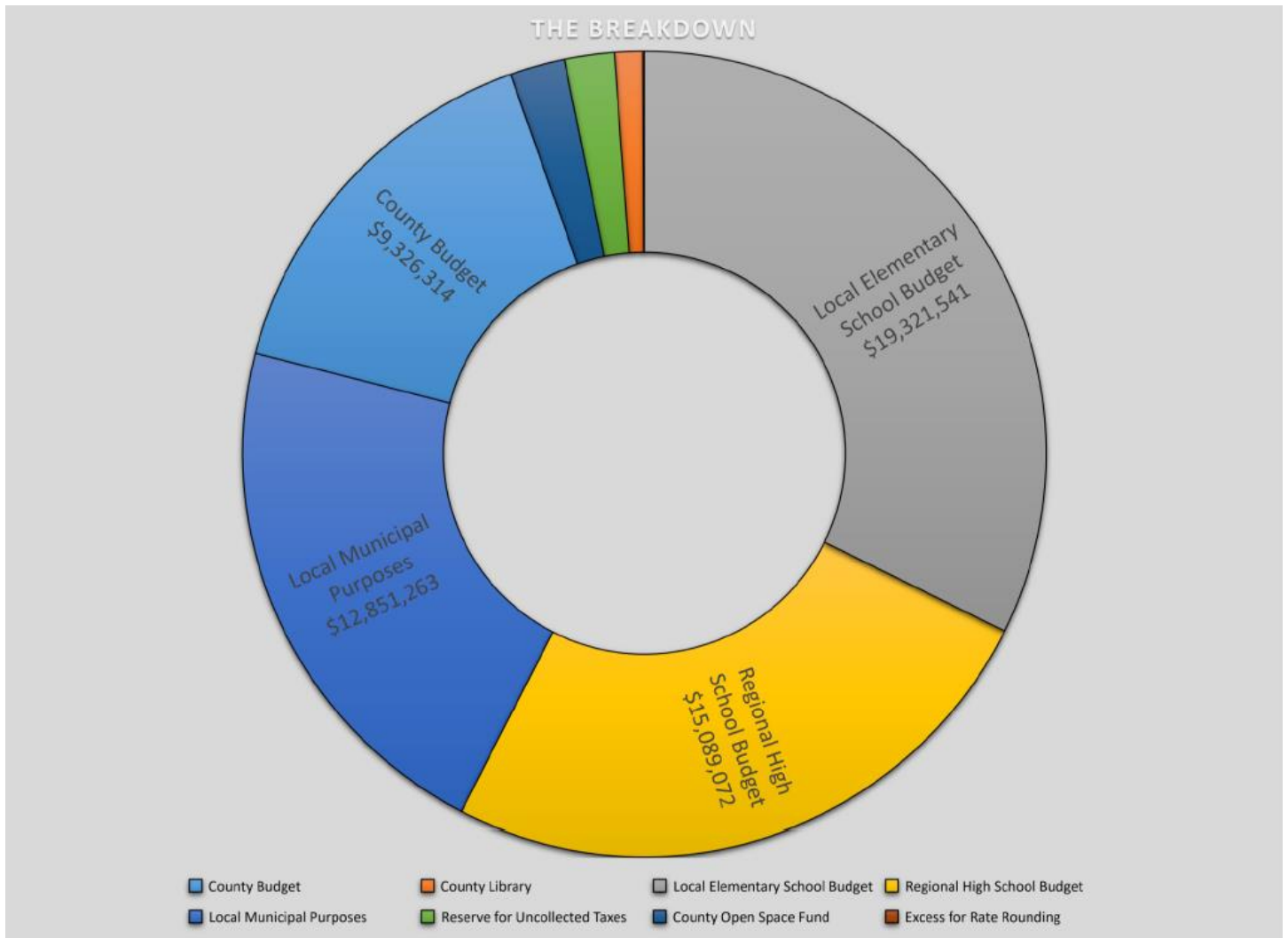


The 2024 Reassessment takes the recent market changes into account. Sales from 2022 and 2023 were used in the reassessment modeling, giving greater weight to the more recent sales. The 2024 aggregate value of Rumson's assessments will increase by 9.07%. This 9.07% can be seen as the baseline for apportionment change. Any property increasing greater than 9.07% will pay a greater proportionate share of the tax levy. Conversely, any property increasing less than 9.07% (or decreasing) will pay a lesser proportionate share of the tax levy.

It is important to keep in mind that shared budgets (like the Regional School and County budgets) are apportioned to the participating towns based on the respective net values of those towns. Should appreciation in Rumson outpace our 52 counterparts in the County, Rumson will be assigned to pay a higher proportionate share of the County Tax Levy. Should Rumson outpace Fair Haven, Rumson would be assigned to pay a higher proportionate share of the Regional School Levy (*see figure 3*). The way the market behaves is mainly out of our control, but it is important to keep a pulse on how other towns are assessing their properties. All towns should be on an equal playing field so that shared budgets get apportioned fairly.

Rumson Tax Levy History

Tax Levy Component	2018 Tax Levy	2019 Tax Levy	2020 Tax Levy	2021 Tax Levy	2022 Tax Levy	2023 Tax Levy	Percent of Bill
County Budget	\$ 8,999,865	\$ 8,865,086	\$ 9,273,390	\$ 9,096,853	\$ 9,126,063	\$ 9,326,314	16%
County Library	\$ 637,924	\$ 634,189	\$ 674,967	\$ 682,800	\$ 685,879	\$ 674,655	1%
Local Elementary School Budget	\$ 16,899,627	\$ 17,332,020	\$ 18,103,124	\$ 18,800,648	\$ 19,280,103	\$ 19,321,541	32%
Regional High School Budget	\$ 13,534,345	\$ 13,898,869	\$ 14,451,437	\$ 14,728,336	\$ 14,909,922	\$ 15,089,072	25%
Local Municipal Purposes	\$ 10,849,768	\$ 11,157,169	\$ 11,376,795	\$ 11,866,525	\$ 12,204,502	\$ 12,851,263	21%
Reserve for Uncollected Taxes	\$ 1,050,634	\$ 1,087,578	\$ 1,409,296	\$ 1,157,193	\$ 1,171,908	\$ 1,194,515	2%
County Open Space Fund	\$ 999,527	\$ 1,023,753	\$ 1,082,820	\$ 1,093,431	\$ 1,182,563	\$ 1,321,887	2%
Excess for Rate Rounding	\$ 26,173	\$ 29,725	\$ 15,147	\$ 28,377	\$ 15,375	\$ 44,138	
Total Tax Levy	\$ 52,997,862	\$ 54,028,387	\$ 56,386,976	\$ 57,454,164	\$ 58,576,315	\$ 59,823,386	



(figure 3)

Total Change of Net Valuation Taxable

The net valuation of the Borough is increasing by 9.07% in 2024 (see figure 4). About 464M has been added to the Rumson ratable base (partially related to new construction and partially related to market appreciation).

2023 Final Net Valuation	5,117,483,798
2024 Preliminary Net Valuation	5,581,452,104
Change	463,968,306
Change %	9.07%

(figure 4)

Property Class Breakdown (Year over Year)

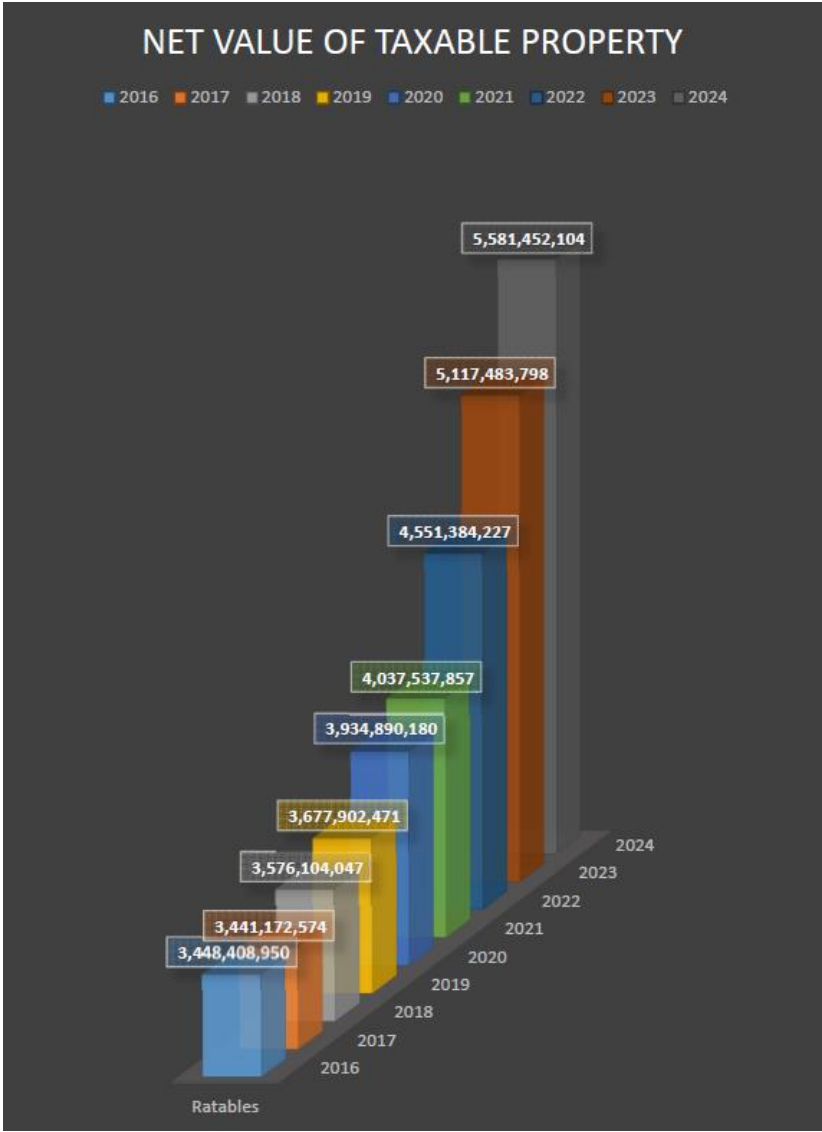
2023 Final Tax List					
Class	Property Type	Count	Value	Average	Share of Borough
1	Vacant Land	58	72,624,000	1,252,138	1.42%
2	Residential	2521	4,847,122,100	1,922,698	94.72%
3A	Farm House	7	31,582,100	4,511,729	0.62%
3B	Farm Land	8	10,200	1,275	0.00%
4A	Commercial	66	163,596,200	2,478,730	3.20%
4C	Apartment	1	1,220,600	1,220,600	0.02%

Total	5,116,155,200
Verizon	1,328,598
Net Valuation Taxable	5,117,483,798

2024 Preliminary Tax List					
Class	Property Type	Count	Value	Average	Share of Borough
1	Vacant Land	50	72,021,100	1,440,422	1.29%
2	Residential	2547	5,301,113,600	2,081,317	94.98%
3A	Farm House	7	34,437,000	4,919,571	0.62%
3B	Farm Land	8	10,200	1,275	0.00%
4A	Commercial	66	171,257,000	2,594,803	3.07%
4C	Apartment	1	1,261,200	1,261,200	0.02%

Total	5,580,100,100
Verizon	1,352,004
Net Valuation Taxable	5,581,452,104

(figure 5)



(figure 6)

2016 -2024 Tax Levy and Net Taxable Value			
Year	Tax Levy	Ratables	Tax Rate
2016	49,415,700	3,448,408,950	1.433%
2017	50,550,825	3,441,172,574	1.469%
2018	52,997,862	3,576,104,047	1.482%
2019	54,028,387	3,677,902,471	1.469%
2020	56,386,976	3,934,890,180	1.433%
2021	57,454,164	4,037,537,857	1.423%
2022	58,576,315	4,551,384,227	1.287%
2023	59,823,386	5,117,483,798	1.169%
2024	TBD	5,581,452,104	TBD

463,968,306	Ratable base change 2023 to 2024 (Prior to Appeals)
9.07%	Increase Prior to Appeals

(figure 7)

2024 Tax Rate Prediction

Year	Ratables	Tax Levy	Tax Rate
2023	5,117,483,798	59,823,386	1.169%
2024*	5,581,452,104	59,823,386	1.072%

*Rate if levy was the same year over year and no reductions from appeals

2024**	5,553,544,843	61,618,087	1.110%
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**Assumes a 0.5% reduction in ratables from appeals & 3% increase in Tax Levy

Realistic 2024 Tax Rate Range 1.099%-1.131%

(figure 8)

Minimal Apportionment Volatility

Volatility, in terms of 2024 tax apportionment change, is minimal (*see figures 9 & 10*).

- 92.9% of residential properties changed between 0% and 11% (baseline is 9.07%).
- 86.8% of residential properties will decrease their proportionate share of the tax levy in 2024.
- The 132 Bingham Ave subdivision to 18 separate lots increased the total ratable base by 24.1M with only 6 of the 18 townhomes complete. Most of the value increase is attributable to the change in land value, now being assessed as separate lots.

Reassessment reports in prior years highlighted the notable market compression that had been occurring for the past decade. Lower property values were appreciating at much greater rates than higher valued properties. This dynamic was likely caused by the low interest rate environment, as lower priced home prices are more sensitive to interest rate changes. In the most recent year, the higher valued properties clearly outperformed the lower value properties.

Assessment change of all residential properties

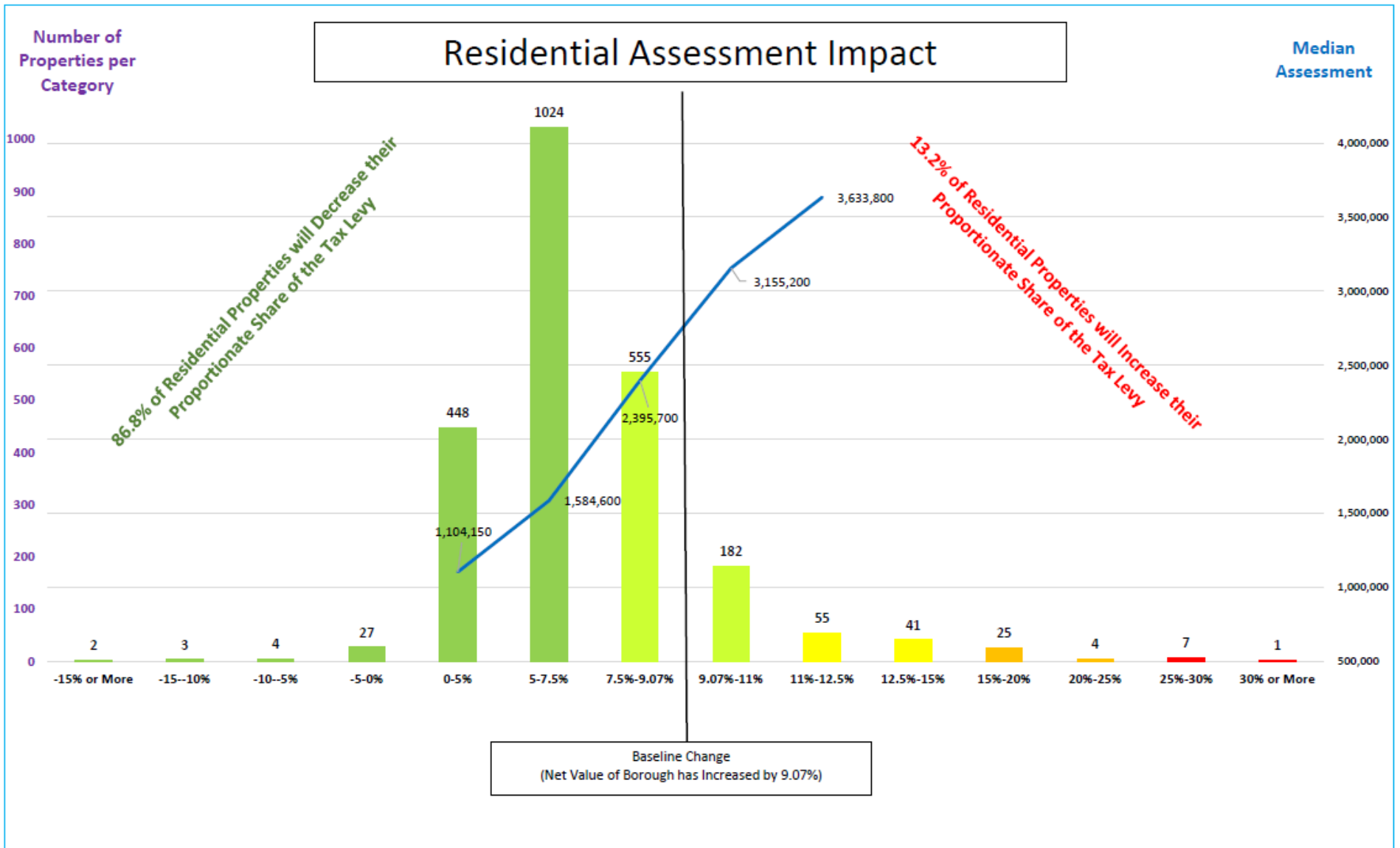
(excluding new construction and properties that had renovations)

Residential Classified Properties				
	Assessment Change Category	Number of Properties In Change Category	% of Total	Median Assessment of Group
86.8% of Residential Properties will Decrease their Proportionate Share of the Tax Levy	-15% or More	2	0.08%	
	-15--10%	3	0.13%	
	-10--5%	4	0.17%	
	-5-0%	27	1.14%	
	0-5%	448	18.84%	1,104,150
	5-7.5%	1024	43.06%	1,584,600
13.2% of Residential Properties will Increase in their Proportionate Share of the Tax Levy	7.5%-9.07%	555	23.34%	2,395,700
	9.07%-11%	182	7.65%	3,155,200
	11%-12.5%	55	2.31%	3,633,800
	12.5%-15%	41	1.72%	
	15%-20%	25	1.05%	
	20%-25%	4	0.17%	
	25%-30%	7	0.29%	
30% or More	1	0.04%		
Total Properties In Group		2378	100.00%	

*Net Value of Borough has Increased 9.07%

(figure 9)

Residential Change Report



(figure 10)

2024 Tax List Accuracy

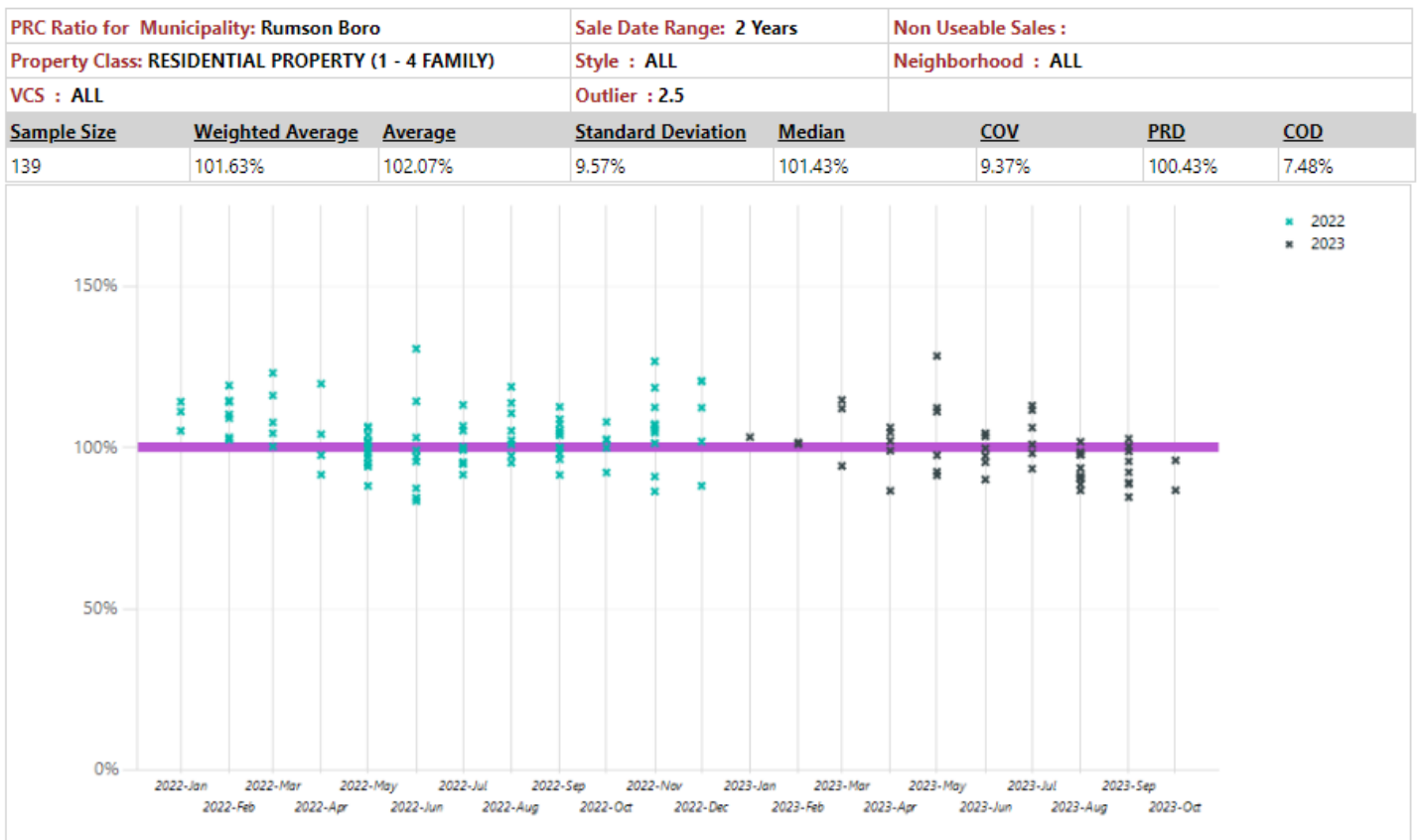
The primary driver of a reassessment is recent “arms-length market transactions”. Statutorily, properties are assessed for what they would have sold for on October 1st of the pretax year. The 2024 valuation date is October 1st, 2023.

Our Supreme Court has held “value for purposes of taxation has some measure of permanence which renders it secure against general temporary inflation or deflation.” (Hackensack Water Co. v. Division of Tax Appeals, 2 N.J. 157, 163 (1949)); and “True value must be fairly constant and must be gauged by conditions, not temporary and extraordinary, but by those which over a period of time will be regarded as measurably stable.” (Berkeley Arms Apartment Corp. v. City of Hackensack, 6 N.J. Tax 260, 286 (Tax 1983)).

These quotes are more important now than ever. While the local market has appreciated at significant rates, assessors must view sales data used in the study in its totality while mass modeling assessments. While more recent sales are certainly given more credibility in the analysis, older sales will still be a stabilizing factor with annual reassessments. Inevitably, older sales will pull the modeling in the direction that the market was in the past.

A reassessment generally measures sale prices from the past two years (giving more credibility to the more recent transactions.) The Monmouth County Tax Board has a standardized review process to measure new assessments against sale prices from the current and prior year (*see figures 11 & 12*).

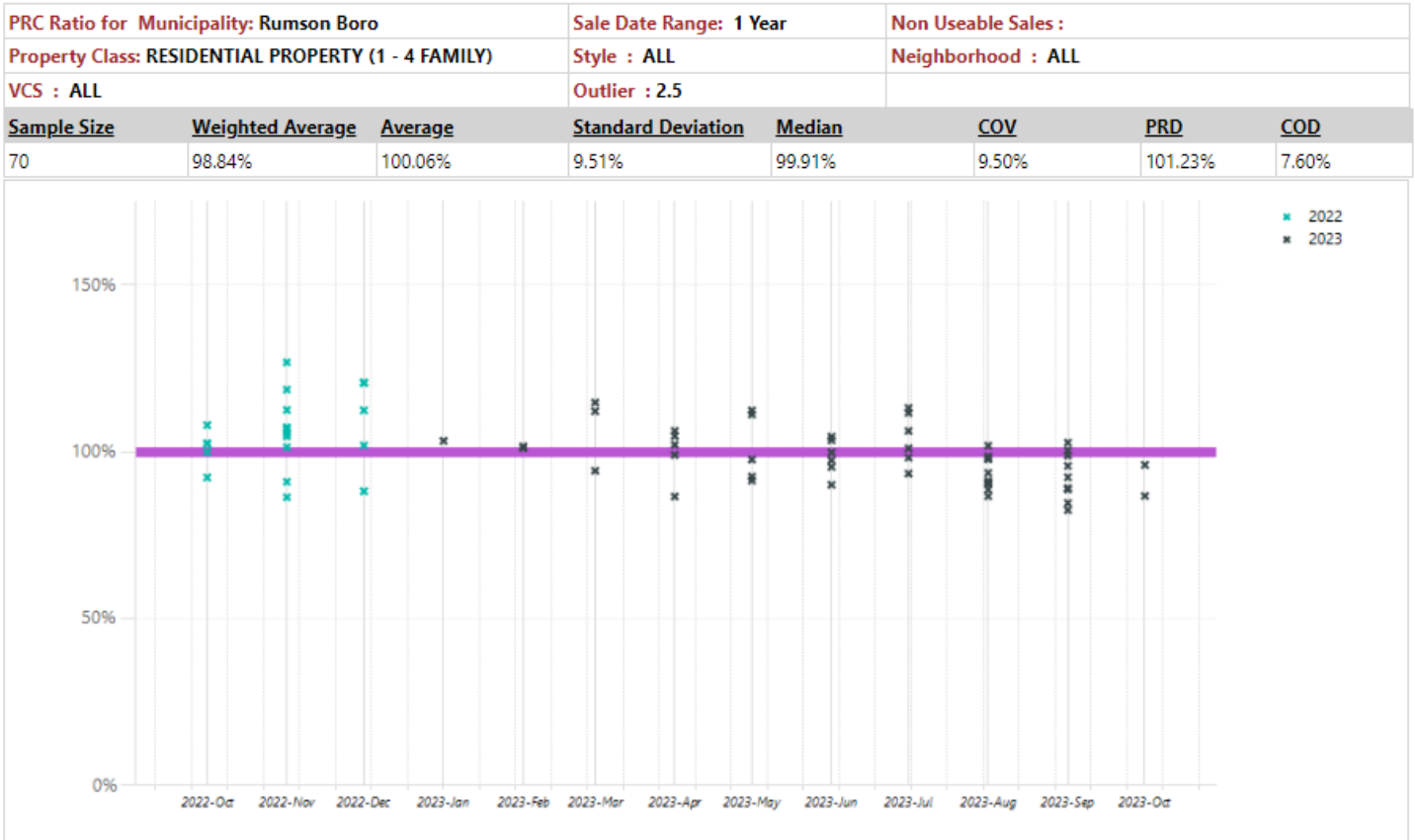
Tax Board Assessment Data Analysis Module (ADAM360) Standardized Review:
All 2023/2022 residential usable sales
(removing top & bottom 2.5% outliers and properties that had renovations after the sale)
**Data addendum with sales attached*



(figure 11)

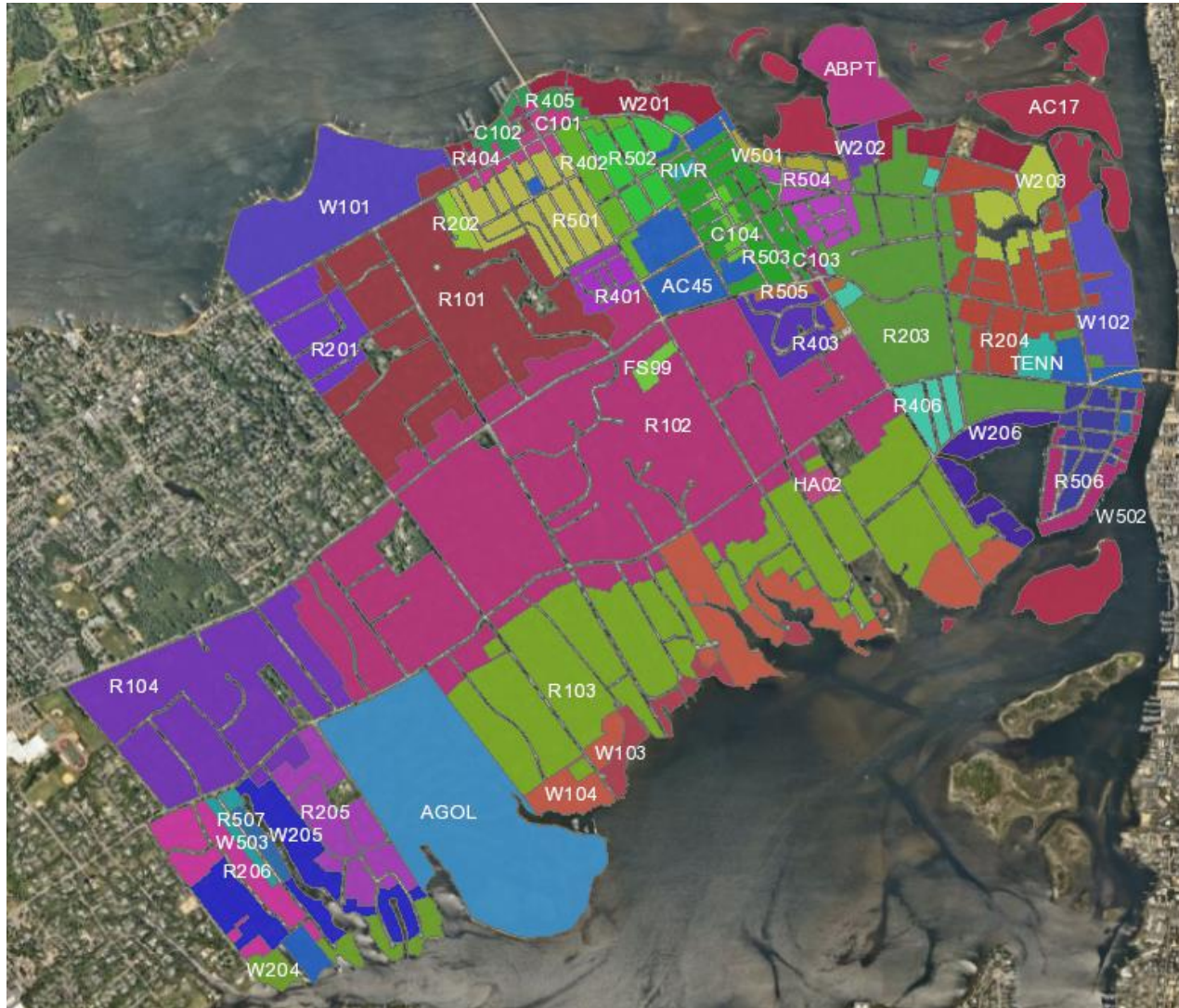
Tax Board Assessment Data Analysis Module (ADAM360) Standardized Review:
All residential usable sales during the past 1 year period
(removing top & bottom 2.5% outliers and properties that had renovations after the sale)

**Data addendum with sales attached*



(figure 12)

Value Control Sector Modeling Map



(figure 13)

Lot Valuation Matrix (Acreage Costed VCS)

*does not include property specific adjustments (Traffic, flood zone, economic obsolescence, etc.)

Section	VCS	Description	Site	Per Acre- Up to Standard Size 1 or 1.5 (see Section)	Per Acre of Excess (After Standard Size)	1 Acre Lot	1.5 Acre Lot	2 Acre Lot	2.5 Acre Lot	4 Acre Lot (w/ one site)
R1- Non Waterfront Residential 1.5 Acre Standard Lot	R101	North of Ridge	1,100,000	385,000	231,000	1,485,000	1,677,500	1,793,000	1,908,500	2,255,000
	R102	Between Rumson & Ridge	1,100,000	385,000	231,000	1,485,000	1,677,500	1,793,000	1,908,500	2,255,000
	R103	South of Rumson	1,050,000	367,500	220,500	1,417,500	1,601,250	1,711,500	1,821,750	2,152,500
	R104	Woods End to Fair Haven Rd	975,000	341,300	204,800	1,316,300	1,486,950	1,589,350	1,691,750	1,998,950
R2- Non Waterfront Residential 1 Acre Standard Lot	R201	Circle / Edgewood	1,000,000	350,000	210,000	1,350,000	1,455,000	1,560,000	1,665,000	1,980,000
	R202	Sugar Maple	1,025,000	358,800	215,300	1,383,800	1,491,450	1,599,100	1,706,750	2,029,700
	R203	East of Ave of Two Rivers	1,100,000	385,000	231,000	1,485,000	1,600,500	1,716,000	1,831,500	2,178,000
	R204	East of Navesink Ave	1,225,000	428,800	257,300	1,653,800	1,782,450	1,911,100	2,039,750	2,425,700
	R205	West of Golf Course	1,075,000	376,300	225,800	1,451,300	1,564,200	1,677,100	1,790,000	2,128,700
	R206	Riverside / Ivins	1,075,000	376,300	225,800	1,451,300	1,564,200	1,677,100	1,790,000	2,128,700
W1- Waterfront Residential 1.5 Acre Standard Lot	W101	West River Waterfront	2,600,000	910,000	546,000	3,510,000	3,965,000	4,238,000	4,511,000	5,330,000
	W102	North Ward Waterfront	2,400,000	840,000	504,000	3,240,000	3,660,000	3,912,000	4,164,000	4,920,000
	W103	Eastside Shrewsbury River	1,900,000	665,000	199,500	2,565,000	2,897,500	2,997,250	3,097,000	3,396,250
	W104	Non-Premium Shrews-Large Sections of Marshland	1,725,000	603,800	50,000	2,328,800	2,630,700	2,655,700	2,680,700	2,755,700
W2- Waterfront Residential 1 Acre Standard Lot	W201	Navesink Waterfront	2,250,000	787,500	472,500	3,037,500	3,273,750	3,510,000	3,746,250	4,455,000
	W202	Non-Premium Nav-Large Sections of Marshland	1,725,000	603,800	50,000	2,328,800	2,353,800	2,378,800	2,403,800	2,478,800
	W203	Blackpoint Horseshoe	1,900,000	665,000	199,500	2,565,000	2,664,750	2,764,500	2,864,250	3,163,500
	W204	Shrewsbury Riverfront	1,725,000	603,800	181,100	2,328,800	2,419,350	2,509,900	2,600,450	2,872,100
	W205	Inlets West of Golf Course	1,275,000	446,300	267,800	1,721,300	1,855,200	1,989,100	2,123,000	2,524,700
	W206	Oyster Bay	1,600,000	560,000	336,000	2,160,000	2,328,000	2,496,000	2,664,000	3,168,000

(figure 14)

Lot Valuation Matrix (Front Foot Costed VCS)

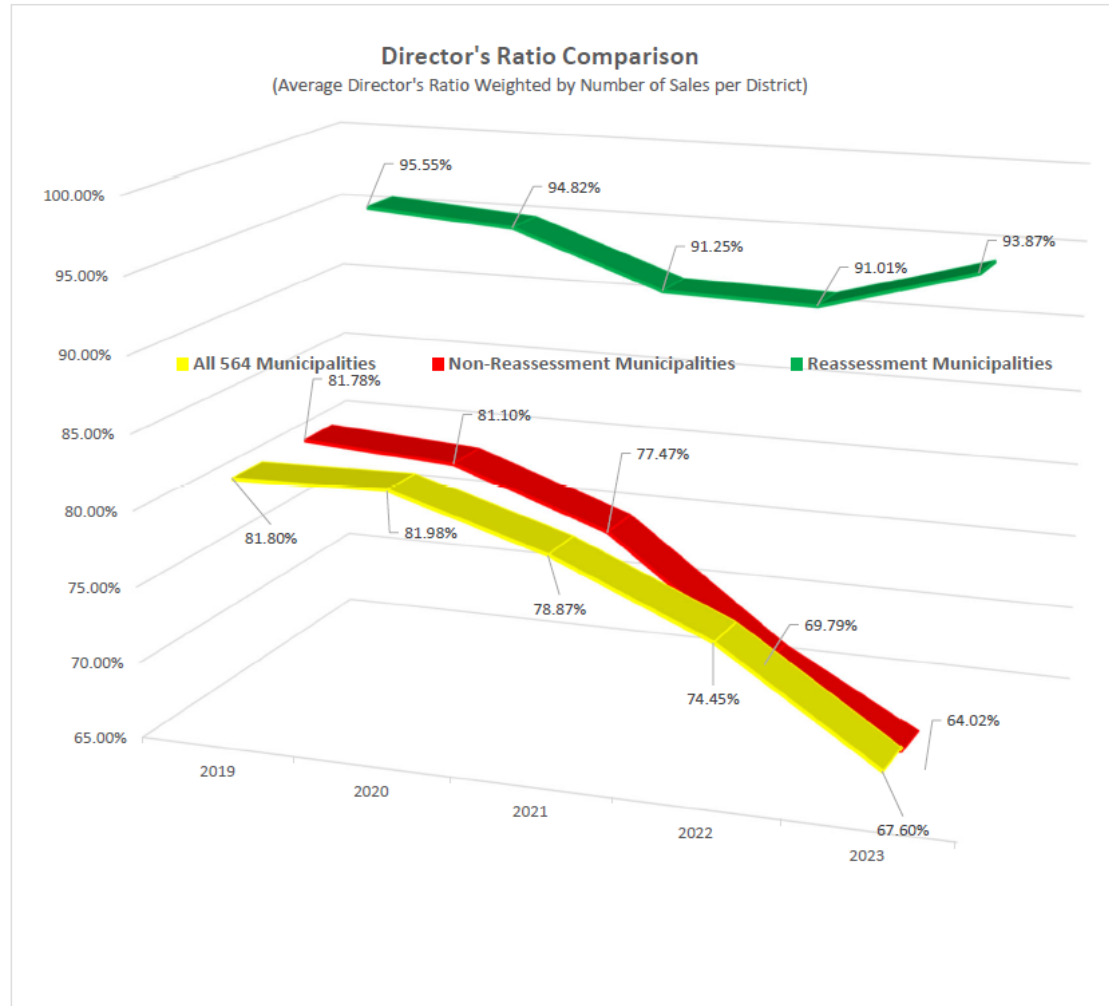
*does not include property specific adjustments (Traffic, flood zone, economic obsolescence, etc.)

Section	VCS	Description	Site	FF Calc (up to 75ft)	FF Calc (after 75ft)	25x75 (.5DF)	50x75 (.5DF)	100x75 (.5DF)	25x150 (1.00DF)	50x150 (1.00DF)	100x150 (1.00DF)	25x250 (1.26DF)	50x250 (1.26DF)	100x250 (1.26DF)
R4- FF Method (Medium Sized Lot Areas)	R401	Cherry/Crabapple	670,000	6,200	4,000	747,500	825,000	952,500	825,000	980,000	1,235,000	865,300	1,060,600	1,381,900
	R402	Bingham/Park	535,000	6,200	4,000	612,500	690,000	817,500	690,000	845,000	1,100,000	730,300	925,600	1,246,900
	R403	Robin/Blossom	695,000	6,200	4,000	772,500	850,000	977,500	850,000	1,005,000	1,260,000	890,300	1,085,600	1,406,900
	R404	Residential North of E River	500,000	6,200	4,000	577,500	655,000	782,500	655,000	810,000	1,065,000	695,300	890,600	1,211,900
	R405	Oak Tree/Park	595,000	6,200	4,000	672,500	750,000	877,500	750,000	905,000	1,160,000	790,300	985,600	1,306,900
	R406	Small Lots East of Ave of Two Rivers	595,000	6,200	4,000	672,500	750,000	877,500	750,000	905,000	1,160,000	790,300	985,600	1,306,900
R5- FF Method (Small Sized Lot Areas)	R501	Church/Lafayette	465,000	6,200	4,000	542,500	620,000	747,500	620,000	775,000	1,030,000	660,300	855,600	1,176,900
	R502	Lennox/Lakeside	435,000	6,200	4,000	512,500	590,000	717,500	590,000	745,000	1,000,000	630,300	825,600	1,146,900
	R503	E River/Center	435,000	6,200	4,000	512,500	590,000	717,500	590,000	745,000	1,000,000	630,300	825,600	1,146,900
	R504	Holly/Bay	465,000	6,200	4,000	542,500	620,000	747,500	620,000	775,000	1,030,000	660,300	855,600	1,176,900
	R505	Ave of Two Riv/Ridge	415,000	6,200	4,000	492,500	570,000	697,500	570,000	725,000	980,000	610,300	805,600	1,126,900
	R506	West park Non-Waterfront	450,000	6,200	4,000	527,500	605,000	732,500	605,000	760,000	1,015,000	645,300	840,600	1,161,900
	R507	West of Golf Course Non-Waterfront	430,000	6,200	4,000	507,500	585,000	712,500	585,000	740,000	995,000	625,300	820,600	1,141,900
W5- FF Method (Small Sized Lot Areas Waterfront)	W501	Highland Ave Waterfront	755,000	8,000	5,000	855,000	955,000	1,117,500	955,000	1,155,000	1,480,000	1,007,000	1,259,000	1,668,500
	W502	West Park Waterfront	755,000	8,000	5,000	855,000	955,000	1,117,500	955,000	1,155,000	1,480,000	1,007,000	1,259,000	1,668,500
	W503	West of Golf Course Waterfront	755,000	8,000	5,000	855,000	955,000	1,117,500	955,000	1,155,000	1,480,000	1,007,000	1,259,000	1,668,500

(figure 15)

EXHIBIT A (1 of 2)

Statewide Comparison of Reassessment vs. Non-Reassessment Districts

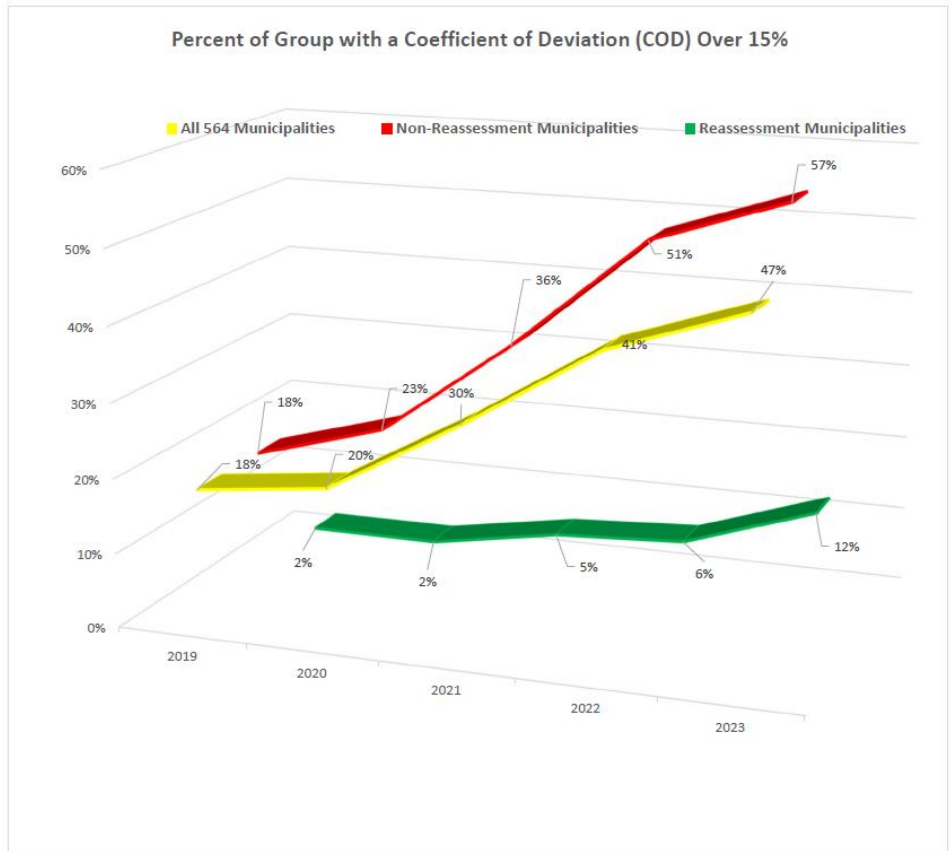
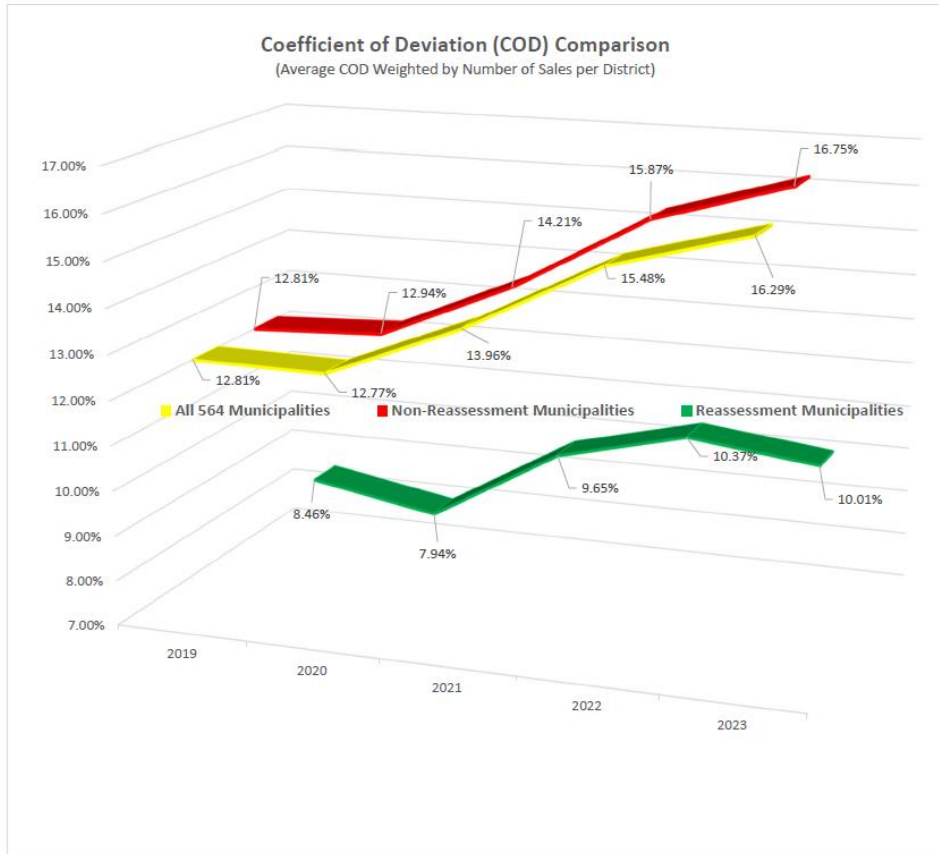


****Reassessment Municipalities are the 83 districts that reassessed every year for the past five years***

*****Non-Reassessment Municipalities are the 395 districts that have done no reassessments or revaluations in at least five years***

EXHIBIT A (2 of 2)

Statewide Comparison of Reassessment vs. Non-Reassessment Districts



****Reassessment Municipalities are the 83 districts that reassessed every year for the past five years***

*****Non-Reassessment Municipalities are the 395 districts that have done no reassessments or revaluations in at least five years***

EXHIBIT B

Division of Taxation removed ability to spread inspections over 8-Year period



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
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TRENTON, NEW JERSEY 08695-0251

PHILIP D. MURPHY
Governor

ELIZABETH MAHER MUOIO
State Treasurer

SHEILA Y. OLIVER
Lt. Governor

JOHN J. FICARA
Acting Director

Telephone (609) 292-7974 / Facsimile (609) 292-9439

MEMORANDUM

TO: Municipal & County Assessors, County Tax Board Administrators & Commissioners

FROM: Shelly Reilly, Assistant Director, Property Administration

DATE: August 18, 2021

SUBJECT: Interior Inspection Cycles for Annual Reassessments

This memorandum is in regard to the inspection cycles for annual reassessments and supersedes the memorandum of August 10, 2018. Pursuant to Chapter 136, Laws of 2021, N.J.S.A. 54:4-23b was amended to remove the language permitting interior inspection cycles to occur over an eight-year period. Now, the statute allows for "an ongoing inspection cycle," with no specified time period in the law.

Since the statute no longer specifies a particular length of interior inspection cycle, the provisions of N.J.A.C. 18:12A-1.14(i) now govern. The maximum permissible length of an interior inspection cycle for annual reassessment is five years. This will be applied prospectively to ensure uniformity amongst the properties within each county.

The Division of Taxation will contact the assessors and county tax administrators for municipalities currently in the midst of eight-year interior inspection cycles on how to proceed with the law's amendment based on the particular facts and circumstances of that municipality.

It remains the policy of the Division of Taxation to have the percentage of inspections equally distributed throughout the inspection cycle. That is, the assessor should inspect 20% of line items each year over the five-year period. If an assessor wishes to deviate from this policy, he or she must provide a written request and justification of the circumstances in the particular municipality to the County Tax Administrator and the Division of Taxation.

If you have any questions, contact the Division of Taxation at (609) 292-7974 or (609) 292-7975.

SR: KB