



ANNUAL REASSESSMENT REPORT OFFICE of the REAL ESTATE ASSESSOR

JANUARY 1, 2009



City of

Chesapeake
VIRGINIA

March 1, 2009

The Honorable Mayor Alan P. Krasnoff & Members of City Council
City of Chesapeake
City Hall
306 Cedar Road, 6th Floor
Chesapeake, VA 23322

RE: January 1, 2009 Revaluation

Dear Mayor Krasnoff and Council Members:

I am pleased to submit for your review the annual report of the Office of the Real Estate Assessor, effective January 1, 2009. This report is very similar in form and content as last year, and is intended to provide you with an executive summary of the real estate analysis process and our conclusions.

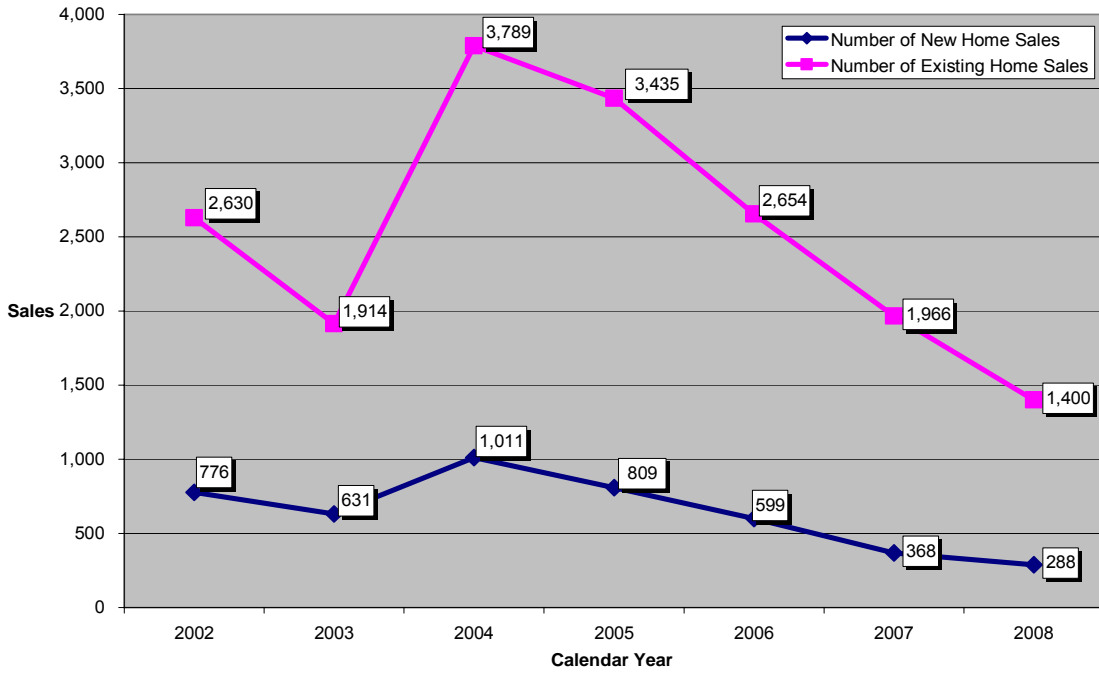
As you are aware, the City Assessor's Office in compliance with Virginia Constitution, Article X estimates the fair market value of all real estate. To accomplish this task, we inspect and collect field data on all new construction, including additions and alterations where permits are obtained. Annually, we conduct reassessment of all real property via a computer-assisted mass appraisal system which is comprised of four major subsystems; sales analysis, data management, valuation, and administration. Utilizing current market data and trends, detailed statistical analysis is performed to measure the accuracy, equality and equity of the value estimate. The office also produces the annual Land Book, processes property transfers, maintains a parcel maintenance inventory system and provides assistance to the public by responding to requests for information relative to real estate assessments. The office Mission Statement is:

“To provide fair and equitable appraisal of real estate for assessment purposes to the citizens and property owners of Chesapeake through effective professional personnel, innovative technology and application of reliable, consistent procedures.”

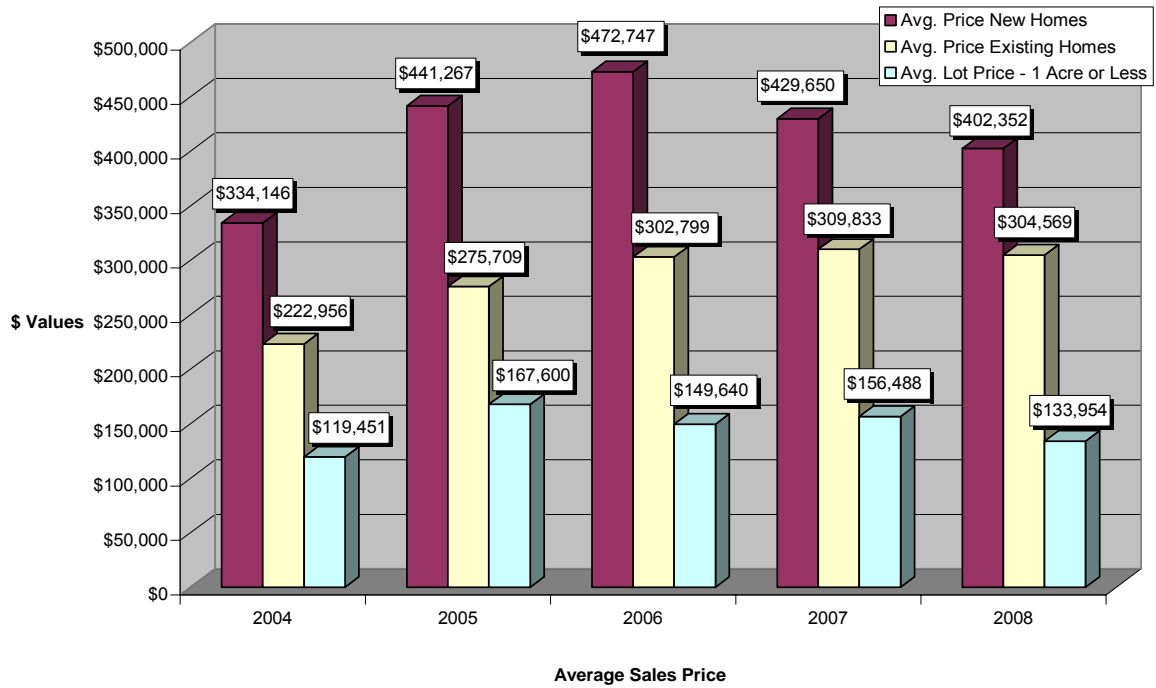
The preceding information is to serve as a brief introduction to the body of this report in which more detailed information is presented.

In order to comply with City Code Chapter 30 Section 119(b) on March 1, 2009, the assessor's office mailed a total of 49,939 assessment change notices to the property owners of the City. These notices are based on information available as of December 31, 2008 and will be applicable July 1, 2009.

**Detached Residential Single Family
Existing and New Home Sales
2002-2008**



**Detached Residential Single Family
New and Existing Home Sales - Lot Prices
2004-2008**



In 2008 the City of Chesapeake continued to experience a significant slow down in the real estate market. Both sales volume and home prices reflected a decline for 2008. During the past year, the region as a whole continued the downward trend in prices paid for residential properties. Chesapeake like some other Hampton Roads cities experienced a declining real estate market, which is reflected in a small overall decrease in the assessed value. A recession that started in December 2007, slow population growth, more stringent requirements for mortgage borrowers, and an over supply of new and existing homes available in the City contributed to the decrease in the sales price for homes. The total number of home sales utilized for our analysis this year was 1,688. This reflects 646 fewer sales than last year.

The number of recorded new home sales utilized for statistical analysis decreased from 368 in 2007 to 288 for the year 2008. This decrease is the direct result of the economic times the region is experiencing. In order for the assessor's office to ensure that we have the best possible sales data available, we continue to use the services of the Real Estate Information Network, Incorporated (REIN). This service allows us to access sales data prior to its recordation in the clerk's office. While we can not directly use any sales that were not recorded as of December 31, 2008, it is very helpful to know the particulars of properties currently under contract. This service simply put, provides an additional resource we can utilize to better facilitate our knowledge of market trends.

Based on the 2008 market data, the average sales price for recorded new home sales in 2008 decreased from \$429,650 to \$402,352. This reflects a decrease of -6.4%. The average selling price of a recorded existing home sale was down to \$304,569 in 2008 from \$309,833 in 2007, a -1.7% decrease. The average recorded lot (one acre or less) sales price was down in 2008 averaging \$133,954. This is a -14.4% decrease from 2007. The lower land values also impact the average sale price of a new home in the City as there is a direct relationship between the land value and the improvement values. The current dynamics of the real estate market are reflected in the data presented. Residential single-family sales for 2008 are summarized and compared with 2007, 2006, 2005, and 2004 (see graphs on opposite page).

**Detached Residential Single-Family
2004 - 2008 Comparison**

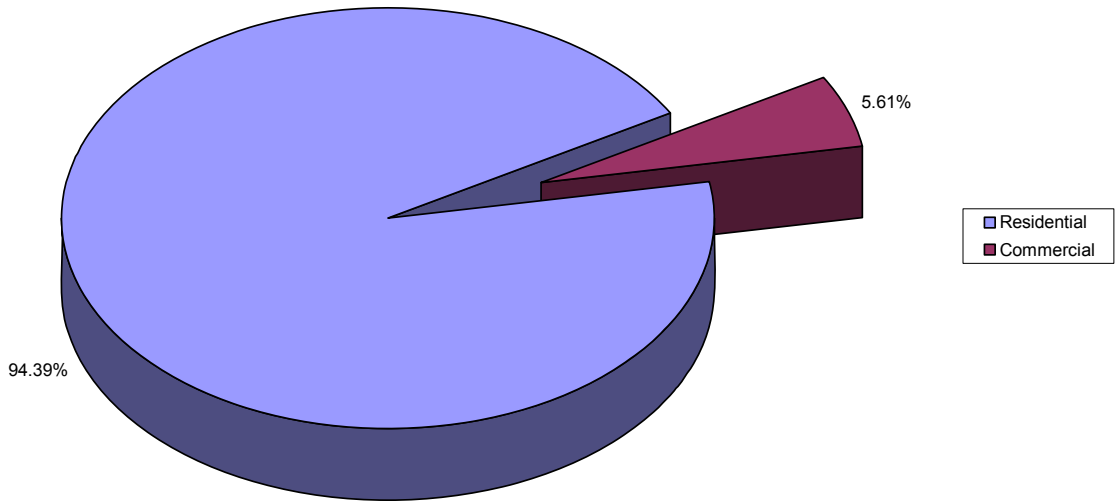
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Number of New Home Sales:	288	368	599	809	1,011
Number of Existing Home Sales:	1,400	1,966	2,654	3,435	3,789
Avg. Price New Homes:	\$402,352	\$429,650	\$472,747	\$441,267	\$334,146
Avg. Price Existing Homes:	\$304,569	\$309,833	\$302,799	\$275,709	\$222,956
Avg. Lot Price – 1 Acre or Less:	\$133,954	\$156,488	\$149,640	\$167,600	\$119,451

The current revaluation of all classes of taxable real estate totaling 79,625 properties resulted in a -1.79% revaluation decrease. This citywide average decrease is a result of individual value changes ranging from double digit percentage decreases, to some 9,777 properties experiencing an increase in value. The value changes this year are in keeping with current market trends. Approximately 29,921 properties will have no change in assessment. A breakdown of some of these areas is found in the body of this report with a complete list of borough decreases and or increases by area in the addendum. Most of the 29,921 properties with no change include underdeveloped parcels, new parcels for the upcoming year, wetlands, and Homeowners Association parcels located throughout the City. Also included are areas that were changed last year which current market data reflects the value is appropriate for this year as well.

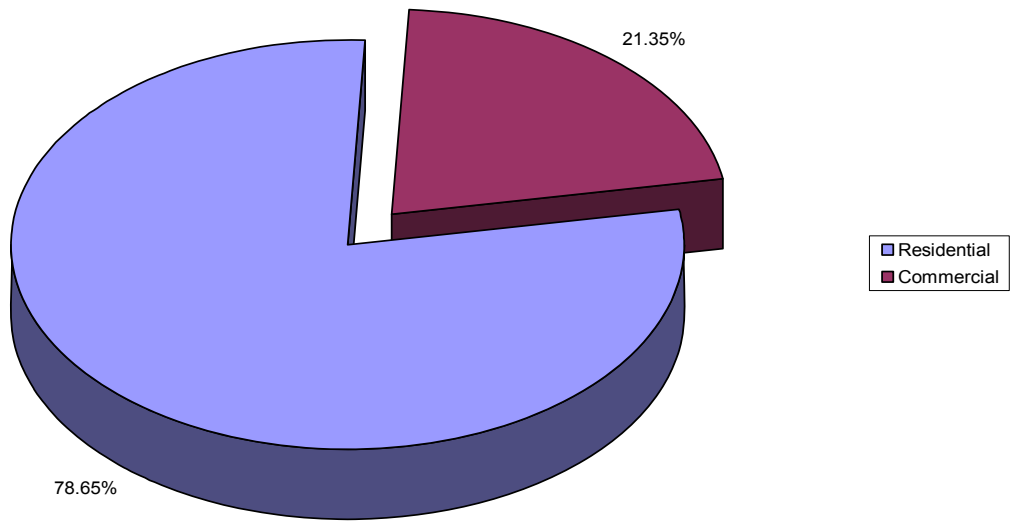
The total residential/agricultural tax base, which represents approximately 79% of the total revaluation, decreased on average -2.70% as a result of the revaluation. The commercial, industrial and apartment complex properties increased overall on average 2.56%.

Please refer to the chart on page 5 summarizing the current and the past eight overall revaluation percentage increases/decreases.

Total Taxable Parcels By Division



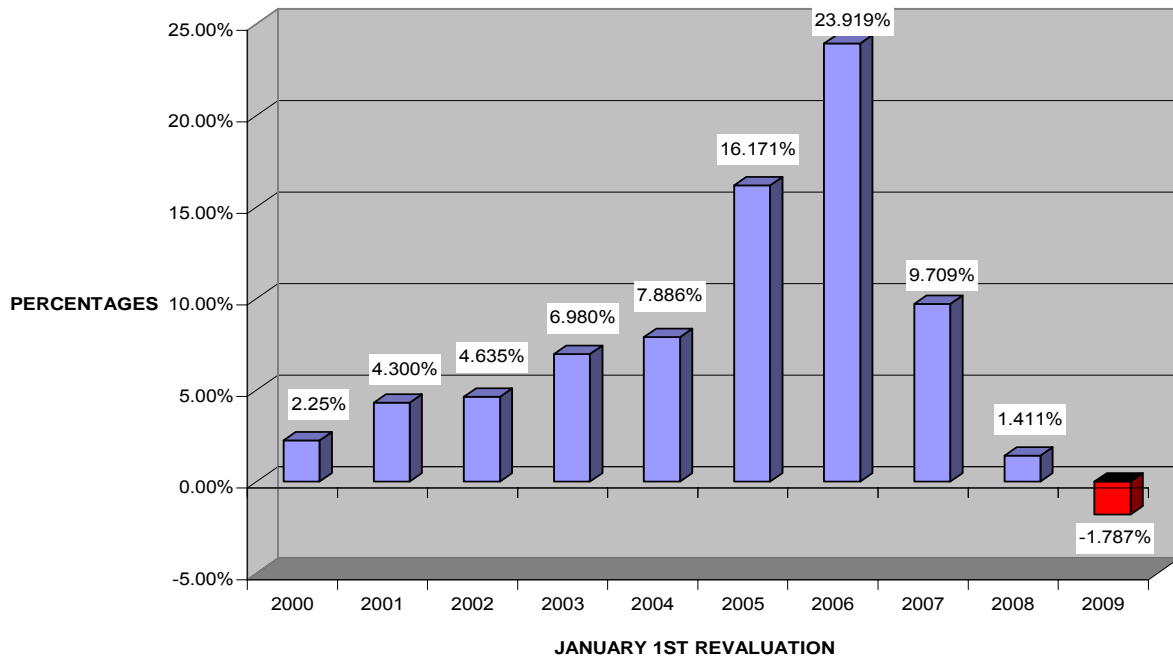
Total Taxable Assessed Value by Division



OVERALL REVALUATION INCREASE/DECREASE

<u>YEAR</u>	<u>PERCENTAGE INCREASE/DECREASE</u>
January 1, 2009	-1.787%
January 1, 2008	1.411%
January 1, 2007	9.709%
January 1, 2006	23.919%
January 1, 2005	16.171%
January 1, 2004	7.886%
January 1, 2003	6.980%
January 1, 2002	4.635%
January 1, 2001	4.300%

OVERALL REVALUATION INCREASES



As always, during the revaluation process, the goal is to have all properties at an equitable assessment level while reflecting market value. This objective is to comply with state code and eliminate any one part of the city or one class of property from being assessed higher or lower than the other properties. Emphasis is always given to finding and correcting any inequities that may exist among similar properties.

REVALUATION SUMMARY

RURAL ACREAGE:

As a result of the 2008 real estate market trends, there was little change to large acreage values. Recommended land use values provided from the Department of Taxation compiled by SLEAC, increased again for the second year after decreasing for nine consecutive years. Cropland and horticulture properties increased approximately 21.4% from last year; forestlands decreased -2.7% from last year. Agriculture class III cropland increased to a new average of \$340 per acre. (see following data). Classification is by soil composition.

STATE LAND EVALUATION ADVISORY COUNCIL DATA						
YEAR	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
TAX RATE	1.28	1.23	1.11	1.06	1.05	
AGRICULTURAL USE						
Class						
I	460	440	360	340	420	510
II	420	400	330	300	380	460
III	310	300	240	220	280	340
IV	250	240	190	180	230	270
V	180	180	150	130	170	200
VI	150	150	120	110	140	170
VII	90	90	70	70	80	100
VIII	90	30	20	20	30	30
FOREST USE						
Class						
EXCELLENT	695	695	670	695	800	780
GOOD	480	480	455	475	555	540
FAIR	325	325	300	315	380	365
NON-PRODUCTIVE	100	100	100	100	100	100

CITY OF CHESAPEAKE				
LAND USE ACREAGE SUMMARY REPORT				
BORO	2009			
	Agricultural	Horticultural	Forestry	Open Space
01 BUTTS RD	9,444.0248	4.0000	3,653.3953	
04 BUTTS RD Mosq	5,125.7463		1,916.3545	186.8360
12 DEEP CREEK	2,903.3763	32.7400	2,920.5445	198.5690
20 PLEAS GR	11,428.6750		5,930.3567	
23 PLEAS GR Mosq	4,647.6021	735.1139	6,725.7848	133.6750
42 WASHINGTON Mosq	455.9663		2,166.5695	200.4710
43 WASH GRB TIF			119.9420	
52 WESTERN BRANCH	418.8914	0.2500	1,071.6247	
TOTALS	34,424.2822	772.1039	24,504.5720	719.5510

**CITY OF CHESAPEAKE
LAND USE TOTALS BY TAX DISTRICT
FOR LAND BOOK 2009-10**

BORO/DISTRIC	NUMBER	LU-VALUE	MARKET VALUE	DEFERRED VALUE
01 BUTTS ROAD	235	14,959,848	74,929,200	60,047,406
04 BUTTS ROAD	147	9,863,513	35,471,800	25,608,287
12 DEEP CREEK	181	15,201,663	70,563,300	55,361,637
20 PLEASANT GROVE	264	19,354,512	78,560,700	59,303,938
23 PLEASANT GROVE	200	13,080,510	75,145,900	62,211,964
42 WASHINGTON	48	7,623,419	41,964,300	34,340,881
43 WASHINGTON TIF	3	69,761	8,234,200	8,164,439
52 WESTERN BRANCH	50	5,309,493	31,396,800	26,087,307
TOTALS	1,128	85,462,719	416,266,200	331,125,859

RURAL DEVELOPMENT:

Rural home sites and rural subdivisions reflected similar changes as other single family residences throughout the City, with some properties experiencing no changes and others decreases. Those of particular note will be indicated further in this summary report

RESIDENTIAL REVIEW AREAS:

In continuing our goal of improving the uniformity of residential assessments, all areas of the city were addressed. In some unique areas a review was done and an effort was made to bring the total assessments in balance with the rest of the area. Buildings were re-measured and any record corrections were made. Properties records were updated if improvements were made without building permits. In most areas, the properties were also observed for age/condition adjustments and market desirability. It is not unusual to see large increases as well as some decreases in the assessments in these areas. While it would be desirable to have every property in the city inspected each year, it is physically impossible, as well as cost prohibitive with the current staffing levels. Areas selected for review are based on analyzing statistical studies data. Emphasis is placed in areas that demonstrate large variances in the assessments and sale prices as compared to the rest of the city. Several areas of the city this year required additional work to make the buildings more uniform in classification to allow for the application of consistent physical adjustments to generate more equitable assessments. Boroughs that were reviewed for the 2009/2010 reassessment are shown following the Addendum in the 2009 annual reassessment report data file.

**OTHER
HIGHLIGHTS:**

Some selected areas that showed higher than average depreciation, in turn resulting in lower property assessments by borough are:

**WESTERN BRANCH
BOROUGH:**

This area received an average decrease of -1.9% with an average dollar decrease of approximately \$8,300.

Average existing home prices in the area increased slightly at 0.3% (from \$326,411 to \$327,362) while new construction dropped -16.7% in the average sales price (from \$428,082 to \$356,403).

Areas reviewed this year included Churchland Park, Oak Point, Poplar Hill, Drum Creek Farms, Point Harbor, Radcliffe Meadows and base maps 4, 5, 9, 10, 15, 16, and 21 thru 23.

Areas with increases:

Ahoy Acres	4.9%
Saints Delight	3.3% (land)
Dunedin	3.2% (land)
Laurel Park	2.9% (land)
Churchland West	2.6% (land)

Areas with decreases:

Weaver Springs	-9.8%
Waterstone	-9.5%
Crystal Lake*	-7.9%
Radcliffe Meadows	-7.1%
Quailshire	-7.0%

*Denotes new construction area

**SOUTH NORFOLK
BOROUGH:**

The average change per parcel in this borough was -0.5% with an average dollar decrease of approximately \$1,000.

Existing home prices declined -3.0% (from \$186,721 to \$181,123). Average new construction prices saw a slightly larger decrease of -4.5% (from \$227,561 to \$217,227).

There were no neighborhoods in South Norfolk where all the parcels received an increase this year.*

Areas with decreases:

Oakdale	-3.4%
Country Woods	-3.2%
Spencer Farm	-3.1%
Varsity Manor North	-3.0%
Varsity Manor West	-2.8%

*A total of nine neighborhoods were reviewed during 2008 and experienced various increase/decreases or no change in value.

Areas reviewed during the year included Oakdale, North Bainbridge, Hoye, Sheridan Heights, Freeman and Rowland Heights.

**DEEP CREEK
BOROUGH:**

The average decrease in this borough was -1.4% with an average dollar decrease of approximately \$5,200 per parcel.

New construction sale prices decreased -1.3% to an average of \$394,479. Existing home prices experienced a slight decrease of -0.7% to \$270,979.

Areas with increases:

Kingstowne	5.5%
Loxley Gardens	3.6%

Areas with decreases:

Cedar Landing Estates*	-13.5%
Marsh Point Estates	-11.1%
Rio Vista	-8.6%
Deep Creek Crossing	-6.1%
Creekwood	-6.0%

*Denotes new construction

Areas physically reviewed were Breeze/Gilmerton, Fordville and Raintree.

**WASHINGTON
BOROUGH:**

This area received a decrease of -3.9% with an average dollar decrease of \$10,873.

New homes sales decreased -4.6% (from \$414,360 to \$395,510), while the existing home price rose 1.1% (from \$285,144 to \$288,255).

Areas that were reviewed this past year were Ford Park, Gracie Park, Queen City, Indian River Landing, Georgetown Colony, Georgetown Place, Georgetown Point, Hunningdon Lakes and Woods, Wedgewood Estates, Kemp Woods, Plantation Lakes and Woods and Clearfield areas.

Areas with increases were:

Ford Park Resub	3.7% (3 parcels)
Mains Creek	3.1%
Ford Park	2.4%
Tanglewood Area	2.0%

Areas that received decreases were:

Riverwalk L - 5	-13.1%
Emerald Forest	-12.4%
Emerald Greens	-12.3%
Hunningdon Lakes	-11.2%
Vance Level	-10.7%
Riverwalk L – 3	-9.5%

**BUTTS ROAD
BOROUGH:**

This area received an average decrease of -2.1% with an average dollar decrease of \$6,987.

Existing home prices in this area decreased -13.9% (from \$392,661 to \$338,188) while the new construction sales price decreased approximately -16.0% (from \$575,073 to \$483,180).

Areas that were reviewed this past year included Waterway Estates, Albemarle Farms North, Waterway Estates Ltd., Schoolhouse Road, Greenhaven, King James Colony, Head of River Road, Beaver Meadows, Albemarle Acres and Bridgefield.

Areas that received increases were:

Chapel Hill Estates	6.4% (land)
Albemarle Farms*	2.7%
Albemarle Colony	3.6%
Albemarle Pines	1.3%

Areas that received decreases were:

King James Colony*	-10.4%
Albemarle Acres West	-5.9%
Albemarle Acres	-5.7%
Waterway Estates	-5.6%
Ravenna	-5.6%
Mt. Pleasant Heights	-5.5%

*Denotes subdivision in the rural area of the city.

**PLEASANT GROVE
BOROUGH:**

This area received an average decrease of -3.2% with an average dollar decrease of \$10,245.

Existing home prices in this area decreased -5.6% (from \$387,083 to \$365,233) with the new construction sales price decreasing -8.9% (from \$649,475 to \$591,629).

Areas that were reviewed this past year included Foxwood North, Shillelagh Farms, West Landing Estates, Ravenwoods, Pine Ridge, Village Farms, Sir Raleigh Estates, Hickory Heights, Hickory Ridge, Hickory Station Estates, Homestead Acres, Pleasant Ridge, Wildwood Heights, Scarborough Drive, Glenwood, Forest Road, Briarwood and Cheshire Forest.

Areas that received increases were:

Dove Acres	11.4% (land)
Grovedale	4.3%
Watermill Cove	4.1%
Hall Property	3.3%

Areas that received decreases were:

Blue Heron	-11.0% (land)
Briarwood	-10.9%
Savannah Heights	-10.7% (land)
Sherwood Forest	-10.0%
Village Farms*	-7.8%

*Denotes subdivision in the rural area of the city.

TOWNHOUSES:

The average sales price dropped -0.7% this past year (from \$186,733 to \$185,331).

The average assessment change per parcel was -0.2% with an average dollar decrease of approximately \$900.00.

Areas with increases:

Edna Street	5.8%
Cedar Lakes	4.0%
Sunrise Hills	4.0%
Harbor North	3.7%
Eric Court	3.6%

Areas with decreases:

Warrington Hall	-9.0%
Point Elizabeth	-6.5%
Hunningdon Lakes	-5.2%
Johnstown Square	-4.7%
Glenleigh	-4.0%

Areas reviewed were Sunrise Hills and Harbor North.

**CONDOMINIUMS
(ATTACHED & DETACHED):**

The average decrease for attached and detached condominiums combined was approximately -2.8%. The average decrease of attached condominiums was -2.3% with an average dollar decrease of \$4,726. The average sales price for new attached condominiums decreased -7.5% (from \$308,910 to \$285,853). The average sales price of existing attached condominiums decreased -0.57% (from \$190,376 to \$189,292).

The average decrease of detached condominiums was -3.9% with an average dollar decrease of -\$10,671 overall. The average resale price of an existing detached condominium dropped -0.64% (from \$264,731 to \$263,013), while new construction sales prices decreased approximately -18.1% (from \$363,011 to \$297,290).

There were several sections of attached and detached condominiums that received increases.

Some being:

Johnstown Place	21.8% (2 units)
Brighton Park**	17.6%
Washington Arms**	16.9%
Heatherpoint	6.3%
Retreat @ Greenbrier (detached)	4.4%

There were several sections of attached and detached condominiums that received above average decreases.

Some being:

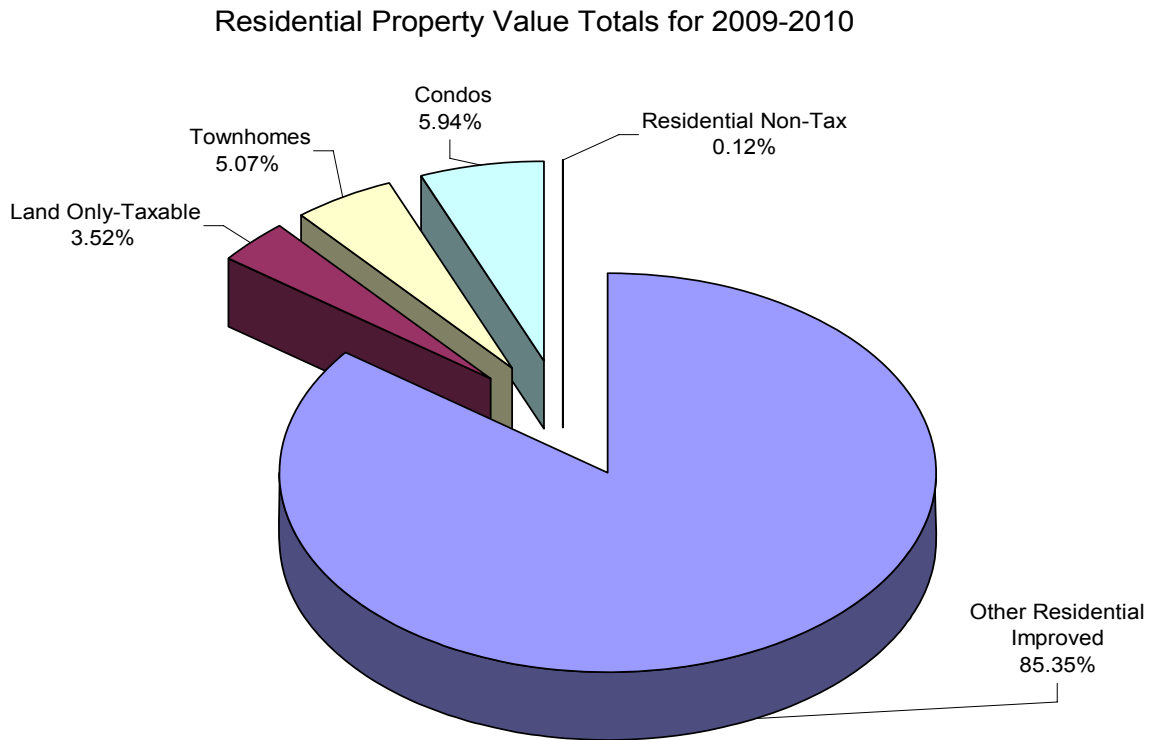
Commons @ Hunningdon (Sr) (detached)	-18.7%
North Trail@ Aboretum (detached)	-10.3%
Riverwalk Estates	-9.6%
Commons @ Hunningdon (detached)	-8.6%
Town Gardens @ Warrington Hall	-8.2%
Providence Point	-7.5%

**Denotes new construction

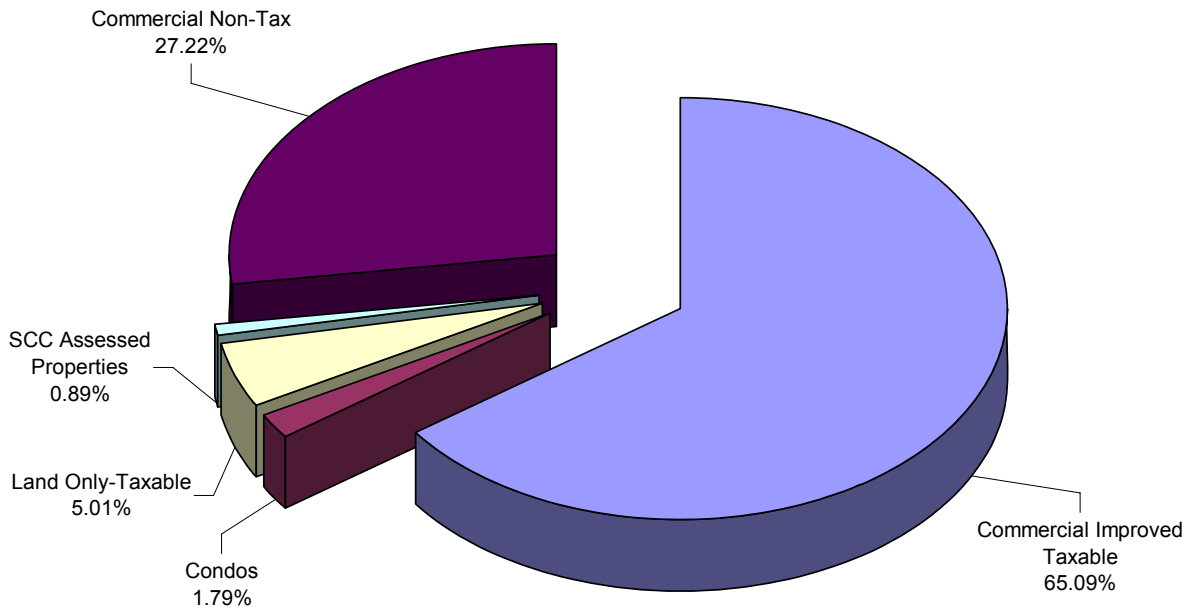
A partial listing of areas/parcels that have no change in assessments:

- **Platted subdivisions without streets and/or utilities**
- **Vacant lots in areas without water and/or sewer**
- **Small lots deemed non-buildable through out the city**
- **Boat Slips**
- **Common Areas, Homeowner Association Properties**
- **Areas where sales supported values established last year.**

In our continuing effort to make sure all properties are properly addressed, we had value changes on 61.5% of all taxable residential parcels and 78.3% of all taxable commercial parcels.



Commercial Property Value Totals for 2009-2010



NOTE: Figures shown in the charts may not add up to 100% due to rounding.

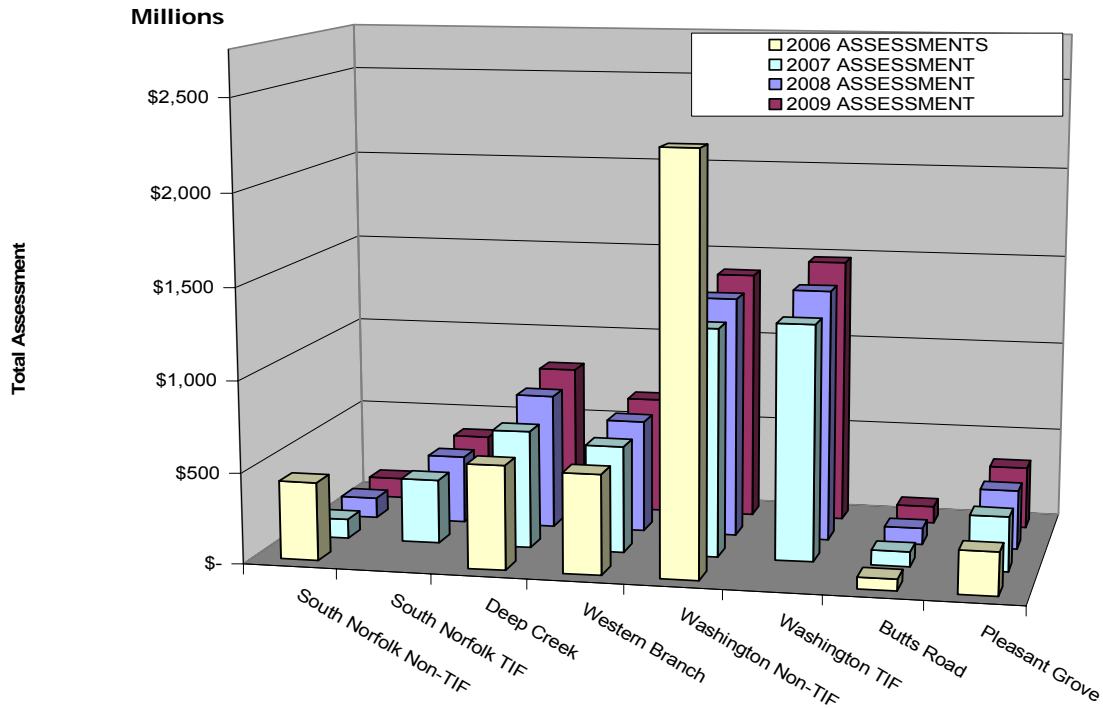
COMMERCIAL/ INDUSTRIAL:

The commercial/industrial market had an increase of 2.56% for the 2009/2010 fiscal year. This translates into a \$131,600,900 increase in the commercial base. Of the 4,476 commercial parcels, 3,823 or 85.4% received an increase. In general, this year’s commercial revaluation reflected a modest overall increase compared to the first-time overall decrease in residential. However, the modest increase of 2.56% for the 2009/2010 tax year continues the trend of slowing growth compared to 2008-2009’s 5.11% and 2007-2008’s 8.10%. The average dollar change per parcel was \$29,401.

Increases by borough were as follows:

Butts Road	2.73%
Deep Creek	4.66%
South Norfolk (TIF Area)	3.38%
South Norfolk (Non-TIF Area)	1.63%
Washington (TIF Area)	1.92%
Washington (Non-TIF Area)	2.14%
Pleasant Grove	1.84%
Western Branch	2.40%

Borough Comparison Commercial 2009/2010



The Revaluation Process:

Although commercial property only comprises approximately 5% of the taxable parcels, it represents approximately 21% of the taxable value. To ensure these properties are valued in accordance with state code and city ordinance, a detailed revaluation process is followed.

The process begins with mass mailings in May/June requesting previous year-end income and expense information. This list is constantly updated to focus on leased properties and thereby lessen mailing expenses. Sales data were also collected and verified through owners, agents, and/or local commercial real estate appraisers. In addition to the requested rental information, published data and general information received from real estate brokers specializing in specific property types and areas were utilized. Sources cited include Old Dominion University's Annual Market Survey and local commercial real estate appraisers for general rental rate and occupancy information.

The information gathered is analyzed based on its type and location. All commercial properties are analyzed by location, as well as, specific property type with attention to known and emerging growth areas. In general, commercial property valuation is performed with consideration paid to all three approaches to valuation. The final valuation may be weighted toward one or more approaches depending upon the type of property valued and the amount of information available. Beginning the revaluation cycle earlier in the year and creating more internal efficiencies have allowed us to maintain the process even through the commercial section had a personnel shortage this past year.

There were several areas throughout the city that experienced higher than average percentage increases. Cavalier Industrial Park continues to be one of the stronger performing areas having an average increase of 5.3%. In Western Branch, the corridor along Portsmouth Boulevard also received a higher increase at 3.6%. In southern Chesapeake, the Edinburg area continues to grow with an increase of 3.2%. The hotel and apartment markets have continued their previous trends and posted smaller appreciation increases for the third year. Apartments increased this year a very modest .86% compared with 3.7% last year. While hotels increased 2.07% compared with 4.3% for last year.

New Construction and Market Activity for the Year:

Hotels were the highlight of 2008's new construction projects. During 2008 we saw the completion of the Aloft, Hyatt, Hampton Inn, and Springhill Suites adding 491 rooms to the Greenbrier area. More notably, the Holiday Inn, which had been closed for extensive remodeling/rebranding, reopened as the Marriott bringing an additional 226 rooms to the Greenbrier market. In all, the number of rooms has increased 34% in the Greenbrier area and 21% in the overall City hotel market. Other notable projects included the Priority Toyota dealership in the Greenbrier area, Earthcore Industries in Cavalier Industrial Park, and a large expansion of Wartsila-Lips in Cavalier. Edinburgh continues to establish itself as Southern Chesapeake's retail center. The area saw construction of several fast food establishments and Cracker Barrel opened its second Chesapeake restaurant. Wal-mart is also expected to begin construction in the Edinburgh area of its fourth Chesapeake location later this spring.

While sales activity slowed in 2008, there were a few noteworthy transactions. In Cavalier Industrial Park, there were several sales including two manufacturing facilities; Alfa-Laval Separation for \$4,930,000 and the former Johnson Controls for \$6,825,000. Also in Cavalier, Tidewater Warehouse an office/warehouse facility sold for \$6,800,000. Creative Office Environments, an office/warehouse facility in Greenbrier Commerce Park, sold for \$3,200,000.

Even though the volume of sales has diminished and vacancies are up slightly, the market has continued to appreciate. This is attributed to Chesapeake's location and the stability of the area. Although insulated by the military and port presence, this area is not immune to the current economic downturn as is evidenced by the closing of several national chains including the electronic retailer Circuit City.

The Outlook for Tax Year 2010-2011:

The decline in appreciation is expected to continue for the upcoming year. Vacancies are showing signs of increasing. Rental rates currently leveling would react negatively to significant increases in vacancy. It is probable that small retailers who were establishing themselves over the past few years will be unlikely to withstand a prolonged slow-down in business, thus adding to the vacancy increase. At present, the only significant new construction currently underway is Gold's Gym in Western Branch, Alta @ Great Bridge, a 192 unit apartment complex, and Chesapeake Marina are expected to be completed in 2009. Edinburgh will likely see more activity from additional small shop retail and restaurants.

Commercial Taxable Assessed Value Range 2009/2010

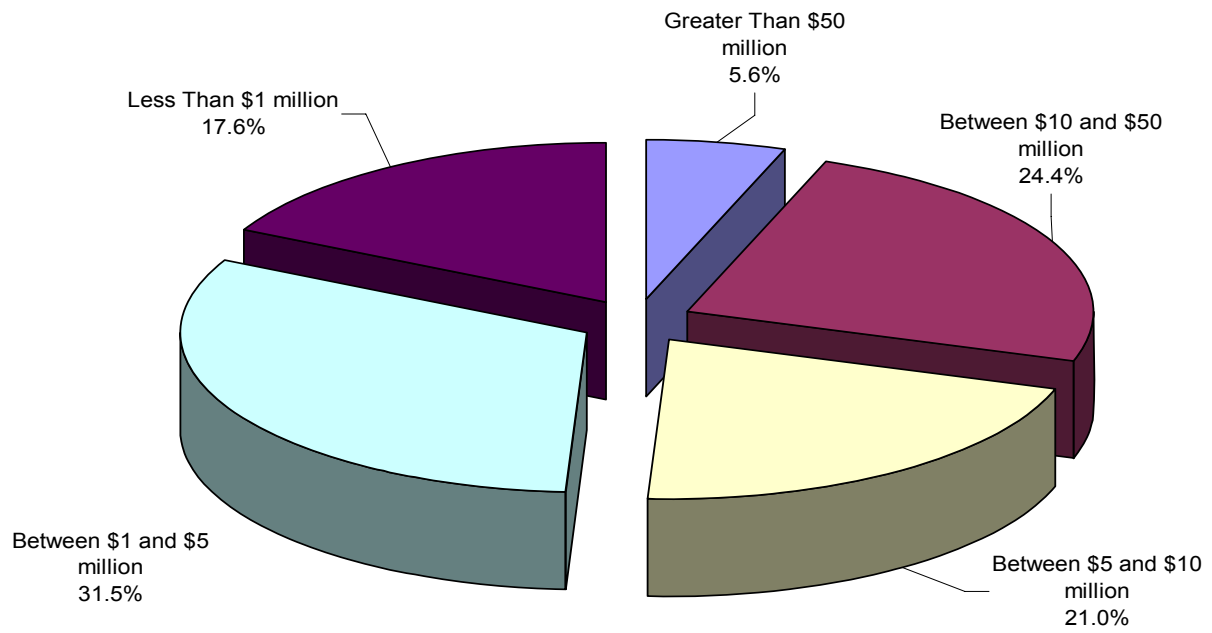


EXHIBIT I

JANUARY 1, 2009 TAX BASE INCREASE FROM JULY 1, 2008 THRU DECEMBER 31, 2008

	<u>BUTTS ROAD</u>	<u>DEEP CREEK</u>	<u>PLEASANT GROVE</u>	<u>SOUTH NORFOLK</u>	<u>WASHINGTON</u>	<u>WEST. BRANCH</u>	<u>CITY TOTAL</u>
July. 1, 2008	1,489,316,303	3,801,809,614	5,711,562,116	1,474,642,100	8,447,219,334	3,669,877,769	24,594,427,236
Jan. 1, 2009	1,468,502,861	3,803,183,063	5,573,211,522	1,487,305,000	8,383,262,080	3,630,539,393	24,346,003,919
% Increase/Decrease	(1.40)	0.04	(2.42)	0.86	(0.76)	(1.07)	(1.011)
Bldg. Permits	5,603,700	22,511,900	23,105,800	4,799,800	67,481,900	15,950,500	139,453,600
% Increase	0.38	0.59	0.40	0.33	0.80	0.43	0.567
Rezoning 1/2009	87,500	3,745,400	87,500	0	463,700	535,000	4,919,100
% Increase	0.01	0.10	0.00	0.00	0.0055	0.01	0.0200
New Parcels 1/09	1,990,900	4,941,900	11,529,700	338,600	27,058,600	2,628,500	48,488,200
% Increase	0.13	0.13	0.20	0.02	0.32	0.07	0.197
Supplementals	550,200	95,800	256,300	5,836,100	1,498,600	1,000	8,238,000
% Increase	0.04	0.00	0.00	0.40	0.02	0.00	0.033
Exonerations	(221,500)	(442,200)	(5,689,300)	(206,700)	(3,498,700)	(65,600)	(10,124,000)
% Decrease	(0.01)	(0.01)	(0.10)	(0.01)	(0.04)	(0.00)	(0.041)
Reval. 1/2009	(28,824,242)	(29,479,351)	(167,640,594)	1,895,100	(156,961,354)	(58,387,776)	(439,398,217)
% Decrease	(1.94)	(0.78)	(2.94)	0.13	(1.86)	(1.59)	(1.787)

The above figures exclude State Corporation Commission and Railroad Properties which were \$979,365,290 for 2008

OBSERVATIONS:

The overall total taxable assessed value as of January 1, 2009 is \$24,346,003,919. This represents a decrease from all causes (revaluation, building permits, rezoning, new subdivision, etc.) of -1.010% rounded over the July 1, 2008 *Land Book* assessed value of \$24,594,427,236. **Exhibit I** is a summary itemizing the tax base changes by borough (see page 19).

The July 1, 2009 *Land Book* (taxable value of the city) is projected to be \$24,494,450,000. This calculates to a -0.41% decrease over the current year. The State Corporation Commission assessments and State-assessed properties are not included but should add over \$979,365,290 to the tax base. **Exhibit II**, (see page 21) shows the assessment estimates projected for the 2009/2010 fiscal year. A report by the Department of Taxation of *The 2007 Assessment/Sales Ratio Study* is the most current received. The last report shows Chesapeake's 2007 overall assessment/sales median ratio before revaluation to be 94.14% with a coefficient of dispersion (C.O.D.) of 6.94%. The C.O.D measures how closely the individual ratios are arrayed around the median. The smaller the dispersion, the more uniform or equitable the assessments are. Chesapeake continues to produce numbers sufficient to place us in the top localities with reference to the Department of Taxation Annual Assessment/Sales Ratio Study. A comparison of some selected jurisdictions is listed:

<u>JURISDICTION</u>	<u>MEDIAN</u>	<u>C.O.D.</u>
Chesapeake	94.14%	6.94%
Newport News	76.93%	7.56%
Virginia Beach	75.70%	12.11%
Hampton	80.25%	9.11%
Portsmouth	73.67%	19.83%
Norfolk	75.88%	12.75%
Suffolk	91.99%	14.17%
Alexandria	98.59%	7.49%
Richmond	89.90%	11.91%
Chesterfield County	84.78%	8.11%
Henrico County	90.42%	7.17%

EXHIBIT II

ASSESSMENT ESTIMATE FOR FISCAL YEAR 2009/2010

<u>Borough</u>	July 1, 2008 Land Book <u>Actual</u>	Jan 1, 2009 New Construction <u>Actual</u>	July 1, 2009 New Construction <u>(Estimated)</u>	2009 Land Book <u>(Estimated)</u>	Jan. 1, 2010 Supplementals <u>(Estimated)</u>
BUTTS ROAD	1,489,316,303	5,603,700	3,125,000	1,500,500,000	2,600,000
DEEP CREEK	3,801,809,614	22,511,900	13,650,000	3,820,800,000	15,950,000
PL. GROVE	5,711,562,116	23,105,800	12,375,000	5,590,500,000	9,875,000
SOUTH NORFOLK	241,496,600	88,500	200,000	244,150,000	200,000
SO. NORFOLK TIF	1,233,145,500	4,711,300	4,050,000	1,250,400,000	5,500,000
WASHINGTON	7,048,092,657	31,477,400	42,262,500	6,955,100,000	28,800,000
GREENBRIER TIF	1,399,126,677	36,004,500	1,165,000	1,473,000,000	500,000
W. BRANCH	3,669,877,769	15,950,500	22,550,000	3,660,000,000	13,600,000
TOTAL:	24,594,427,236	139,453,600	99,377,500	24,494,450,000	77,025,000

With reference to *Assessment/Sales Ratio Study* mentioned herein The Department of Taxation for the Commonwealth of Virginia explains that the utilization of the ratio report is as follows:

Although a number of other measures could be used to measure the locality's true assessment/sales ratio the median has been deemed to be the best measure. The median is unaffected by distortions caused by large sales or "extreme ratios at either end of the spectrum and especially those at the higher end." By not allowing these situations to significantly influence the ratios and by using a large number of sales, the median ratio should give accurate approximation of the existing level of assessment in a locality. Moreover, the accuracy of the median ratio is recognized by the National Association of Tax Administrators, the U.S. Department of Commerce, and special committee of the International Association of Assessing Officers (IAAO).

Statistical Measures

In addition to computing the assessment/sales ratio, the study is also used to help determine how uniform the assessment level is within a locality. Clearly, if real property owners are not assessed uniformly, then the property tax is inequitable. The greater the spread in the assessment ratios, the greater the inequity. The Virginia Department of Taxation uses two widely accepted statistical measures to compare the uniformity of assessment – the index of inequality (coefficient of dispersion) and the regression index.

The coefficient of dispersion is a statistical measure used to measure how closely the individual ratios of each locality are arrayed around the median ratio, with the median being the representative ratio for that locality. The coefficient of dispersion used in the annual *Assessment/Sales Ratio Study* is based on the measure recommended by the IAAO.

A small coefficient of dispersion indicates that the ratios are grouped relatively close to the median and that assessment of property is more equitable. A large coefficient indicates that there is a wide spread in the ratios around the median, reflecting a less uniform assessment of property. The acceptable level for the coefficient of dispersion depends on the type of property considered, and the size of the sample. The IAAO notes that a low coefficient (15 percent or less) tends to be associated with good appraisal uniformity. A coefficient of 15 percent or less indicates a good distribution of assessments for single-family residential properties. Similarly, a coefficient of 20 percent or less indicates a good distribution for more diverse classes of property. A less uniform assessment translates into inequality in actual tax burdens.

The Regression Index

This is another measure used to show the uniformity of assessment. This measure is shown only for the single family residential classification category in the ratio study. This statistical measure gauges the relationships between the ratios of high priced and low priced properties to determine if the value of the property has any influence on the assessment ratio. In theory, it should not since all property should be assessed at the same relationship to fair market value. Statistically, the regression index is defined as the mean ratio divided by the sales weighted average ratio. A value of 1.00 indicates a uniform relationship assessed values and selling prices of properties with different prices.

There is some disagreement among property tax experts about what constitutes a reasonable regression index. This disagreement has not yet been completely resolved; nevertheless, many people believe an index between .95 and 1.05 is reasonable.

Prior to the recent revaluation, this office conducted an assessment/sales ratio study. This study compared the 2008/2009 assessments to the 2008 sale prices of all classes and types of properties. A second assessment/sales ratio study was conducted comparing the after January 1, 2008 revaluation assessments to the same property sales. The results of the second study show the new assessment level now to be:

Mean (Average) Ratio:	96.20%
Median Ratio:	96.30%
Coefficient of Dispersion	4.99%

A summary comparing the two studies, **Exhibit III**, is shown on page 26 for your review.

CLOSING COMMENTS:

As I stated in the beginning of this report, our mission is to provide the fair and equitable appraisal of real estate for assessment purposes. The dominant factor is to distribute the burden of taxation, so far as is practical, evenly and equitably. All assessments of real estate are to be at 100% of their fair market value, to be ascertained as prescribed by law. However, because of the recognized difficulty in determining true fair market value, the Virginia Supreme Court has never struck down an assessment done at less than fair market value. In place of this standard, the Virginia Supreme Court has made the “uniformity requirements” the paramount requirement in taxation of property. In order to accomplish our required job tasks as outlined, we are committed to being knowledgeable of the most current methods and technologies available to the appraisal/assessment profession. Having worked with this staff for the past five years, I can assure you that the assessor’s office staff is professional, proficient in their job duties and committed to doing the very best job they possibly can.

By virtue of this commitment, the Real Estate Office has positioned itself in the forefront of the assessment field. This will allow us to better service the citizens of Chesapeake.

Additional information attached for your consideration includes department accomplishments, objectives, historical data, and current economic trends.

1. Department Accomplishments and Objectives
2. Annual Assessment Increases
3. Tax Base Projections Compared to Actual Tax Base Values
4. Land Book Property Values
5. Tax Rates by Boroughs
6. Borough Assessment Data
7. Taxable New Construction
8. Borough Review Data

ASSESSMENT DETAIL SHEET

2009/2010

Average Assessment Decrease Overall	-1.79%
Average Residential Assessment Decrease	-2.70%
Average Commercial Assessment Increase	2.56%

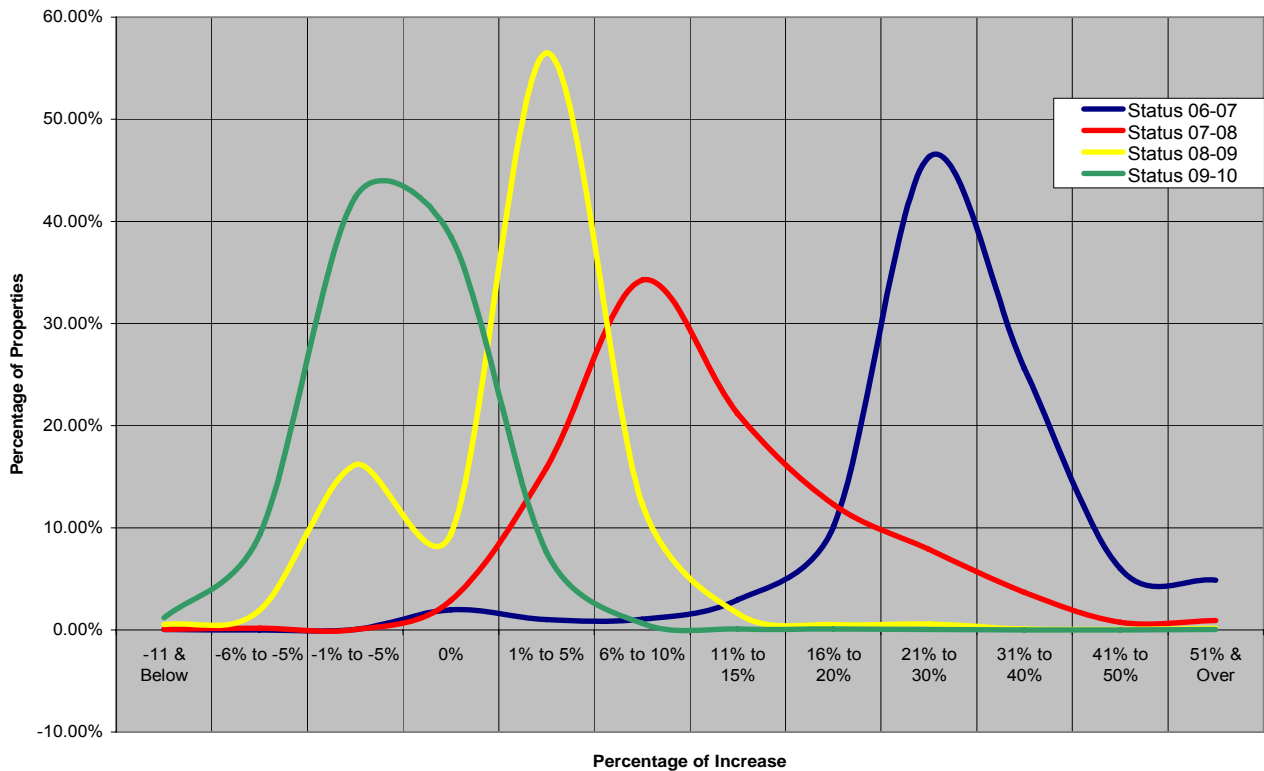
Residential Properties Status 09-10

Total Number of Taxable Residential Parcels	75,127
Properties Experiencing a Decrease in Assessments	52.9%
Properties Experiencing No Change in Assessments	38.5%
Properties Experiencing a 1% -10% Increase in Assessments	8.3%
Properties Experiencing a 11% or Greater Increase in Assessments	0.3%
Total Residential Properties Experiencing Change in Assessments	61.5%

Commercial Properties Status 09-10

Total Number of Taxable Commercial Parcels	4,498
Properties Experiencing a Decrease in Assessments	4.1%
Properties Experiencing No Change in Assessments	21.7%
Properties Experiencing a 1% - 10% Increase in Assessments	66.5%
Properties Experiencing a 11% or Greater Increase in Assessments	7.7%
Total Commercial Properties Experiencing Change in Assessments	78.3%

Residential Properties Status 2006-2010



Assessment / Sales Ratio Report

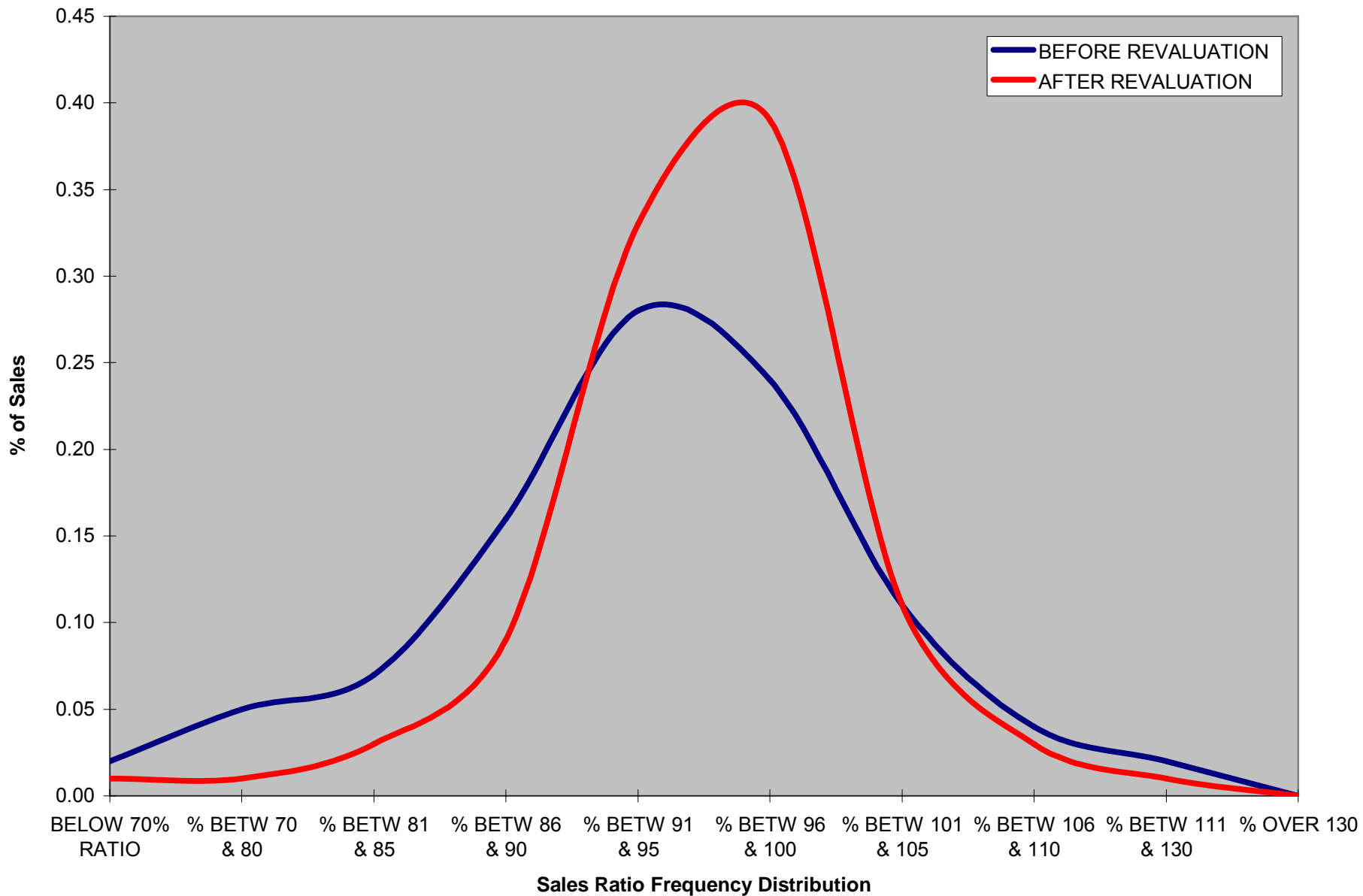


EXHIBIT III

**CITY OF CHESAPEAKE
ASSESSMENT/SALES RATIO REPORT
FOR 2008**

JANUARY 1, 2009

BEFORE REVALUATION

TOTAL SAMPLE2,596
TOTAL SALES AMT866,434,510
AVERAGE SALE.....333,757
TOTAL ASSE AMT.....812,569,500
AVERAGE ASSESSMENT.....313,008
AGGREGATE RATIO0.938
MEDIAN RATIO0.980
MEAN RATIO.....0.973
AVERAGE DEVIATION0.068
COFFECIENT OF DIS..... 6.971
STANDARD DEVIATION..... 9.959
PRICE REL DIFF1.037

RANGE % OF SAMPLE

BELOW 70% RATIO0.02
% BETW 70 & 80.....0.03
% BETW 81 & 85.....0.04
% BETW 86 & 90.....0.08
% BETW 91 & 95.....0.21
% BETW 96 & 100.....0.28
% BETW 101 & 105.....0.20
% BETW 106 & 110.....0.10
% BETW 111 & 130.....0.05
% OVER 130.....0.00

AFTER REVALUATION

TOTAL SAMPLE.....2,596
TOTAL SALES AMT866,434,510
AVERAGE SALE.....333,757
TOTAL ASSE AMT812,706,500
AVERAGE ASSESSMENT.....313,061
AGGREGATE RATIO0.938
MEDIAN RATIO0.963
MEAN RATIO0.962
AVERAGE DEVIATION0.048
COEFFICIENT OF DIS4.999
STANDARD DEVIATION.....7.633
PRICE REL DIFF1.026

RANGE % OF SAMPLE

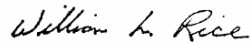
BELOW 70% RATIO0.01
% BETW 70 & 800.02
% BETW 81 & 850.03
% BETW 86 & 900.09
% BETW 91 & 950.30
% BETW 96 & 1000.38
% BETW 101 & 1050.12
% BETW 106 & 1100.04
% BETW 111 & 1300.02
% OVER 130.....0.00

Based on all current indications, the City should continue with a subdued real estate market next year (2009). We anticipate that housing prices will continue to decline the first half of 2009 and stabilize thereafter. We feel that once this happens the City will achieve an appreciation rate similar to that of the 1990's. (See Page 34).

Finally, I have included a report showing the effects of the revaluation to the tax rate. This information is to comply with *Title 58.1-3321 of the Code of Virginia* regarding a Public Notice of a Tax Increase. When any annual assessment results in an increase of 1% or more in the total real property tax levied, such county, city, or town shall reduce its rate of levy for the forthcoming tax year so as to cause such rate of levy to produce no more than 101 percent of the previous year's real property tax levies, unless subsection B of this section is complied with. Subsection B states that the governing body of a county, city, or town may, after conducting a public hearing, which shall not be held at the same time as the annual budget hearing, increase the rate above the reduced rate required in subsection A above if any such increase is deemed to be necessary by such governing body. While this was not the case this year the information is included for reference purposes only.

If you should have any questions, or wish to discuss the information presented in the report in more detail, please advise.

Sincerely,



William L. Rice
Real Estate Assessor

WLR/da

Attachments: Various Supporting Documents

cc: William E. Harrell, City Manager
Ronald S. Hallman, City Attorney
Betty J. Meyer, Deputy City Manager
Dolores A. Moore, City Clerk
Angelia G. Yancey, Budget Director

ACKNOWLEDGMENT

I wish to thank all of the Real Estate Assessor's dedicated staff who helped with this report.

Addendum

DEPARTMENT ACCOMPLISHMENTS AND OBJECTIVES

FACT SHEET 2008

Accomplishments:

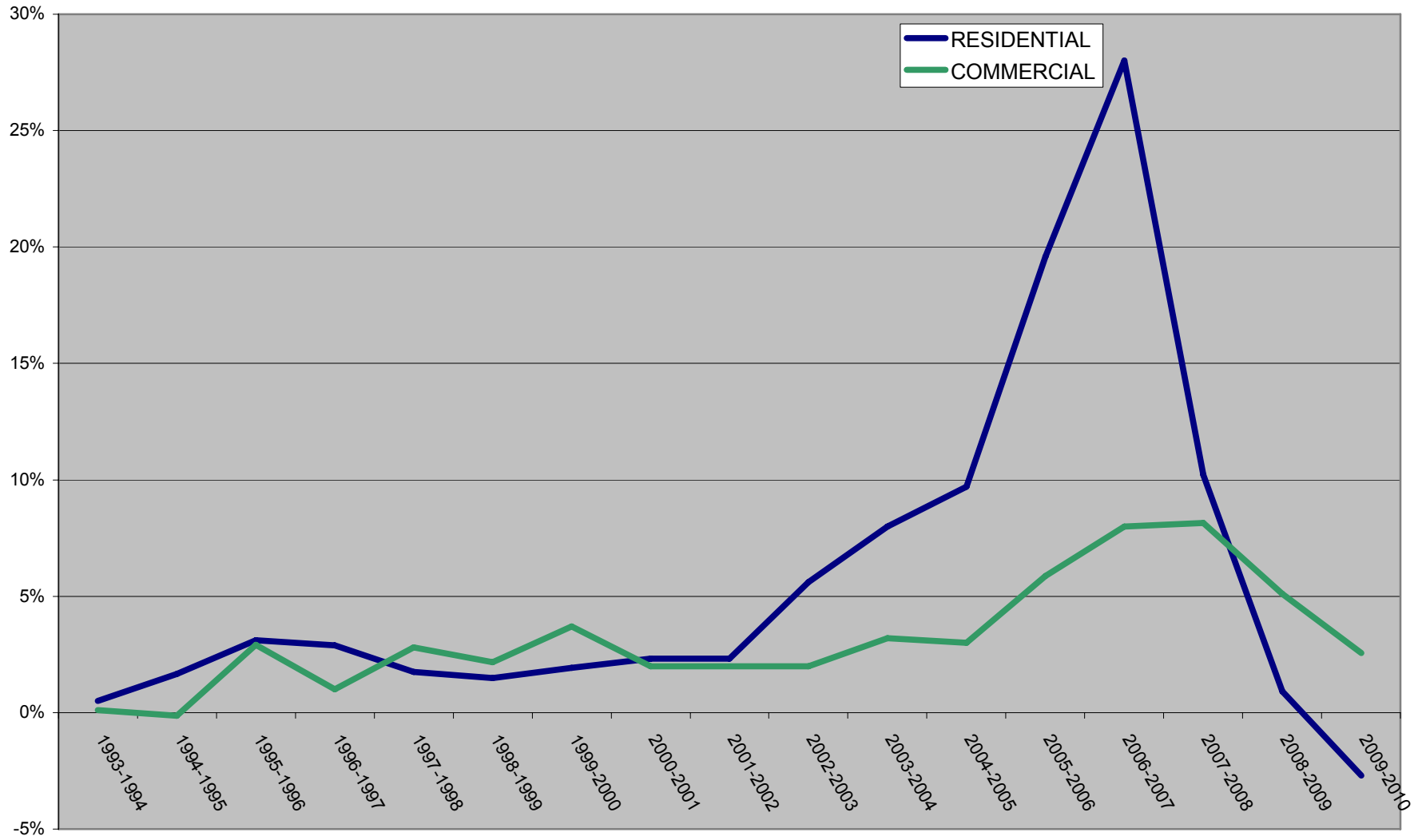
1. **Successful Completion of the Annual Reassessment.**
2. **Expanded our Review Process.**
3. **Completed a Parcel-by-Parcel Inventory.**
4. **Provide our Annual Reassessment Report online.**
5. **Flexible work schedules=Upbeat in Morale=Improved Operations.**
6. **Cross training=A Continual Daily Routine.**
7. **Completed Implementation of a New Pricing Schedule/Cost Tables for Residential Dwellings.**
8. **Established a Uniform Pricing Schedule for Outbuildings.**
9. **Continual Education=Equipped and Professional Staff.**
10. **Upgraded Equipment=Less “Down Time”=More Efficient Use of Time.**
11. **Continue to refine Assessment Notice Mailing Process=Positive use of Employee Time.**
12. **Filled vacant positions=Even Distribution of Workloads**
13. **Implementation of New Reassessment Procedures.**
14. **Updated General Filing System=Easier Access to Current Documents.**
15. **Upgraded Department Budget Reporting Documents=Accuracy on the “Bottom-line.”**
16. **Eliminated need for Overtime required for the Revaluation Process through increased Efficiencies.**

DEPARTMENT ACCOMPLISHMENTS AND OBJECTIVES

Objectives:

1. **Completion of a Strategic Plan for the Real Estate Assessor's Office.**
2. **Proceed with the update and/or replace the computer assisted mass appraisal system (CAMA) in conjunction with the Information Technology Department.**
3. **Completion of the Expanded Sketch Element for the Mass Appraisal System .**
4. **Develop New Ways to Better Serve the Public.**
5. **Fill three vacant positions to assure New Construction is properly addressed and the Revaluation Process remains at a "High" level of Integrity and always Equitable.**
6. **Incorporate new standards regarding procedures used when reviewing City and tax exempt properties (Master Parcel List).**
7. **Continue to educate our staff.**
8. **Find new ways to upgrade/improve our current website to include mapping capability, and redesign display for Commercial Property.**
9. **Review our current Land Use Program.**
10. **Continue to streamline Data Entry process.**
11. **Finalize automation of the Exoneration and Supplemental and Rollback Taxes process.**
12. **Explore the Re-engineering of the Assessment Process**
13. **Be Open to Change!**

Assessment Percentage Increases/Decrease 1993-Present

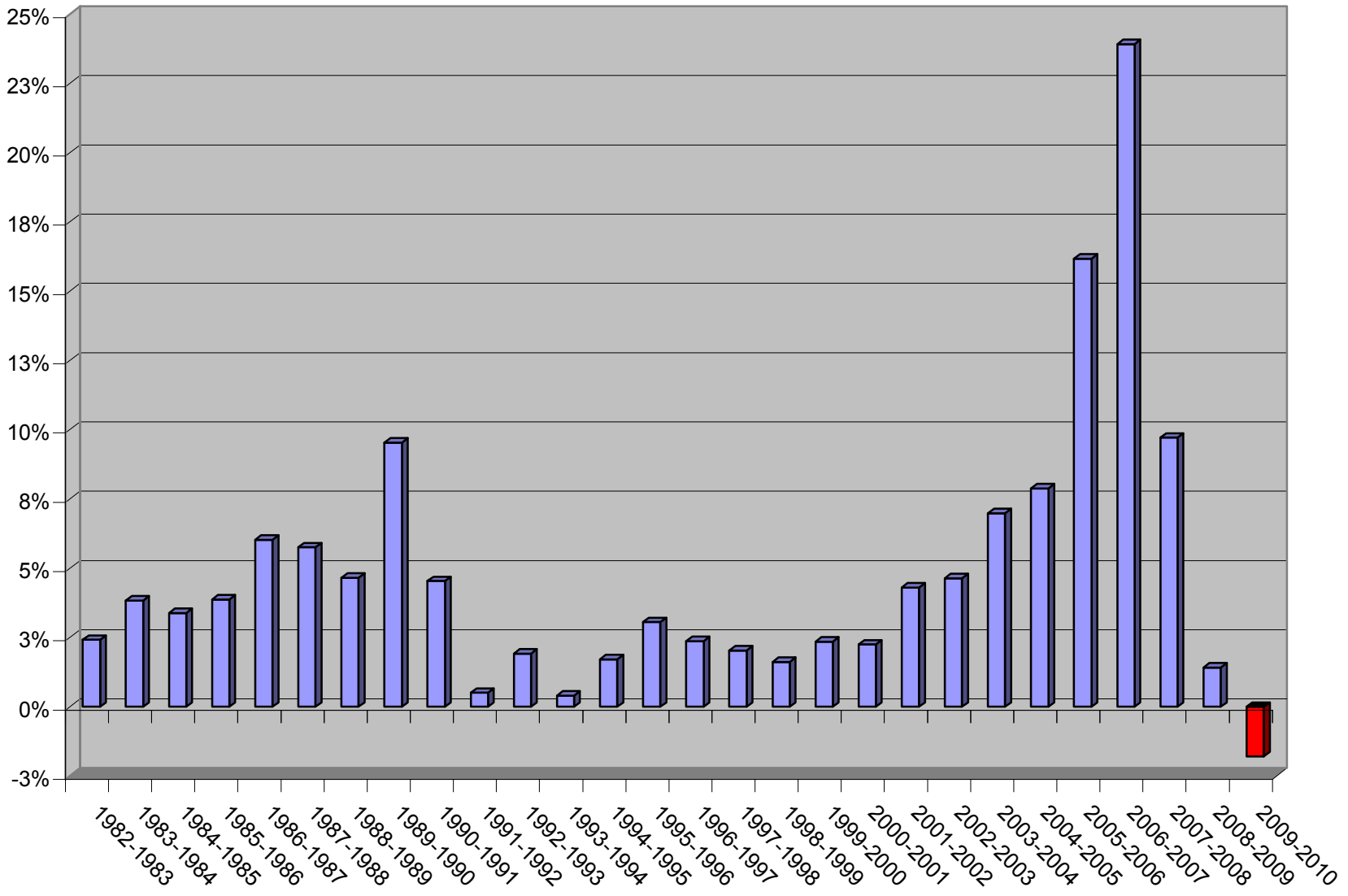


CITY OF CHESAPEAKE ASSESSMENT INCREASE/DECREASE

Assessment Increase/Decrease is the percentage of difference calculated between the past fiscal year assessed value and the current fiscal year assessed value minus allowable deductions (new construction, rezoning and new subdivisions).

FISCAL YEAR	RESIDENTIAL	COMMERCIAL	OVERALL ASSESSMENT INCREASE/DECREASE	TAX RATE
2009/10	-2.70%	2.56%	-1.787%	?
2008/09	0.69%	5.10%	1.4110%	1.05
2007/08	10.20%	8.10%	9.7000%	1.06
2006/07	28.00%	8.00%	23.9190%	1.09
2005/06	19.60%	5.86%	16.1710%	1.21
2004/05	9.70%	3.00%	7.8860%	1.26
2003/04	8.00%	3.20%	6.9800%	1.26
2002/03	5.60%	2.00%	4.6352%	1.26
2001/02	2.33%	2.00%	4.3000%	1.26
2000/01	2.33%	2.00%	2.2510%	1.26
1999/00	1.93%	3.69%	2.3473%	1.26
1998/99	1.48%	2.17%	1.6160%	1.26
1997/98	1.74%	2.80%	2.0292%	1.26
1996/97	2.90%	1.00%	2.3743%	1.26
1995/96	3.11%	2.91%	3.0564%	1.26
1994/95	1.67%	-0.14%	1.7106%	1.27
1993/94	0.50%	0.10%	0.4055%	1.285

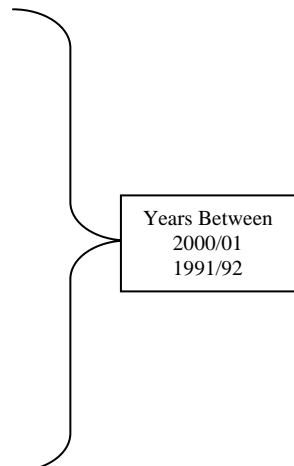
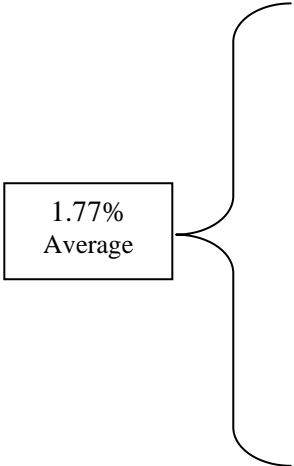
Overall Assessment Increase/Decrease 1982 to Present



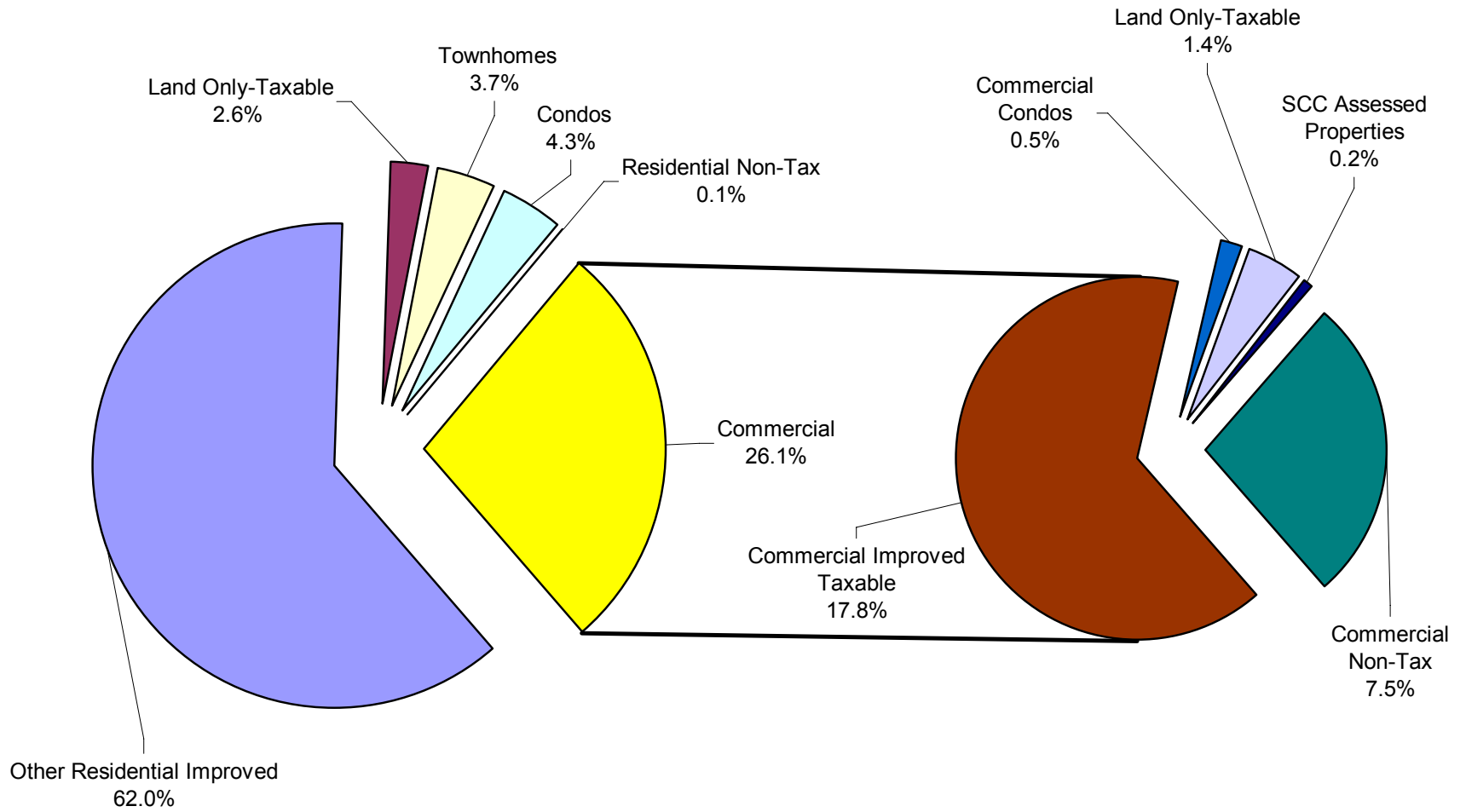
CITY OF CHESAPEAKE
ASSESSMENT INCREASE/DECREASE

Assessment Increase/Decrease is the percentage of difference calculated between the past fiscal year assessed value and the current fiscal year assessed value minus allowable deductions (new construction, rezoning and new subdivisions).

<u>FISCAL YEAR</u>	<u>ASSESSMENT INCREASE/DECREASE</u>
2009/10	-1.787%
2008/09	1.411%
2007/08	9.709%
2006/07	23.919%
2005/06	16.171%
2004/05	7.886%
2003/04	6.980%
2002/03	4.635%
2001/02	4.300%
2000/01	2.251%
1999/00	2.347%
1998/99	1.616%
1997/98	2.029%
1996/97	2.374%
1995/96	3.056%
1994/95	1.170%
1993/94	0.405%
1992/93	1.916%
1991/92	.0504%
1990/91	4.537%
1989/90	9.533%
1988/89	4.644%
1987/88	5.753%
1986/87	6.025%
1985/86	3.875%
1984/85	3.388%
1983/84	3.836%
1982/83	2.420%
1981/82	4.280%



Total Assessment Breakout 2009/2010



**CITY OF CHESAPEAKE
OFFICE OF THE REAL ESTATE ASSESSOR**

TAX BASE PROJECTIONS COMPARED TO ACTUAL TAX BASE VALUES

<u>YEAR</u>	<u>JAN 1, REVALUATION LAND BOOK ESTIMATE</u>	<u>ACTUAL JULY 1 LAND BOOK VALUE</u>	<u>% CHANGE FROM PREVIOUS JULY 1 LAND BOOK</u>	<u>VARIATION</u>
2008	\$24,551,222,677	\$24,594,427,236	+3.31%	+43,204,559
2007	\$23,691,551,962	\$23,807,521,974	+12.35%	+115,970,012
2006	\$21,080,485,980	\$21,190,154,032	+27.55%	+109,668,082
2005	\$16,175,398,253	\$16,612,591,512	+20.07%	+437,193,259
2004	\$13,706,040,240	\$13,835,216,171	+11.46%	+129,175,931
2003	\$12,388,145,467	\$12,412,427,395	+9.44%	+24,281,928
2002	\$11,279,895,199	\$11,341,502,218	+7.73%	+61,607,019
2001	\$10,471,869,973	\$10,527,780,299	+7.21%	+55,910,326
2000	\$ 9,762,557,235	\$ 9,820,128,918	+5.57%	+57,571,683
1999	\$ 9,243,144,714	\$ 9,302,371,434	+6.23%	+59,226,720
1998	\$ 8,734,621,000	\$ 8,756,437,211	+4.76%	+21,816,211
1997	\$ 8,293,381,274	\$ 8,358,203,649	+5.94%	+64,822,375
1996	\$ 7,870,799,628	\$ 7,889,565,280	+5.84%	+18,765,652
1995	\$ 7,447,835,968	\$ 7,453,922,873	+6.94%	+6,086,905
1994	\$ 6,939,761,390	\$ 6,969,883,800	+5.59%	+30,122,410
1993	\$ 6,613,455,222	\$ 6,600,614,263	+4.19%	(-12,840,959)
1992	\$ 6,332,608,421	\$ 6,335,362,960	+5.26%	+2,754,539
1991	\$ 6,020,839,915	\$ 6,018,953,856	+3.65%	(- 1,886,059)
1990	\$ 5,779,900,869	\$ 5,807,013,476		+27,112,607

The above numbers represent assessed/appraised values and not tax dollars.

**CITY OF CHESAPEAKE
LAND BOOK PROPERTY VALUES**

This chart represents both commercial and residential Land Book taxable figures broken-down for the fiscal year time periods indicated. The next to last column indicates the non-taxable property values for the coinciding fiscal year. The last column indicates the actual taxable amount.

FISCAL YEAR ENDING JUNE 30TH	COMMERCIAL	NON-COMMERCIAL	NON-TAXABLE Land Use Deferral	TOTAL TAXABLE
2008=09/10	5,325,977,326	19,268,449,910	2,006,981,772	24,594,427,236
2007=08/09	4,589,986,849	19,217,535,125	1,855,633,200	23,807,521,974
2006=07/08	4,078,973,175	17,111,180,857	1,751,578,000	21,190,154,032
2005=06/07	3,647,245,352	12,660,197,347	1,651,952,000	16,612,591,512
2004=05/06	3,328,918,435	10,506,297,736	1,531,618,400	13,835,216,171
2003=04/05	3,124,355,852	9,288,071,543	1,409,041,600	12,412,427,395
2002=03/04	2,980,057,518	8,361,444,700	1,219,596,700	11,341,502,218
2001=02/03	2,831,790,373	7,695,989,926	1,128,664,100	10,527,780,299
2000=01/02	2,661,931,401	7,158,197,517	1,117,784,200	9,820,128,918
1999=00/01	2,531,900,272	6,770,471,162	1,078,568,300	9,302,371,434
1998=99/00	2,341,175,149	6,415,262,026	1,042,747,000	8,756,437,211
1997=98/99	2,172,967,300	6,185,781,053	856,091,600	8,358,203,649
1996=97/98	2,094,270,702	5,795,294,578	877,499,100	7,889,565,280

Add Non-Taxable to Total Taxable to get totals before land use deferral is deducted.

CITY OF CHESAPEAKE TAX RATES (1990 to Present)

Boro	89/90	90/91	91/92	92/93	93/94	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09
01	1.23	1.285	1.285	1.285	1.285	1.27	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.28	1.28	1.23	1.11	1.06	1.05
04	1.255	1.31	1.31	1.31	1.31	1.295	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.23	1.11	1.06	1.05
10	1.23	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----
12	1.255	1.31	1.31	1.31	1.31	1.295	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.23	1.11	1.06	1.05
20	1.23	1.285	1.285	1.285	1.285	1.27	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.28	1.28	1.23	1.11	1.06	1.05
23	1.255	1.31	1.31	1.31	1.31	1.295	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.23	1.11	1.06	1.05
30	1.255	1.31	1.31	1.31	1.31	1.295	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.23	1.11	1.06	1.05
31																	1.23	1.11	1.06	1.05
40	1.23	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----
42	1.255	1.31	1.31	1.31	1.31	1.295	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.23	1.11	1.06	1.05
43																	1.23	1.11	1.06	1.05
52	1.255	1.31	1.31	1.31	1.31	1.295	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.23	1.11	1.06	1.05

BOROUGH/DISTRICT #s REPRESENT THE FOLLOWING

01	Butts Road	20	Pleasant Grove	43	Washington TIF
03	Butts Road Mosq.San. N/A	22	Pleasant Grove Mosq. San. N/A	44	Washington Mosq. I.R.W. N/A
04	Butts Road Mosq.	23	Pleasant Grove Mosq.	45	Washington Mosq. D.C.S. N/A
10	Deep Creek	30	South Norfolk	52	Western Branch Mosq.
12	Deep Creek Mosq.	31	South Norfolk TIF	54	Western Branch Mosq. San N/A
14	Deep Creek Mosq. San. 1 N/A	40	Washington	51	Western Branch N/A
15	Deep Creek Mosq. San. 2 N/A	42	Washington Mosq.		

*City of Chesapeake incorporated Mosquito Control for 7/1/90 except most southern and eastern areas

*Mosquito Control expanded for 03/04

*TIF South Norfolk created 1/1/06

*TIF Greenbrier created 1/1/06

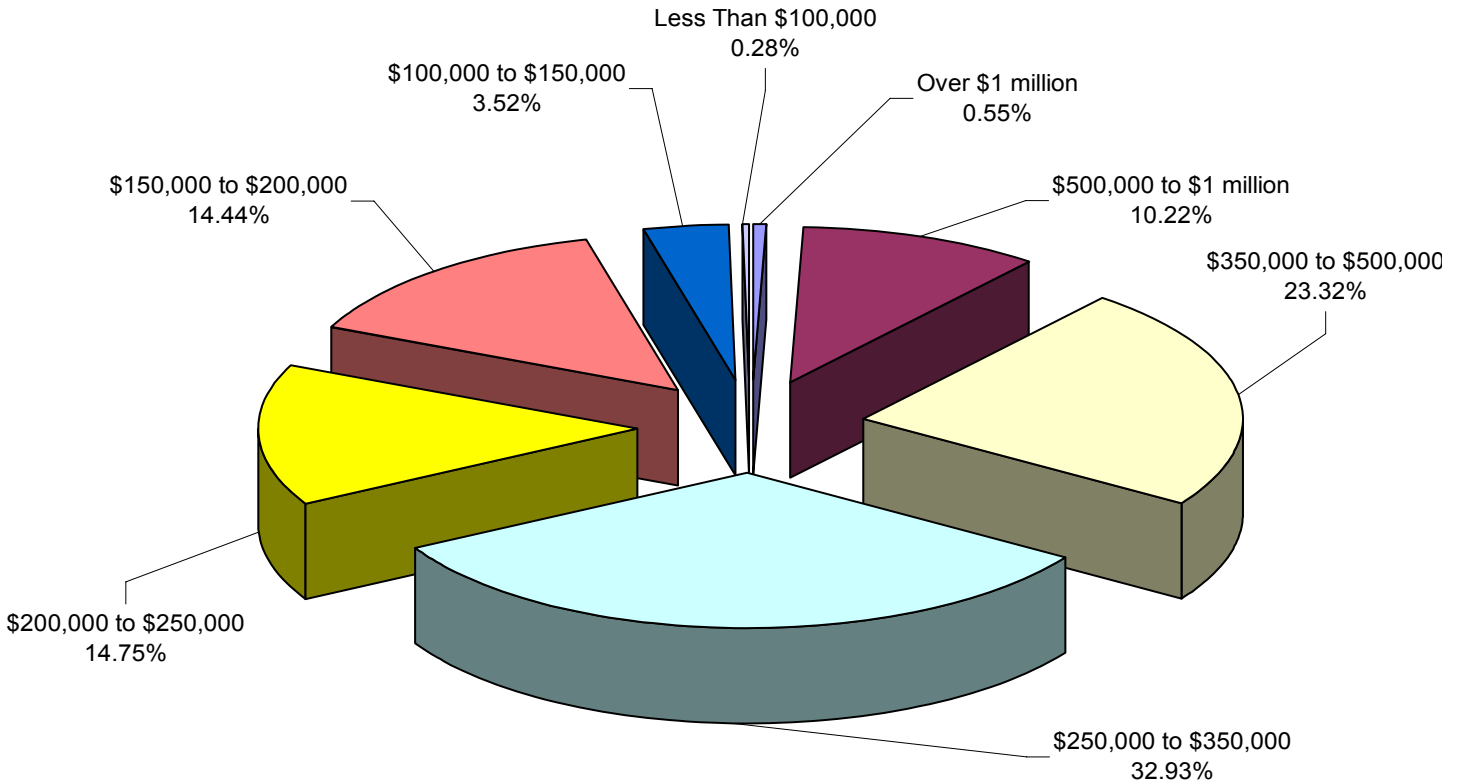
Assessment Ratios to Fair Market Value

1963 thru 1968 = 32%

1969 thru 1976-77 = 50%

1977-78 forward = 100%

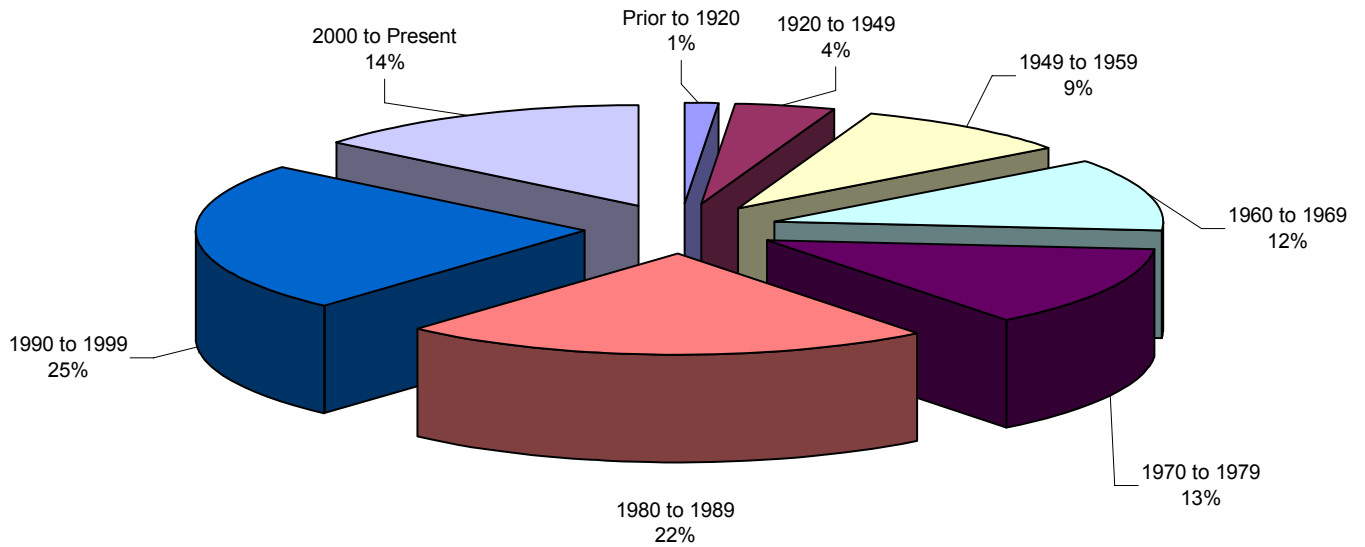
Residential Improved Taxable Parcels Assessed Value Range



Residential Improved Parcels by Value Range

<u>Value Range</u>	<u>No. Of Parcels</u>	<u>Percentage of Parcels</u>
Over \$1 million	65	0.55%
\$500,000 to \$1 million	3,232	10.22%
\$350,000 to \$500,000	10,722	23.32%
\$250,000 to \$350,000	20,864	32.93%
\$200,000 to \$250,000	12,344	14.75%
\$150,000 to \$200,000	15,360	14.44%
\$100,000 to \$150,000	5,004	3.52%
Less Than \$100,000	763	0.28%

Residential Improved Parcels by Year Built

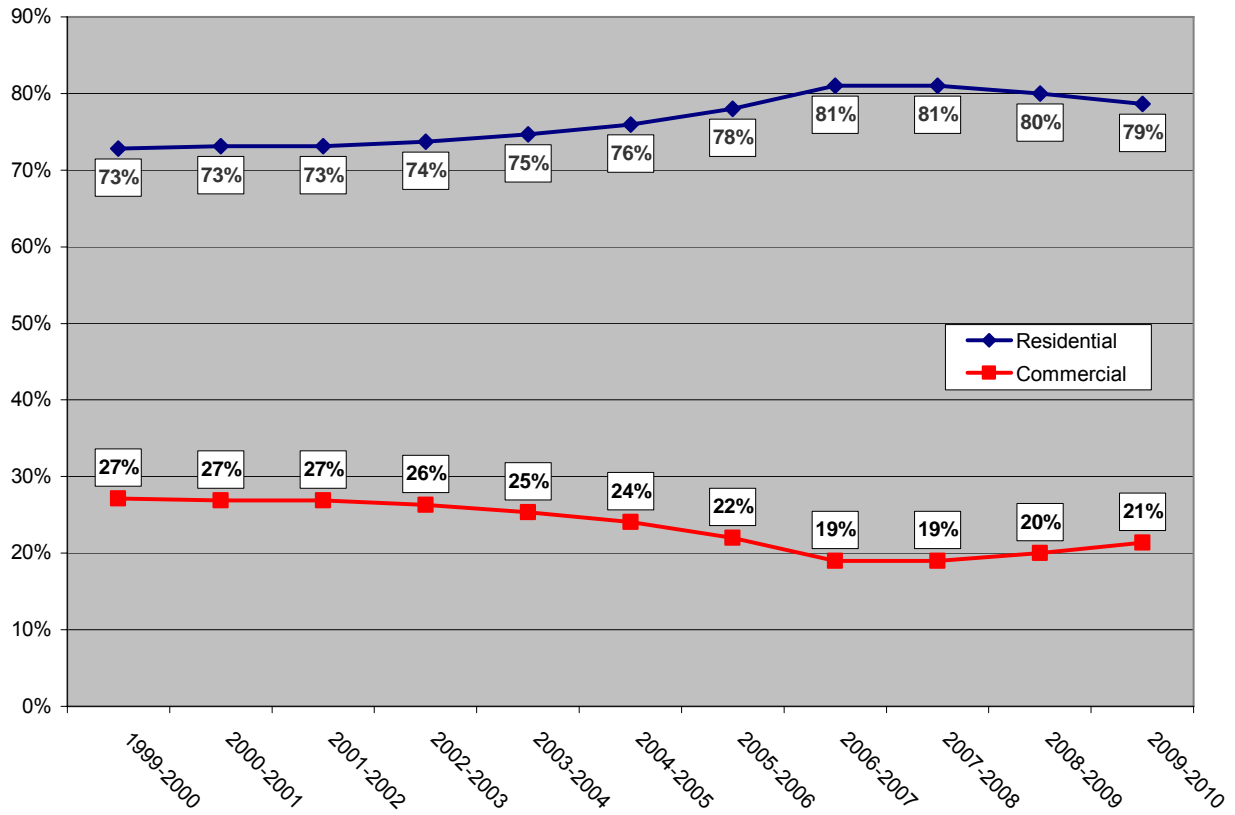


Residential Improved Parcels by Year Built

<u>Year Built</u>	<u># of Parcels</u>
Prior to 1920	1,002
1920 to 1949	2,813
1950 to 1959	6,106
1960 to 1969	7,924
1970 to 1979	8,868
1980 to 1989	15,146
1990 to 1999	16,379
2000 to Present	9,689

NOTE: Figures shown in the charts may not add up to 100% due to rounding.

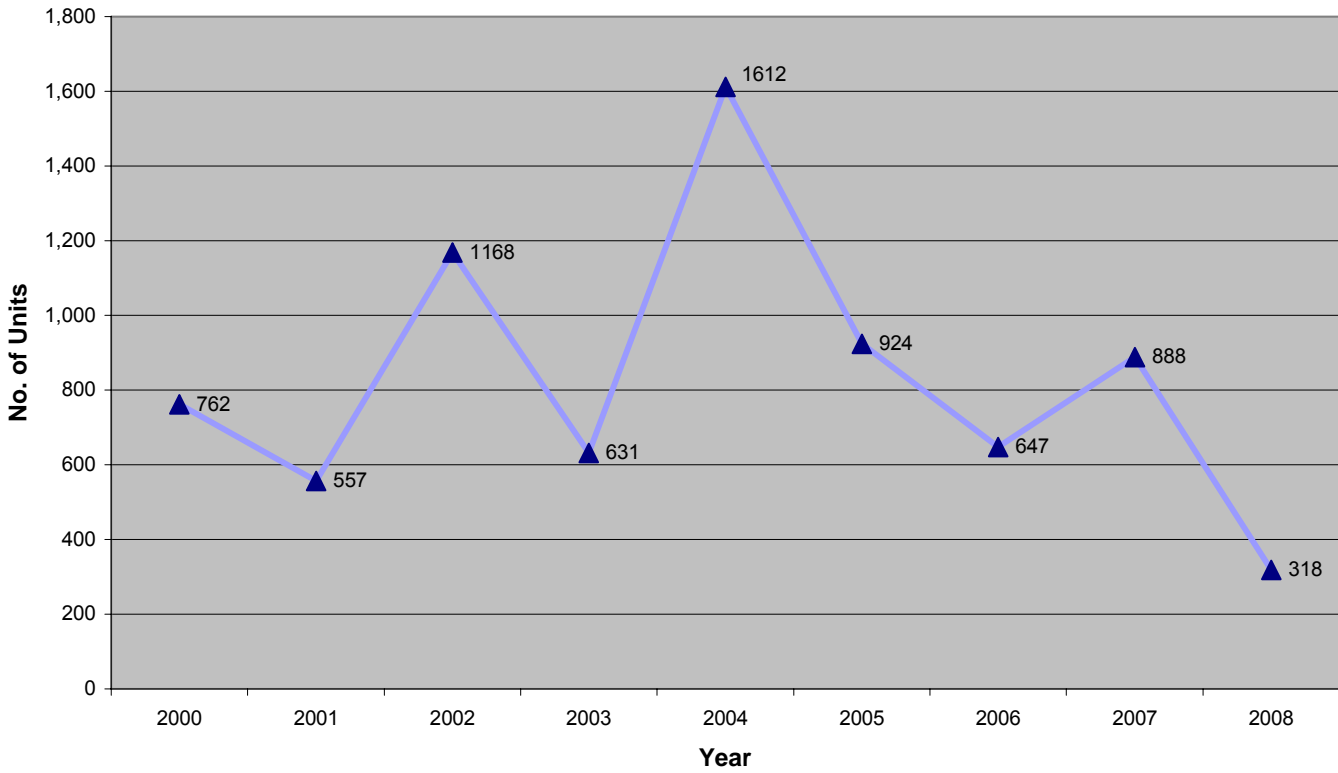
Residential / Commercial Comparison (Taxable Assessed Value)



Taxable Assessed Value by Division

	<u>Residential</u>	<u>Commercial</u>
1999-2000	73%	27%
2000-2001	73%	27%
2001-2002	73%	27%
2002-2003	74%	26%
2003-2004	75%	25%
2004-2005	76%	24%
2005-2006	78%	22%
2006-2007	81%	19%
2007-2008	81%	19%
2008-2009	80%	20%
2009-2010	79%	21%

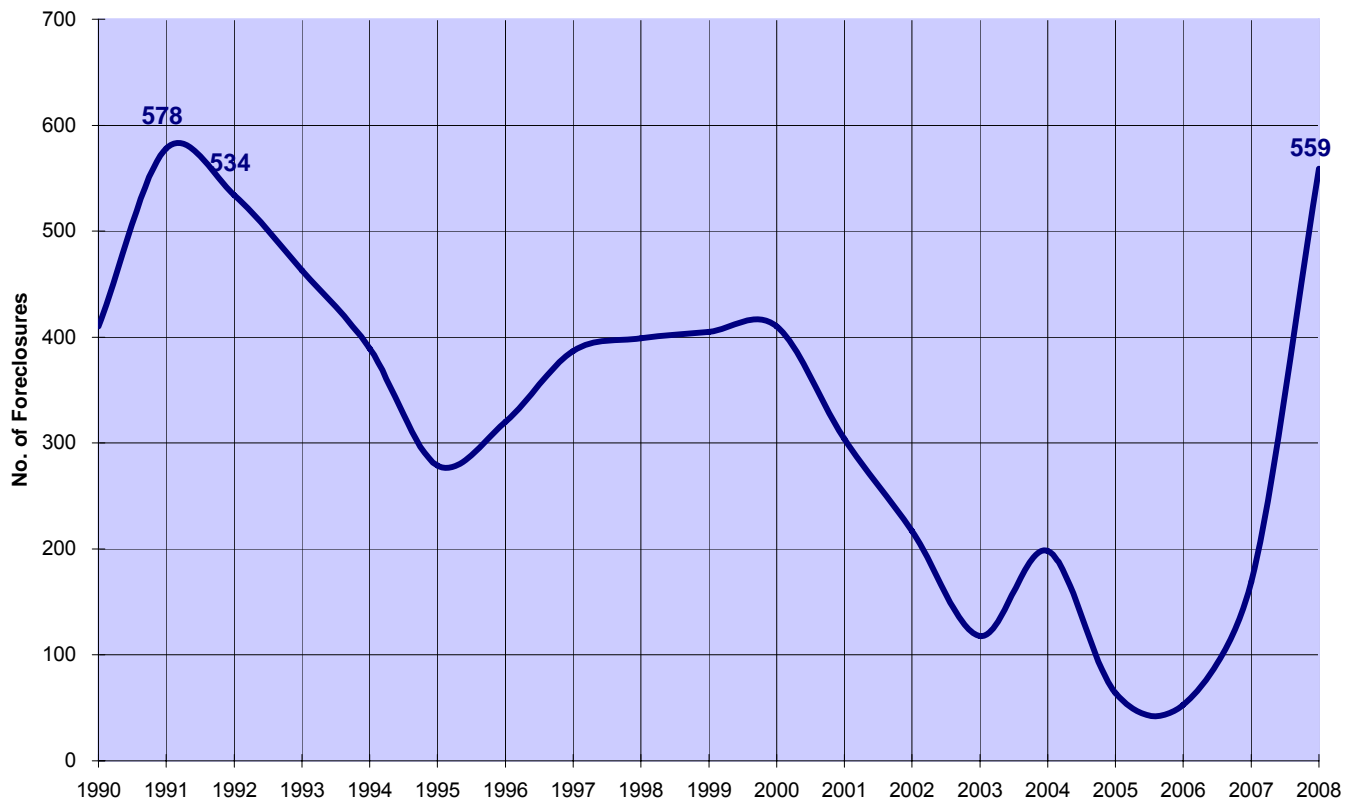
Number of New Housing Units
 (Includes New Home Sale and New Apartment Units)



Number of New Housing Units

<u>Year</u>	<u>Total Units</u>
2000	762
2001	557
2002	1168
2003	631
2004	1612
2005	924
2006	647
2007	888
2008	318

Foreclosures 1990 to Present



	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Jan	25	57	65	36	34	23	26	35	42	29	46	33	22	8	7	15	1	10	46
Feb	26	41	49	52	34	21	27	37	39	31	31	25	18	7	11	11	7	14	45
Mar	40	68	53	41	36	31	22	35	38	40	33	31	12	7	42	7	3	10	33
Apr	42	44	34	41	33	20	30	30	28	44	26	30	25	16	23	6	8	13	38
May	39	44	45	42	28	32	28	25	30	31	27	29	17	4	22	3	3	12	42
June	33	44	46	37	39	16	17	37	32	45	45	23	17	8	27	1	3	6	31
July	37	58	51	35	27	19	33	31	34	29	42	17	25	12	16	5	2	3	48
Aug	39	49	32	39	37	24	20	29	33	35	33	27	15	6	12	3	7	12	41
Sept	43	45	53	40	32	22	27	30	40	24	32	23	25	11	11	4	4	6	65
Oct	26	52	45	38	20	24	35	35	35	30	26	28	11	15	8	2	5	22	67
Nov	26	37	28	15	34	22	25	27	30	26	27	18	13	14	9	6	7	28	47
Dec	34	39	33	47	35	25	30	36	18	41	42	20	17	10	10	1	3	33	56
Total	410	578	534	463	389	279	320	387	399	405	410	304	217	118	198	64	53	169	559