

LOUDOUN COUNTY, VIRGINIA
2008 ASSESSMENT NARRATIVE SUMMARY
(Office of the County Assessor)

OVERVIEW:

The fair market real property portfolio in Loudoun County declined 0.13% from \$67,010,354,753 in 2007 to \$66,921,006,370 in the 2008. The taxable value decreased - 0.37% from \$62,286,829,753 in 2007 to \$62,054,548,370 in 2008. The taxable value excludes exempt properties and deferrals for properties included in the Land Use Deferral Program. Assessments of exempt properties totaled \$4,723,525,000 in 2007. Deferrals for properties included in the Land Use Deferral Program totaled \$2,997,308,770 in 2007. Assessments of exempt properties total \$4,866,458,000 for 2008. Deferrals for properties included in the Land Use Deferral Program total \$3,219,711,620 for 2008. The taxable value less deferrals for 2007 was \$59,289,520,983. The taxable value less deferrals for 2008 is \$58,836,825,050. The total change in taxable value less deferrals from 2007 to 2008 resulted in a decline of \$452,695,933. These values consider market impacts in all areas, including growth and new construction as they affect the Loudoun County real property portfolio.

The equalized taxable portfolio declined 3.20% from 2007 to 2008. The equalized level considers the value of Loudoun County's real property portfolio without the impact of new construction and growth. There were 2,893 taxable new lots created in 2007. This increased the taxable parcel count from 109,151 in 2007 to 112,044 for 2008. There were 2 exempt new lots created in 2007. This increased the exempt parcel count from 1,122 to 1,124 for 2008. A total of 2,895 parcels were added in 2007 to increase the taxable and exempt parcel count from 110,293 in 2007 to 113,168 for 2008. Other significant growth was found in the addition of supplemental structures which were completed or partially completed during 2007. This increased the taxable portfolio by \$400,000,000.

The level of assessment reported by the Virginia Department of Taxation in 2006 for Loudoun County reflected a ratio of 100%. The level of assessment for 2007 reflects an estimated ratio of 96%. The level of assessment for 2007 reflects a ratio of X% (VDT 2007 ratio not available at this time – source data ratio is approximately 95%). **Virginia State Code 58.1-3280** requires that assessments are made at fair market value. **Loudoun County Ordinance 860.09(a)** requires assessments and equalization of real estate to occur annually.

ALLOCATION BY CLASS:

Class 100 to 199 – Single Family Residential: This category includes properties that are generally on less than one acre and served by public water and sewer. They typically are located in a planned development, in an incorporated town, or in a growth area near a central location or town. The 2007 assessments for this class totaled \$38,369,120,802 based on 85,091 parcels. The 2008 assessments for this category total \$35,497,969,475 based on 86,972 parcels. This represents a decline in value of 7.48% for this category and parcel count growth of 2.2%. Construction and growth accounted for \$1,124,148,800 of the total assessments. The equalized class 100 to 199 assessments from 2007 to 2008 decreased by 10.41%. This class represents 77.6% of the taxable properties in Loudoun County. The average equalized assessed value for 2008 is \$408,072 for the entire category. The single family detached equalized average for 2008 is \$522,566. The single family attached (townhouse) assessed value for 2008 is \$351,429. The equalized condominium value for 2008 is \$252,103.

Class 200 to 299 – Single Family Residential: This category includes properties that are over an acre and less than 20 acres in size. They generally are served by private water supplies and waste systems. These properties are generally found in the more rural parts of the County. The 2007 assessments for this class totaled \$8,641,200,601 based on 16,435 parcels. The 2008 assessments for this category total \$8,899,030,515 based on 17,109 parcels. This represents an increase in value of 2.98% for this category and parcel count growth of 4.1%. Construction and growth accounted for \$203,819,900 of the total assessments. The equalized class 200 to 299 assessments from 2007 to 2008 increased by 0.63%. This class represents 15.3% of the taxable properties in Loudoun County. The average equalized assessed value for 2007 is \$534,087.

(Narrative Summary continued – Office of the County Assessor)

Class 300 to 399 – Multi-Family Residential: This category includes rental apartment complex of more than 5 units. The 2007 assessments for this class totaled \$1,255,122,580 based on 181 parcels. The 2008 assessments for this category total \$1,464,773,780 based on 181 parcels. This represents an increase in value of 16.70% for this category and parcel count growth of 0%. Construction and growth accounted for \$44,132,000 of the total assessments. The equalized class 300 to 399 assessments from 2007 to 2008 increased by 13.19%. This class represents less than 0.5% of the taxable properties in Loudoun County.

Class 400 to 499 – Commercial Properties: This category includes complex, non-residential properties such as warehouses, shopping centers and office buildings. The 2007 assessments for this class totaled \$9,919,803,400 based on 5,086 parcels. The 2008 assessments for this category total \$11,392,518,600 based on 5,363 parcels. This represents an increase in value of 14.85% for this category and parcel count growth of 5.45%. Construction and growth accounted for \$567,877,388 of the total assessments. The equalized class 400 to 499 assessments from 2007 to 2008 increased by 9.12%. This class represents 4.8% of the taxable properties in Loudoun County.

Class 500 to 599 – Rural Residential: This category includes properties that are 20 to 99.9 acres in size. They are generally located in the western part of the County and are typically served by private water and waste systems. The 2007 assessments for this class totaled \$2,374,946,000 based on 1,920 parcels. The 2008 assessments for this category total \$2,629,733,400 based on 1,981 parcels. This represents an increase in value of 10.73% for this category and parcel count growth of less than 3.17%. Construction and growth accounted for \$37,730,500 of the total assessments. The equalized class 500 to 599 assessments from 2007 to 2008 increased by 9.14%. This class represents 1.7% of the taxable properties in Loudoun County.

Class 600 to 699 – Rural Residential: This category includes properties that are 100 acres or greater in size. They generally are located in the western part of the County and are served primarily by private water and waste systems. The 2007 assessments for this class totaled \$1,726,636,370 based on 438 parcels. The 2008 assessments for this category total \$2,170,522,600 based on 438 parcels. This represents an increase in value of 25.71% for this category and no change in parcel count. Construction and growth accounted for \$6,554,400 of the total assessments. The equalized class 600 to 699 assessments from 2007 to 2008 increased by 25.33%. This class represents less than 0.5% of the taxable properties in Loudoun County.

Class 000 to 099 – Exempt: This category includes properties that are exempt from real estate taxes. They are located countywide. The 2007 assessments for this class totaled \$4,723,525,000 based on 1,122 parcels. The 2008 assessments for this category total \$4,866,458,000 based on 1,124 parcels. This represents an increase in value of 3.03% for this category and parcel count growth of 0.18%. Construction and growth accounted for \$68,556,200 of the total assessments. The equalized class 000 to 099 assessments from 2007 to 2008 increased by 1.57%. This class represents 1.1% of the total properties in Loudoun County.

CONCLUSION:

Real estate values and development declined in Loudoun County during 2007 at a level consistent with other jurisdictions in northern Virginia. Loudoun County continues to grow as exemplified by the change in parcels from 2007 to 2008. Growth has slowed considerably. The quality of life offered in Loudoun County and its location to employment centers in the Washington DC Metro area continues to attract new residents and businesses to this area. Significant commercial growth is expected during the remainder of this decade.