

As seen in...

REAL ESTATE WEEKLY

Wednesday January 26, 2011

DOF Releases 2012 F.Y. Tentative Taxable Property Values

Steven Spinola

President, Real Estate Board of New York

The Department of Finance recently released the 2012 fiscal year tentative assessment roll of taxable property values for all New York City properties.

The City's estimated increases in market values are staggering and contrary to the view of most property owners. For example, the overall citywide market value increase for Class 2 (coops, condos and multifamily rental buildings) was 4 percent. For Class 4 (office buildings, industrial property and hotels), the overall market values saw an increase of 9.95 percent.

The market value increases in specific property categories, that REBNY members are most actively involved, are even higher than the citywide class increases. For instance, the market value of Manhattan residential rentals are up 11.3 percent; Manhattan coops and condos market values are up 9.6 percent and 15.9 percent respectively. The market value of Manhattan "Class A" offices buildings increased 12.2 percent and "Class B" office buildings increased 14.5 percent.

The most startling increase was with Queens coops. According to the city, these housing units market value increased 32.3 percent since last year.

Since the height of the real estate market in 2008, the city has estimated that the market value of Class 2 property has increased from the peak by 11.7 percent; Class 4 property has increased 19.8 percent.

No owner thinks that their property today is worth what it was at the peak of the market; much less that it has had a double digit increase in value.

For Class 2 and 4 properties, these market value increases will be phased in over five years, lessening the tax impact of this year's increase. Unfortunately, as we pointed out above, the city has estimated that the market values for Class 2 and Class 4 has increased since the peak of the market.

As a result, the taxable assessed value (the value upon which taxes are calculated) for Class 2 has increased 25.3 percent since the peak of the market in 2008. For Class 4 property, the taxable assessed value increased 29.6 percent. Stated more directly, in the upcoming fiscal year Class 2 and Class 4 properties will be paying 25 percent and 29 percent more respectively in real property taxes than they paid at the peak of the market.

As seen in...

REAL ESTATE WEEKLY

Wednesday January 26, 2011

Property owners can voice their opinion when assessors conduct their annual joint outreach session in each borough in February with the Tax Commission to answer questions from the public about how they valued their properties.

Outreach sessions scheduled:

Manhattan: Thursday, Feb. 3 at 10 am, 1 Centre Street, Room 936 (Chambers Street)

Queens: Wednesday, Feb. 9 at 10 am, 144-06 94th Avenue, 2nd Floor (Sutphin Boulevard)

Brooklyn: Thursday, Feb. 10 at 10 am, 210 Joralemon Street, Room 201 (Court Street)

Bronx: Wednesday, Feb. 16 at 10 am, 3030 Third Avenue, 2nd Floor

Staten Island: Thursday, Feb. 17 at 10 am, 350 St. Marks Place, 4th Floor, Room 400 (Hyatt Street)

In other REBNY news:

Entries for the Sales Brokers Committee Most Ingenious Deal of the Year 2010 Awards are wanted.

Any New York City real estate transaction completed in 2010 is eligible. The deadline to enter is 5 p.m. Thursday, Feb. 10.

There are three awards for the Most Ingenious Deal of the Year, which is announced at the Annual Sales Brokers Cocktail Party on April 12 at the 101 Club.

Each commercial discipline (sales, finance and leasing) will compete to win the first place award which memorializes Henry Hart Rice, who won the Most Ingenious Deal of the Year Award and the Robert T. Lawrence Award on five occasions; the second place Robert T. Lawrence and third place Edward S. Gordon Awards commemorate the distinguished careers of two legendary commercial brokers and will be presented to entries the judges also deem worthy of recognition.

Go to REBNY.com for more information and the entry form.

As seen in...

REAL ESTATE WEEKLY

Wednesday January 26, 2011

As seen in...

REAL ESTATE WEEKLY

Wednesday January 26, 2011
