



**I have a refinance appraisal— Will you change my assessment to the appraiser’s value?**

Please keep in mind that our first obligation is to make sure that similar homes have similar assessments in order to preserve basic tax fairness. Also, in the interest of fairness, we cannot adjust an assessment based solely on a private appraisal. It is common to find substantial appraisal errors and a wide disparity between the few comparable sales used and estimated value selected on one hand & all the other available comparable sales and the value they support on the other.

Also, we find that a Comparable Market Analysis prepared by a realtor often ignores fundamental appraisal principles.

We also recognize that not all appraisals are performed for the same purpose or carried out in the same way. Assessments are performed for the purpose of ensuring tax fairness while a refinance or mortgage appraisal is performed to reassure the lender that the loan amount is within a certain range of acceptable risk. In contrast, estimating the cost to replace a building in the event of a fire or other disaster is the concern of an insurance company.

Each of these appraisal purposes may conclude that a different value is appropriate for the same property on the same day.

**What if I am not sure if my assessment is fair?**

Gather some information to help you decide! Please be aware that we can only discuss your assessed value, not your tax bill. (Remember, we do not decide how much money to spend, only how it will be divided fairly between all properties.)

First, you should make sure that our record describes your property accurately. Secondly, you should make sure that your assessment is “fair” because homes similar to yours have should have similar assessments. Finally, you should make sure that your assessment is supported by sales of similar properties in the past year or so. Both assessments and sales are available on the City of Wauwatosa website: ([www.wauwatosa.net](http://www.wauwatosa.net)) or in the Assessor’s office at City Hall.

If this research does not clear things up for you, the next step would be to schedule an appointment to meet with a staff appraiser during the “open book” period identified on your assessment notice to discuss your assessment. Bring along any evidence you’ve gathered.

If, after meeting with a staff appraiser, you want to formally appeal your assessment before the Board of Review, you should obtain and complete an assessment objection packet from the City Clerk to schedule a date to testify. Once the packet is submitted, the Clerk’s office will schedule an appointment for you to appear to offer verbal testimony before the Board of Review.

The Board is made up of citizens who are knowledgeable about the real estate market, appointed by the Mayor and confirmed by the Common Council. It is the Board’s duty to hear verbal testimony and examine supplementary evidence presented by both the taxpayer and the Assessor’s office to determine if the Assessment is in error and should be overturned.

**How does the assessment affect my taxes?**

The assessment is one-third of the information used to calculate your tax bill. The other two-thirds are the Tax-Rate and the Tax-Levy.

Your Assessment and the overall Tax-Rate move together like they are on a teeter-totter, staying the balance in order to equal the total amount of taxes your elected officials votes to spend (Tax Levy). If the Levy stays the same and all Assessments go up, the Tax-Rate will GO DOWN to compensate. If the Levy stays the same and all the Assessments go down, the Tax-Rate will GO UP to compensate. If they vote to increase the Total Tax Levy, everybody’s taxes go up to compensate.

In a Revaluation, if your assessment changes about the same percentage as everybody else, your taxes should not change any more than they did the year before, as long as spending has not gone up dramatically.

There are 6 taxing authorities that approve a budget each year that together become the Tax Levy.

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|-----------------------|--------------------------|
| <b>Common Council</b> | <b>School Board</b>      |
| <b>MATC Board</b>     | <b>MMSD Board</b>        |
| <b>County Board</b>   | <b>State Legislature</b> |

Over time, just as the price of gas, groceries, electricity and insurance goes up, so do the costs of education, police, fire and other services.



# The City of Wauwatosa



## Important Information Concerning The Assessment Process

**City of Wauwatosa  
Assessors Office  
7725 W. North Avenue  
Wauwatosa,  
Wisconsin 53213**

**414-479-8969  
[www.wauwatosa.net](http://www.wauwatosa.net)**



### What is a Revaluation?

A Revaluation is a thorough review of assessed values when it is clear that real estate prices have increased or decreased enough to require that the assessments be adjusted to keep in step. During the Revaluation process, all assessed values are adjusted to “catch-up” with recent market trends.

Under State law, Assessments are simply snapshot estimates of value whose chief purpose is to divide the burden of tax evenly and fairly between all properties in a community. Because they are only snap-shots and may not be updated for several years, they may NOT be good estimates of a property’s value TODAY.

By law, property assessments are calculated “en masse” or “as-a-group” in a process called Mass Appraisal, based on analysis of Sale Prices, Construction Costs and Rents over time. This approach is very different from that used by private appraisers, who must rely on a few up-to-the-minute sales to satisfy risk-averse lenders, and may yield widely different results.

By design, Mass Appraisal does not address day-to-day fluctuations, but rather attempts to “smooth out” short-term variability by looking at the market over a period of years to understand how markets change overall.

Over time, there are high sales and low sales, but the assessor looks for the range of sale prices that is most common for each type of property to derive assessed values. It is important to remember, that the assessor may only react to what happens in the market.

### I just purchased my home for less (or more) than the assessed value—Will you change my assessment to match my sale price?

Since assessments first and foremost need to be even and fair, we do not necessarily change assessments to match any single sale price. Assessments are based on “usual and typical prices” for each type of property, and a single sale doesn’t tell us enough about that. To find the “typical” price range, we need to look at open market, arm’s-length sales of similar property over time.

To help determine which prices are “usual and typical” prices, the Wisconsin Legislature and Court system have developed a test to make sure that we do not consider non-market sales in our analysis. They recognized that certain property sales occur under unique and unusual circumstances, and are therefore not good indicators of what the open market is doing.

According to their test, you can identify an open-market, arms-length sale if:

- No personal, business or other relationship exists between the buyer and seller. This is known as the **“arms-length rule”**. (If you already know each other, there is a high likelihood that you were willing to make a deal that was not available to others.)
- Both buyer and seller came to the deal freely and were not under any undue compulsion or duress to act. (includes foreclosure, sudden job change, divorce, death of owner or the need to liquidate assets fast to get cash, etc.) This is known as the **“no pressure rule”**
- Both Buyer and Seller know what “going prices” are and can negotiate with full knowledge of current market conditions and are acting in their own best interest. This is known as the **“market knowledge rule”**.

- The Property was marketed for sale in a typical way for a typical period of time in the open-market. If it takes 10 months to sell a Cape Cod that is priced right in the current market, 6 months at a high price is not typical. This is known as the **“equal exposure rule.”**
- Payment is in cash or its equivalent for typical market terms. Sale price should be free from special, creative or unusual financing arrangements or concessions for any interested party. Unusual financing terms have a dramatic “non-market” affect on sales price because all buyers do not have access to similar financing considerations. Therefore the price cannot be considered to be typical of the market. This is known as the **“market-finance rule.”**

All open-market, arm’s-length sales are considered together, along with property income and construction cost data if needed, to determine the range of values that will be assigned to individual properties as their assessment.

In this way, we try never to use just one sale (either high or low) to determine assessed value. This “normalizing” process does often result in assessments being different than recent sale prices, but it is an important step since the law requires us to make sure that similar properties have similar assessments.



### Can the assessment on my property be changed even if the assessor has not been inside my property?

Unless your property has been substantially altered without permits, the assessor’s office permanent file is considered to be an accurate record of your home. This record is available online for your review and contains a complete physical description, photo, footprint and other relevant information for each property.

All together, there are approximately 14,800 residential and 925 commercial property records. Over time, we continually update these records, based on information gathered when a property sells, from building permits or construction plans or upon actual inspection.

Citizens can also request a review of their property record at any time. If appropriate, the property will be updated based on the results of an Interior Review Inspection. Record updates can result in either an increase or a decrease in the assessed value, depending on how the property compares to our record at the time of the inspection.

### Does the location of my property influence its value, and what if no houses have sold on my block?

The City is divided into similar neighborhood types that are used to group properties that have similar surrounding and influences together. Also, we account for unusual detrimental conditions that affect only certain properties, but do not influence the majority in the area. This means that we try to account for the differences between neighborhoods, so that even though you may not be seeing sales on your block, we can use homes that sell in similar neighborhoods to see what those on your block would probably sell for.