Delivering the 2016 Assessment Update

Municipality of Port Hope Public Information Meeting
May 18, 2016

Catherine Barr - Account Manager and
Bert Moline – Manager Valuations & Customer Relation
PROPERTY ASSESSMENT AND TAXATION
The Municipal Property Assessment Corporation determines Current Value Assessments and classifications for all properties in Ontario.

The Provincial Government passes legislation, sets assessment policies and determines education tax rates. The Province also operates an independent assessment appeal tribunal – the Assessment Review Board (ARB).

Municipalities determine revenue requirements, set municipal tax rates and collect property taxes to pay for your municipal services.
PROPERTIES WE ASSESS

$2.3 TRILLION IN VALUE

Residential 4,589,206
Farm 223,082
Commercial 156,161
Industrial 79,131
Special/Exempt 44,913
Multi-Residential 16,260

*2015 Annual Report
Under the *Assessment Act*, assessment increases are phased-in over four years for all property types. A decrease in assessment is applied immediately.

### How Does Assessment Phase-In Work?

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$352,500</td>
</tr>
<tr>
<td>2018</td>
<td>$360,000</td>
</tr>
<tr>
<td>2019</td>
<td>$367,500</td>
</tr>
<tr>
<td>2020</td>
<td>$375,000</td>
</tr>
</tbody>
</table>

Assuming property characteristics stay the same, the property assessment will increase by $7,500 each year.
An increase in assessment does not necessarily mean an increase in property taxes.

If the assessed value of a home has increased MORE than the average for the local community/region, taxpayers may pay, as the result of the reassessment, proportionately MORE in property taxes.

If a home has increased in value less than the average, then taxpayers may pay proportionately LESS in property taxes.
All the assessed property values in the neighbourhood are added up. The total assessed value of the properties is $1,055,000.

It costs the municipality $1,500 to provide services (for the year).

So if they divide the cost of those services by the total value of the properties [$1,500 / $1,055,000]

Each resident’s property value is then multiplied by this tax rate to give residents their property taxes for the year.

THE MUNICIPALITY TAX RATE IS

0.0014
If all the assessed property values increase equally, and the municipality’s cost for providing services stays the same, property tax will remain as is.

If all the assessed property values increase equally and the cost of services goes up, then property taxes will increase to offset the cost of services.

If all the assessed property values increase at different rates, or new properties are built, then taxes are redistributed so that everyone pays their fair share.
### 2012 ASSESSMENT UPDATE

Early and frequent engagement with constituents

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### 2016 ASSESSMENT UPDATE

Early and frequent engagement with constituents
ZONE 3: DATA COLLECTION & PREPARATION

Building permits
Site variable update project

**Farm forestry exemptions reviews**

Requests for Reconsideration

Severances and Consolidations

Data integrity checks

MPAC initiated reviews

**Process controls**

Tax and Vacancy Applications

Municipal Requests

Appeals

Property Owner Enquiries

Data Touch Points For Municipality of Port Hope

TOTAL 3,503
To establish accurate values, MPAC applies appraisal industry standards and best practices, and takes into account the unique characteristics of each municipality.

2016 VALUES
January 1, 2016 Valuation Date
Our assessors are trained experts in the field of valuation and apply appraisal industry standards and best practices.

MPAC considers the value of a property by one of three different perspectives or approaches to value:

- **DIRECT (sales) COMPARISON APPROACH**
- **INCOME APPROACH**
- **COST APPROACH**
DIRECT COMPARISON APPROACH

Based on the sale prices of comparable properties

Adjustments made for differences between the subject and comparables

Recognized as the industry preferred methodology to value residential properties
Select an appropriate capitalization rate

Estimate annual gross income of the property less vacancies and bad debts

Convert net income into an indication of the capital value of the property

Calculate net operating income

Estimate total annual operating expense
APPROACHES TO VALUE

COST APPROACH

- Properties that do not regularly trade in marketplace
- Land estimate from vacant land sales and land residual methods
- Values calculated by an Automated Cost System (ACS)
- Replacement cost of the improvement less depreciation plus the land value
CURRENT VALUE

- Most probable price a property should sell for in a competitive and open market
- MPAC derives a median sale price which will incorporate the range of market sales

SALE PRICE

- Price a buyer and seller agree to in a particular transaction.
- Only an indication of market value.
- Range of sale prices possible for a particular property
MAJOR FACTORS account for approximately 85% of residential property values.

1. Location
2. Lot dimensions
3. Living area
4. Age of property
5. Quality of construction
Other factors which are taken into consideration include:

- secondary structures such as garages, boathouses and pools
- basement area (finished and unfinished)
- type of heating
- air conditioning
- number of bathrooms
- fireplaces

Site features can also increase or decrease the assessed value of your property, such as:

- traffic pattern
- proximity to a golf course, hydro corridor, railway or green space
- whether or not the property is located on a corner lot
2016 ASSESSMENT UPDATE
The Residential Experience
2016 PROPERTY ASSESSMENT NOTICE

Property Assessment Notice
For the 2015 to 2020 property taxation years

Municipality:
Ottawa City

School Board:
English Public

Assessment Overview:

MPAC’s assessed value of your property as of January 1, 2016: $278,000
MPAC’s assessed value of your property as of January 1, 2013: $162,000
Between 2013 and 2016, your property’s assessed value changed by $116,000.

If you disagree with MPAC’s assessment or classification, you can file a Request for Reassessment and MPAC will review your assessment.

How is my property assessed?

Under the Assessment Act, an increase in assessed value is introduced gradually. A decrease in assessed value will be introduced immediately. The January 1, 2016 assessed value and classification of your property will be used as the basis for calculating your 2017 to 2020 property taxes as illustrated below.

Property Classification: Residential

<table>
<thead>
<tr>
<th>Tax Year</th>
<th>Assessed Value</th>
<th>Request for Reassessment Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$278,000</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>$284,000</td>
<td>August 1, 2016</td>
</tr>
<tr>
<td>2018</td>
<td>$290,000</td>
<td>March 31, 2018</td>
</tr>
<tr>
<td>2019</td>
<td>$296,000</td>
<td>March 31, 2019</td>
</tr>
<tr>
<td>2020</td>
<td>$302,000</td>
<td></td>
</tr>
</tbody>
</table>

To learn more about how your property was assessed, see the information on page two of this Notice. For more information on the Request for Reassessment process, market trends in your area, property assessment and taxation, visit www.aboutmyproperty.ca.

About My Property.ca

Log on to AboutMyProperty.ca to learn more about how your property was assessed. The information we have on file, as well as compared to others in your neighbourhood, will not reveal your property’s assessed value. You have the option to File a Request for Reassessment. Your deadline to File a Request for Reassessment is one page one of this Notice. Log on to www.aboutmyproperty.ca with your Roll Number and Access Key. These are found on page one of this Notice.

Ontario’s property assessment system

The Municipal Property Assessment Corporation determines Current Value Assessments and Classifications for all properties in Ontario.


Municipalities determine revenue requirements, set municipal rates and collect property taxes to pay for your municipal services.

These services may include:
- Police and fire protection
- Roads, sidewalks and public transit
- waste management
- Parks and Recreation

Visit www.aboutmyproperty.ca for more information on assessing your property.

To view and print this notice, please download Adobe Reader at: www.adobe.com

Page 1 of 2
Property Assessment Notice

Issue Date: April 4, 2016

For the 2017 to 2020 property taxation years
CHANGES TO FILING A REVIEW (BILL 144)

- Residential property owners have **120 days** from the **Issue Date** of their Property Assessment Notice to file a Request for Reconsideration (RfR)

- The **Issue Date** and the property owner’s **unique RfR deadline** are included on every Property Assessment Notice mailed.

- **Municipality of Port Hope** RfR deadline is **September 6th**

- The early delivery of Assessment Notices and a 120-day RfR deadline will allow RfRs to be processed before Assessment Rolls are sent to municipalities – greater stability and accuracy
## 2016 Property Assessment Notice: Mailing Dates & Deadlines

<table>
<thead>
<tr>
<th>Community</th>
<th>(PAN) Property Assessment Notice Issue Dates</th>
<th>(RfR) Request for Reconsideration Deadlines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipality of Port Hope / Northumberland County</td>
<td>May 9</td>
<td>Sep 6</td>
</tr>
<tr>
<td>Conservation, Farm, Managed Forest</td>
<td>Oct 11</td>
<td>Feb 8</td>
</tr>
<tr>
<td>Business properties</td>
<td>Oct 18</td>
<td>Feb 15</td>
</tr>
</tbody>
</table>
MPAC’s updated value of your property is $228,000

Account Information:
- Roll Number: 12 34 567 899 12345 1234
- AboutMyProperty™ Access Key: ABCD EFG1 HJK2
- Your property’s location and description: 900 Dynes Rd. PLAN169 BLK 1 PT LOT4
- Municipality: Ottawa City
- School support: English-Public

Assessment overview:
- MPAC’s assessed value of your property as of January 1, 2016: $228,000
- MPAC’s assessed value of your property as of January 1, 2012: $162,000
- Between 2012 and 2016, your property’s assessed value changed by: $66,000

If you disagree with MPAC’s assessment or classification, you can file a Request for Reconsideration and MPAC will review your assessment.

How will my municipality use MPAC’s property assessment?
Under the phase-in provision in the Assessment Act, an increase in assessed value is introduced gradually. A decrease in assessed value will be introduced immediately. The January 1, 2016 assessed value and classification of your property will be used as the basis for calculating your 2017 to 2020 property taxes as illustrated below.
# 2016 PROPERTY ASSESSMENT NOTICE

<table>
<thead>
<tr>
<th>Property Classification:</th>
<th>Residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Year</td>
<td>Assessed Value</td>
</tr>
<tr>
<td>2016</td>
<td>$162,000</td>
</tr>
<tr>
<td>2017</td>
<td>$178,500</td>
</tr>
<tr>
<td>2018</td>
<td>$195,000</td>
</tr>
<tr>
<td>2019</td>
<td>$211,500</td>
</tr>
<tr>
<td>2020</td>
<td>$228,000</td>
</tr>
</tbody>
</table>

To learn more about how your property was assessed, see the information on page two of this Notice. For more information on the Request for Reconsideration process, market trends in your area, property assessment and taxation, visit [www.aboutmyproperty.ca](http://www.aboutmyproperty.ca).

**Contact information**

1 866 296-MPAC (6722)
TTY 1 877 889-MPAC (6722)
Monday to Friday
8 a.m. to 5 p.m.

If you have accessibility needs, please call us for assistance.

[www.aboutmyproperty.ca](http://www.aboutmyproperty.ca)

**Key information**

- Property Classification
- Phase in Assessed Values (2017-2020 tax years)
- RfR Deadline (by tax year)
2016 PROPERTY ASSESSMENT NOTICE

<table>
<thead>
<tr>
<th>Roll Number:</th>
<th>12 34 567 899 12345 1234</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property summary:</td>
<td></td>
</tr>
<tr>
<td>Property type</td>
<td>Single Family Dwelling</td>
</tr>
<tr>
<td>Property information</td>
<td>Frontage: 54.23 feet</td>
</tr>
<tr>
<td></td>
<td>Depth: 150.00 feet</td>
</tr>
<tr>
<td></td>
<td>Lot area: 8,100.00 square feet</td>
</tr>
<tr>
<td>Building – exterior square footage</td>
<td>1,053 square feet</td>
</tr>
<tr>
<td>Year of construction</td>
<td>1974</td>
</tr>
</tbody>
</table>

For residential properties, there are **five major factors** that generally account for 85% of your property value.

- **Location**
- **Lot dimensions**
- **Age of the property, adjusted for any major renovations or additions**
- **Quality of construction**
- **Living area**

To establish your property’s assessed value, MPAC analyzes property sales in your area. This method, called Current Value Assessment, is used by most assessment jurisdictions in North America. MPAC’s assessments and data are also used by banks, insurance companies, and the real estate Industry.

Property Details

How does MPAC assess my property?

- Five major factors affecting residential values
Have questions about your assessment?

Log on to AboutMyProperty™ to learn more...

Visit www.aboutmyproperty.ca to learn more about how your property was assessed, see the information we have on file, as well as compare it to others in your neighbourhood. Still not sure about your property’s assessed value? You have the option to file a Request for Reconsideration. Your deadline to file a Request for Reconsideration is on page one of this Notice.

Log on to www.aboutmyproperty.ca with your Roll Number and Access Key. These are found on page one of this Notice.

Still have questions?

We’re here to help. Contact us and one of our property assessment experts will help guide you through your Notice. Have a question about your property taxes? Contact your municipality for assistance.
2016 PROPERTY ASSESSMENT NOTICE

Ontario’s property assessment system

The Municipal Property Assessment Corporation determines Current Value Assessments and classifications for all properties in Ontario.

The Provincial Government passes legislation, sets assessment policies and determines education tax rates. The Province also operates an independent assessment appeal tribunal – the Assessment Review Board (ARB).

The Ontario Property Taxpayer

Municipalities determine revenue requirements, set municipal tax rates and collect property taxes to pay for your municipal services. These services may include:

- Police and fire protection
- Roads, sidewalks and public transit
- Waste management
- Parks and leisure facilities

Description of Ontario’s property assessment system
HOW CAN I LEARN MORE ABOUT MY ASSESSMENT?
Through AboutMyProperty™ property owners can:

- Access information on how their property was assessed
- Compare their assessment to others in their community
- Learn more about property values through Market Trends (available before login)

Login information is included on every Notice mailed.
NEW FOR 2016 – MARKET TRENDS

• Maps showing residential assessment change and typical residential values across Ontario municipalities

• Located in the Market Trends area on aboutmyproperty.ca

• Finalizing the maps for the first few extracts now and plan to roll them out over the next few weeks

• Through aboutmyproperty.ca and proactive media relations
Learn more about the market trends in your neighbourhood through MarketSnapshot.

This report provides information on residential sale prices trends in neighbourhoods and municipalities across Ontario.
Property values up 2.3% in Port Hope Municipality
Residential property owners will see an average assessment increase of approximately 2.3% in 2017.

Value of a typical home
The assessed value of a typical residential home in Port Hope Municipality is $250,000.

Condominium values in Port Hope Municipality
The assessed value of a typical condominium is $196,000.

Waterfront property values
The assessed value of a typical residence on water in Port Hope Municipality is $364,500.

More about Port Hope Municipality
Port Hope, located midway between Toronto and Kingston, is a prime location for businesses and residents alike.

Learn about your assessment, the relationship between property assessment and taxation, and more by visiting aboutmyproperty.ca or mpac.ca.
STEP 1: Ask yourself: “could I have sold my property for the assessed value on January 1, 2016?”

STEP 2: Visit aboutmyproperty.ca to review the information MPAC has on file for your property.

STEP 3: Contact MPAC

STEP 4: File a Request for Reconsideration

STEP 5: File an appeal with the Assessment Review Board
REDESIGNED RfR FORM

Filing a 2017 Request for Reconsideration (RfR):
What You Need to Know (Residential Properties)

Who is MPAC?
The Municipal Property Assessment Corporation (MPAC) is an independent, not-for-profit corporation funded by Ontario municipalities. We are responsible for assessing and classifying real property in Ontario in compliance with the Assessment Act and regulations established by the Government of Ontario.

What is a Request for Reconsideration (RfR)?
If you disagree with MPAC’s assessment of your property value and classification as of January 1, 2016, you can ask MPAC to review the assessment to make sure it is right. This is called a Request for Reconsideration (RfR). You can make the request by completing and sending an RfR form to us. This request is free of charge.

What is the deadline to file an RfR for the 2017 property tax year?
Your RfR is processed in 90 days or less. If we disagree with your assessment, we will send you a Notice of Reassessment. If you disagree with this Notice, you can appeal it to the Assessment Review Board (ARB).

What information does MPAC need to reconsider my property’s assessment?
Section 39.3 of the Assessment Act requires you to provide the reasons for your Request for Reconsideration. This includes sending us all key details about your property that we should know. We also compare your property’s assessed value with sales and values of similar properties in your area.

How long does it take for MPAC to review my RfR?
Starting in 2016, property owners will have 120 days to appeal MPAC’s Property Assessment Notice. This is an RfR. The Invite Date and your unique RfR deadline are included on your Property Assessment Notice. MPAC will send you a letter with the results of our review within 150 days of appeal if we get your request. Sometimes, we need more time (up to 90 days) to reconsider a property assessment and complete our review. We will contact you if we need more time.

How do I submit my completed RfR?
The fastest way to start the review of your property’s assessment is to send MPAC your completed RfR form through mail. There are a number of criteria that account for the assessment of a property, location is the most important one. As a result, comparing your assessment to other properties in your area or neighborhood will help you review your assessment. Log in to our MPAC portal using the R NUMBER and home key found on page one of your Property Assessment Notice to compare your property to others in your neighborhood. You can also see the assessment and your most recent properties, and download a detailed report to accompany your RfR submission. You may also send your completed RfR form via email or fax.

Need more information?
If you need any information or help completing the RfR form, or if you have any accessibility needs, please contact us at 1-866-255-MPAC (6722) or 777-1111 MPAC (7722).

How does MPAC use the information in my completed RfR?
The information is filed on an RfR form is collected under the authority of the Assessment Act. It is used to reconsider your property’s assessment. Please note that if your RfR is still under appeal at the time of the assessment visit, MPAC will not consider your property in the current year.

Appealing to the Assessment Review Board (ARB)
You may also file an appeal with the ARB. The ARB is an independent tribunal (adverse decision making body) of the Ontario Ministry of the Attorney General. Please note that if you take part in the appeal process, you will receive a letter from MPAC with specific instructions and directions. If you fail to respond to the letter, your property assessment may be revised. There is a time limit to submit an appeal to the ARB. It starts on the date that MPAC issues the results of your RfR and ends after 30 days. The deadline for submitting an appeal to the ARB will be in the letter that MPAC sends you with the results of the RfR review. You can file the appeal including forms and fees, at MPAC’s website.
We are here to help. Contact MPAC with any questions you may have regarding your property assessment.

**CALL** our Customer Contact Centre  1 866 296-MPAC (6722)

1 877-889-MPAC (6722) TTY

**ONLINE** at mpac.ca

**VISIT** a local field office

**WRITE** to P.O. Box 9808, Toronto ON M1S 5T9

**FAX** 1 866 297 6703

If you have accessibility needs, please let us know how we can best accommodate you
Port Hope Area Initiative Update

MPAC continues to work closely with the PHAI office to ensure an awareness of timelines and project scope. We meet here twice a year and we’ve done this for several years. Impacts to future property values as a result of the initiative will be monitored and measured through sales analysis, property taxpayer enquiries, RfR and ARB appeals. For the duration of the project, MPAC will monitor and analyze local real estate activity to ensure that project related activities that impact the market will be reflected in the assessed values.
2016 CVA Update
Are the 2016 assessed values truly representative of Port Hope in it’s current state?
All the sales used in the residential database to “benchmark” the values were taken from real estate transactions occurring between 2012-2015. These sales represented local market conditions, met the definition of open market transaction and did not include any adjustments for “top up” compensation under the PVP.
Next steps?
Staging remediation/haul routes for the LLRW en-route to the new above ground mound facility /will this impact your assessed value? MPAC won’t speculate/rather the market will dictate the assessed values. Keep in mind the 4 year cycle and the base years, 2016, 2020 and 2024 (if legislation does not change). Keep in mind the remediation time-lines, 2018 beginning through 2022. The timelines to watch will be from 2018, and onwards, which may impact the later part of the 2016 cycle. Predominantly 2020 and 2024 cycles with base and shoulder year sales review/analysis taking place continuously.
QUESTIONS?