

Press Release
Manchester Signs Grand List

January 31, 2007- The October 1, 2006 Grand List for the Town of Manchester was signed on January 31, 2007. This list is total of all net assessments of motor vehicles, personal property, and real estate in Manchester. Motor vehicles and personal property are valued annually, while real estate was revalued this year in conjunction with a Town-wide revaluation. This revaluation updated the real estate so that the values are based on the estimated market value as of October 1, 2006. The prior revaluation, which was used for the 2000 through 2005 Grand Lists, established real estate assessments at 70% of the estimated market value as of October 1, 2000.

Due to the revaluation, virtually all real estate properties in Manchester saw an increase in their assessment on the 2006 Grand List. While mostly all properties increased, the levels of appreciation varied by property classification and location. In the aggregate, residential assessments increased 75%, commercial (retail and office) assessments increased 39%, and industrial assessments increased 25%. However, market conditions have shown that appreciation rates for individual residential real estate parcels varied in this revaluation. In general, multi-family properties, residential condominiums, and more modest single-family homes saw much higher appreciation levels than larger single-family homes or commercial properties. An estimated 99% of the growth in the Real Estate Grand List is attributable to the revaluation; the remaining 1% is attributable to new construction and building permit activity.

Manchester’s total net Grand List is \$3,388,720,040. The current 2006 net Grand List totals compare to the previous (2005 Grand List after Board of Assessment Appeals) as follows:

Assessment	2006	% of List	2005	% of List	% Change (06/05)
Real Estate	\$2,830,809,502	83.54%	\$2,371,086,180	80.87%	19.39%
Motor Vehicle	\$310,372,250	9.16%	\$305,819,340	10.43%	1.49%
Personal Property	\$247,538,298	7.30%	\$254,957,420	8.70%	-2.91%
Total	\$3,388,720,040	100.00%	\$2,931,862,940	100.00%	15.58%

The 2006 revaluation Grand List will be phased-in over a period of three years. As a result, real estate assessments will not reach the State-mandated 70% assessment ratio, where a property’s assessment equals 70% of its estimated market value as of October 1, 2006, for three Grand Lists. The phase-in limits the increase in a property’s assessment to 33.33% of its overall assessment increase, per year, for three years. For example, if a hypothetical property was assessed for \$100,000 on the Grand List of October 1, 2005, and its new full market value estimate as of October 1, 2006 is \$228,600, the new assessment at the full 70% assessment ratio will be \$160,000. However, instead of being assessed for \$160,000 on the 2006 Grand List, and seeing an increase of \$60,000 in assessment, this hypothetical property would be assessed for \$120,000 on the 2006 Grand List; \$140,000 on the 2007 Grand List, and \$160,000 on the 2008 Grand list due to the phase-in, assuming no other physical changes to the property.

If the Real Estate Grand List were not phased-in, the net assessments for the Total Grand List would have been \$4,242,539,320, which would have represented an increase of 44.70% from the 2005 Grand List net assessment of \$2,931,862,940. The Real Estate Grand List for October 1, 2006, without a phase-in, would have been \$3,684,628,780.

Motor vehicle assessments also increased. However, the increase was lower than the average of the past five years. The reduced level of growth in Motor Vehicle Grand Lists is being experienced in varying degrees Statewide. Some towns are even expected to show an overall decrease in their Motor Vehicle Grand Lists in terms of both the number of vehicles, and total net assessment. In conversations with the Department of Motor Vehicles, it was confirmed that fewer new vehicles were registered in Connecticut in 2006 than in 2005, and fewer vehicle

registrations were renewed as well. With fewer new vehicles, registered and a reduction in the number of vehicles overall, the rate of growth in the Motor Vehicle Grand List was less than experienced over the past five years on average.

The Personal Property Grand List decreased overall by 2.91%, or about \$7.42 million. Most of this decrease was due to a change in the classification of manufacturing machinery and equipment that was mandated by a change in legislation in 2006. The new legislation entitles taxpayers who own certain classifications of manufacturing equipment to receive a property tax exemption on that equipment through the creation of a new classification code category. Although this equipment is now exempt from taxation to the taxpayer, the Town of Manchester will be 100% reimbursed for this exemption through a grant from the State of Connecticut.

The number of accounts in each assessment category are as follows:

Accounts	2006	% of List	2005	% of List	% Change (06/05)
Real Estate	18,588	27.06%	18,465	26.60%	1.58%
Motor Vehicle	46,975	68.39%	47,329	68.86%	-0.81%
Personal Property	3,120	4.54%	3,120	4.54%	0.00%
Total	68,683	100.00%	68,777	100.00%	-0.14%

The Grand List will be used for Fiscal Year 2007-2008 Town of Manchester budget calculations, pending the outcome of Board of Assessment Appeals hearings in March and possibly in April. The Board of Assessment Appeals issues a final disposition on property values.

Taxpayers who wish to appeal an assessment on their real estate or personal property assessments must file an appeal form with the Assessor's Office by no later than Tuesday, February 20, 2007 at 4:30 PM. Forms are available at the Assessor's Office. Taxpayers must appeal their assessment amounts, not the amount of their taxes. The mill rate (tax rate) used to calculate the tax bills due in July 2007 will not be established until May 2007. The growth in the Grand List, due largely to the revaluation, results in the anticipated mill rate for the 2006 Grand List being lower than the mill rate for the 2005 Grand List. Taxpayers should not attempt to calculate their July 2007 tax bills by multiplying their new assessments by last year's mill rate, as the mill rate will be reduced from last year's level.

The Top Ten Taxpayers in Manchester for the Grand List of October 1, 2006 are:

#	Names	Nature of Accounts	Net Assessment (After phase-in)
1	Pavilions at Buckland Hills, LLC, Et. Al.	Buckland Hills Mall	\$109,018,705
2	JC Penney Properties	Retail & Warehousing	\$60,798,338
3	Northland Pavilions, LLC	Apartment Complex	\$54,535,508
4	CT Light and Power Co.	Utility	\$39,563,395
5	Manchester Developers LLC, Buckland Developers, LLC	Apartment Complexes	\$31,254,082
6	Plaza at Buckland Hills LLC	Shopping Center	\$25,255,474
7	Gateway Lauren, LLC	Shopping Centers	\$22,637,498
8	Wal-Mart/Sam's Club	Retail	\$20,632,985
9	Federated/May Department Stores (Macy's)	Retail	\$18,166,119
10	California State Teacher's Retirement System	Apartment Complex	\$18,125,470