

2012
Property Tax Base
Primer

December 19, 2011

Inflation Rate Multiplier History

Initial year 1995	+2.5%
IRM Average over 18 years	+2.48%
Years above Average	10 Years
Highest IRM	+4.4% (2009)
Lowest IRM	-0.03% (2010)
2011 Statewide IRM	+1.7%
2012 Statewide IRM	+2.7%

RESIDENTIAL SALES STUDIES

**12 Month
Vs
24 Month**

12 Month Residential Sales Study

In periods of declining values, this study is preferred because it is a snapshot of the current market and favors the taxpayer.

For 2012 the study period is October 1, 2010 to September 30, 2011

24 Month Residential Sales Study

In periods of appreciating values, this study is preferred because It considers older sales that tend to buffer the increase that would be present in a 12 month study and favors the taxpayer.

For 2012, the study period is October 1, 2009 to September 30, 2011

Oakland County equalizes 52 communities

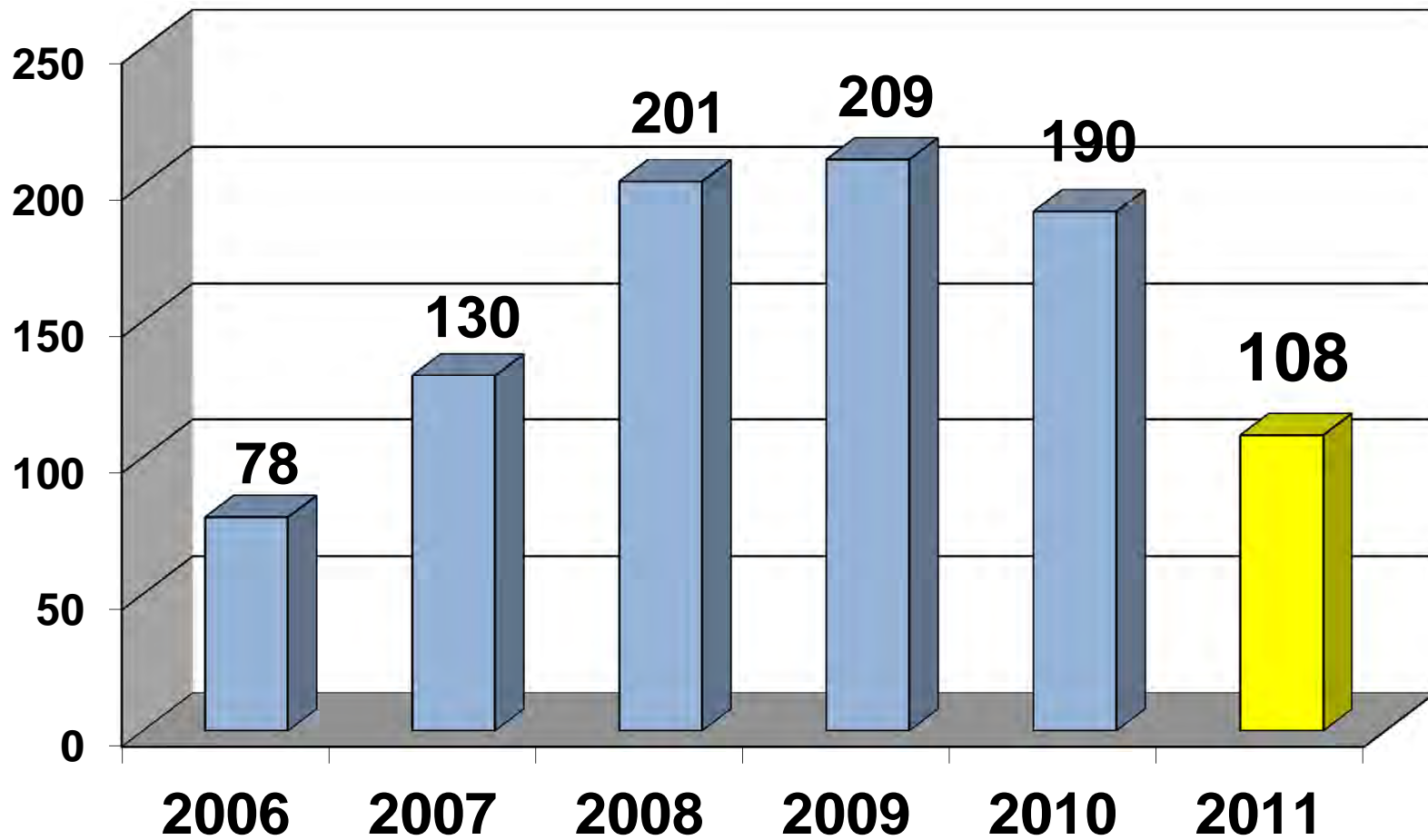
A 12 month study and a 24 month study were performed for each community. The study that favors the taxpayer has been recommended to the State Tax Commission.

Due to appreciating values, the City of Novi will be one of 18 Oakland County communities using a 24 month residential sales study.

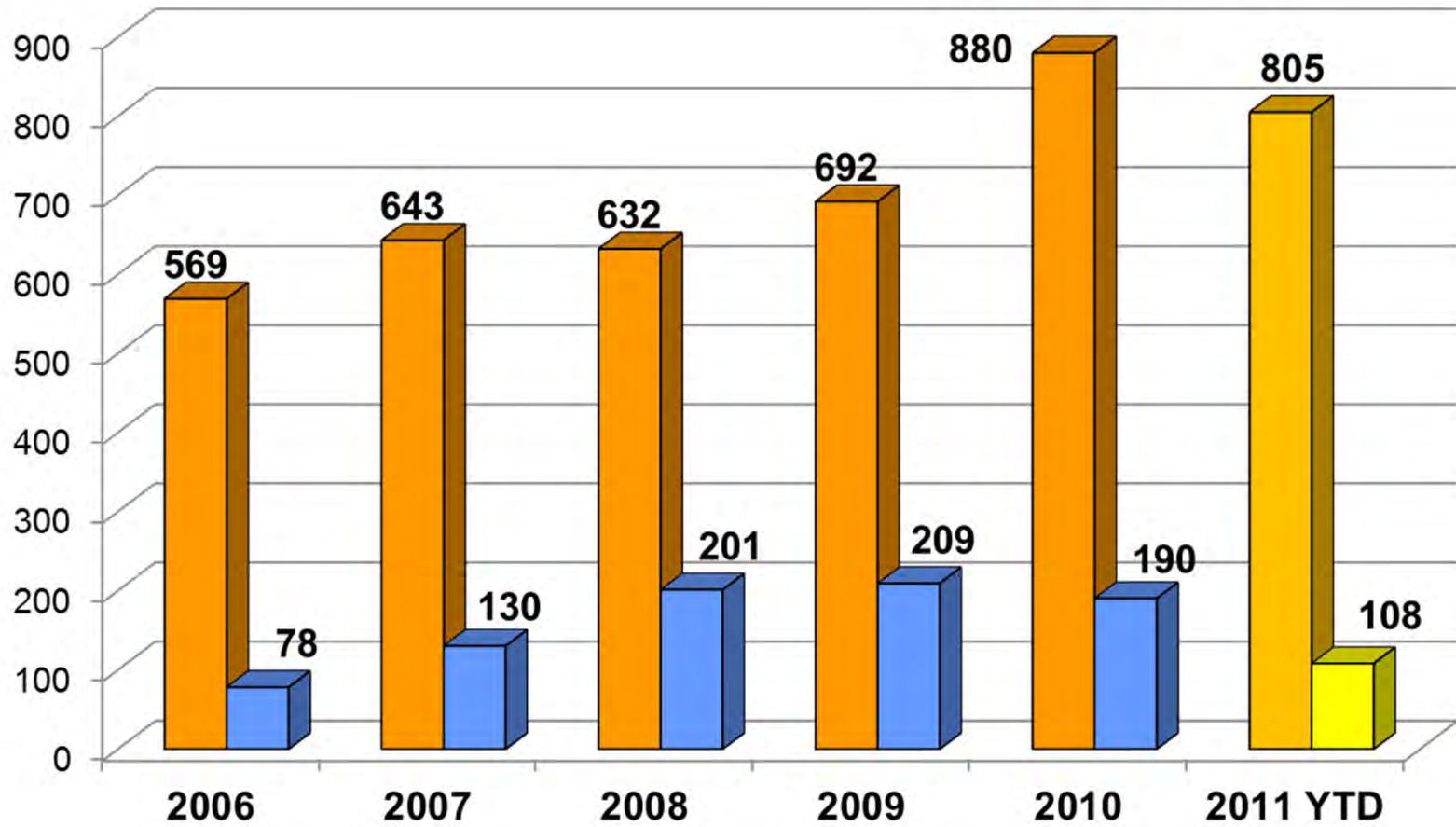
Under the 12 month study, the residential move would have been +2.79%

Under the 24 month study, the 2012 residential move is +1.20%

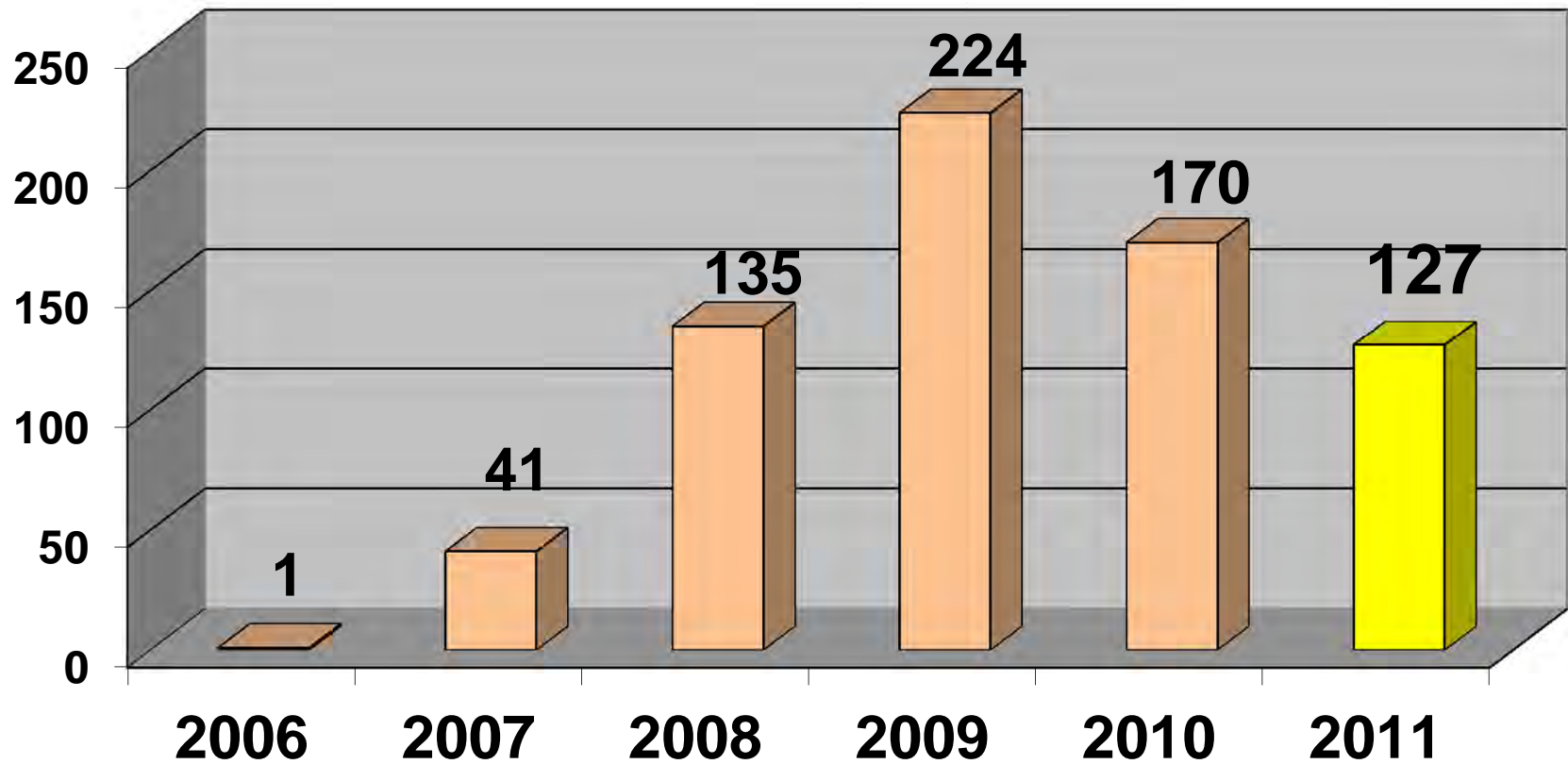
SHERIFF'S DEEDS



TOTAL RESIDENTIAL TRANSFERS VS SHERIFF'S DEEDS

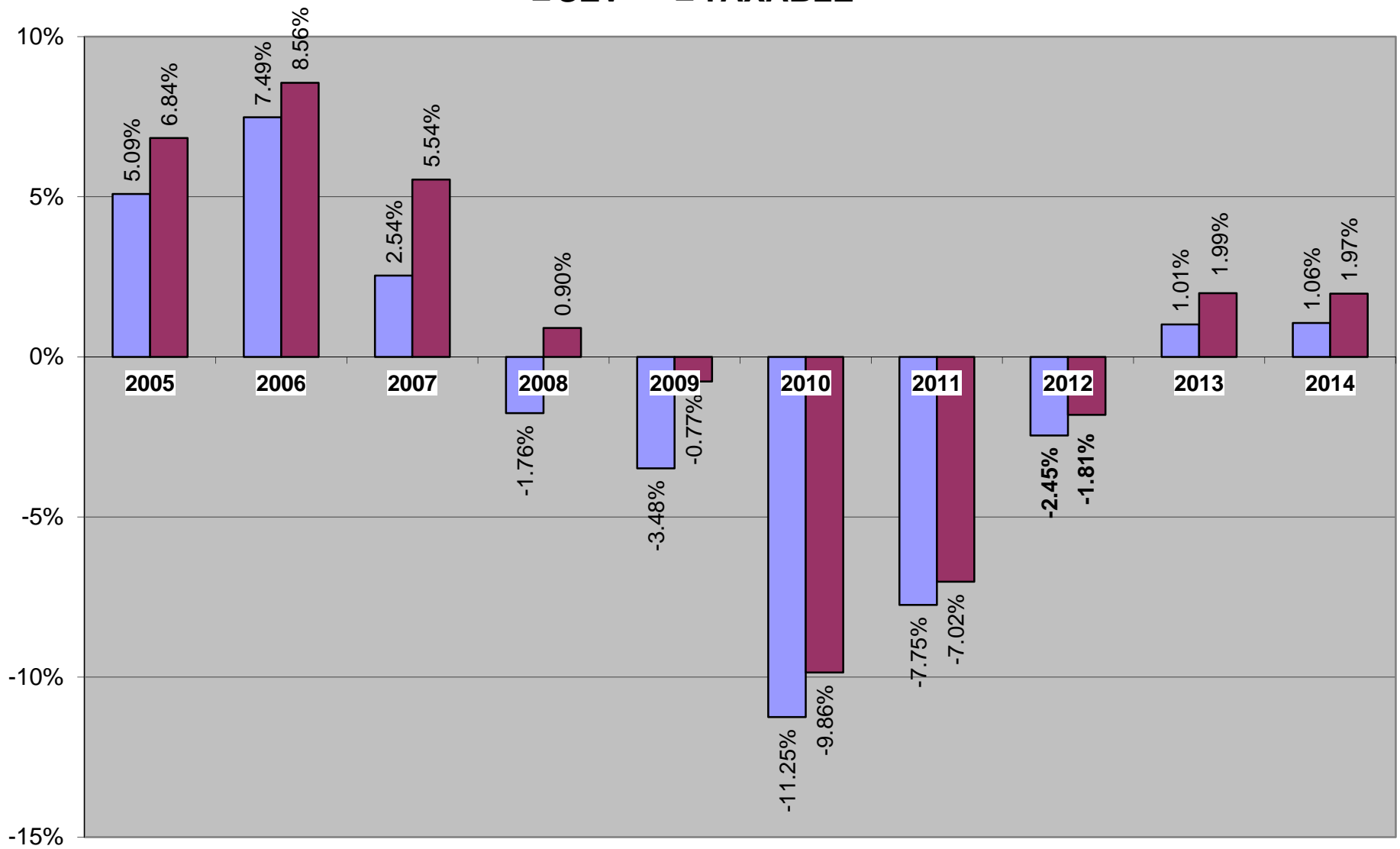


SALES FROM FORECLOSURE

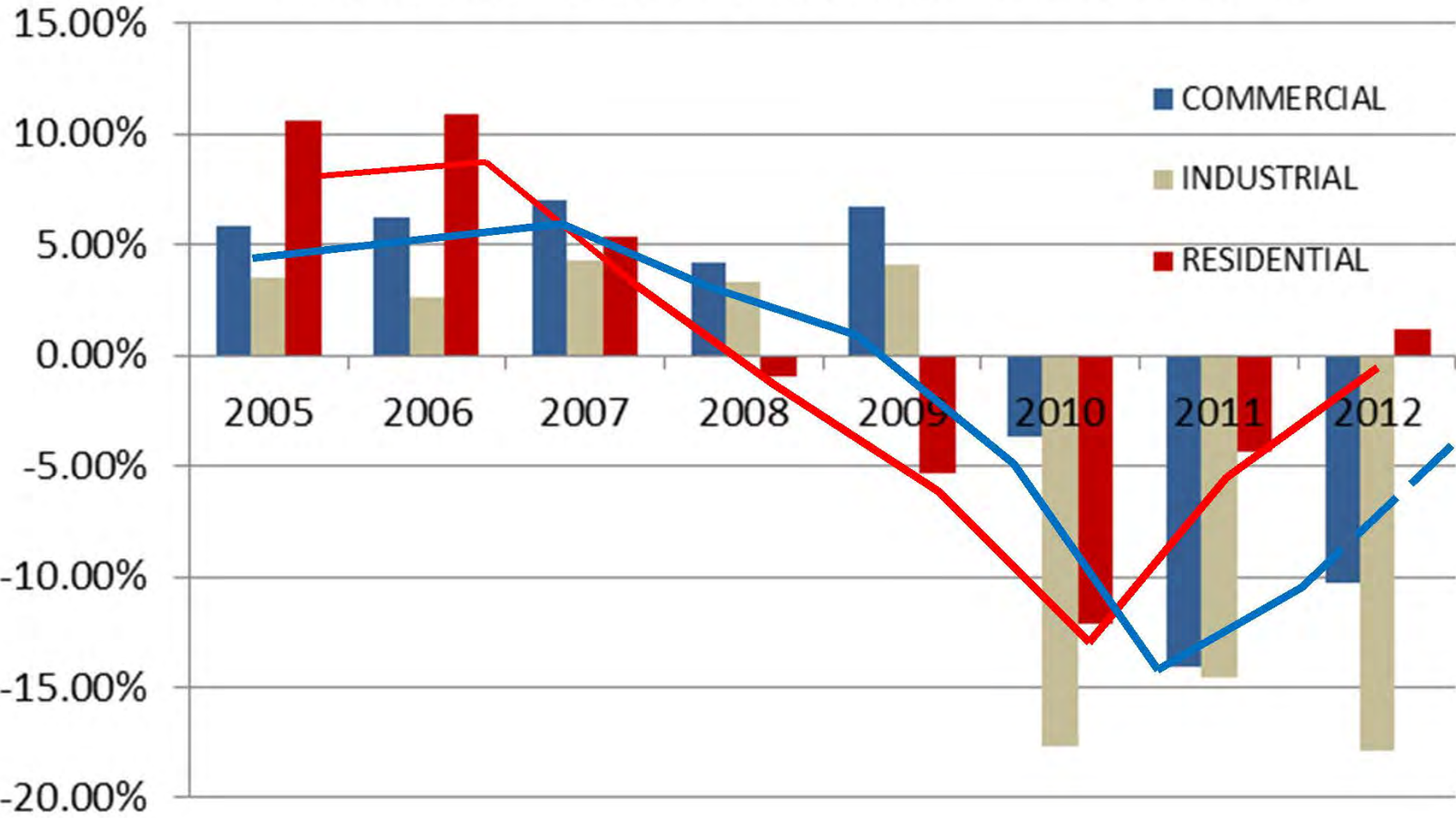


VALUE CHANGE 2005 - 2014

SEV TAXABLE



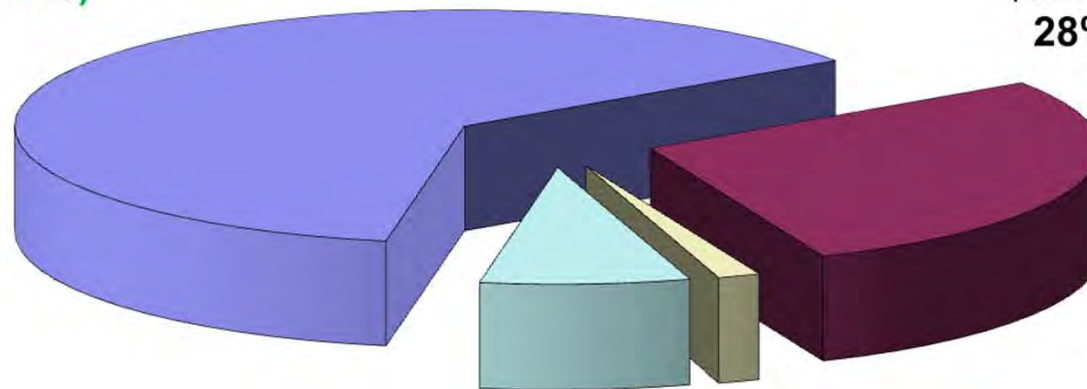
TAXABLE VALUE CHANGE BY CLASS



2012 TAXABLE VALUE (EST)

RESIDENTIAL
\$1,833,805,300
63% (60%)

COMMERCIAL
\$827,467,100
28% (31%)



PERSONAL
\$220,000,000
7.5% (7%)

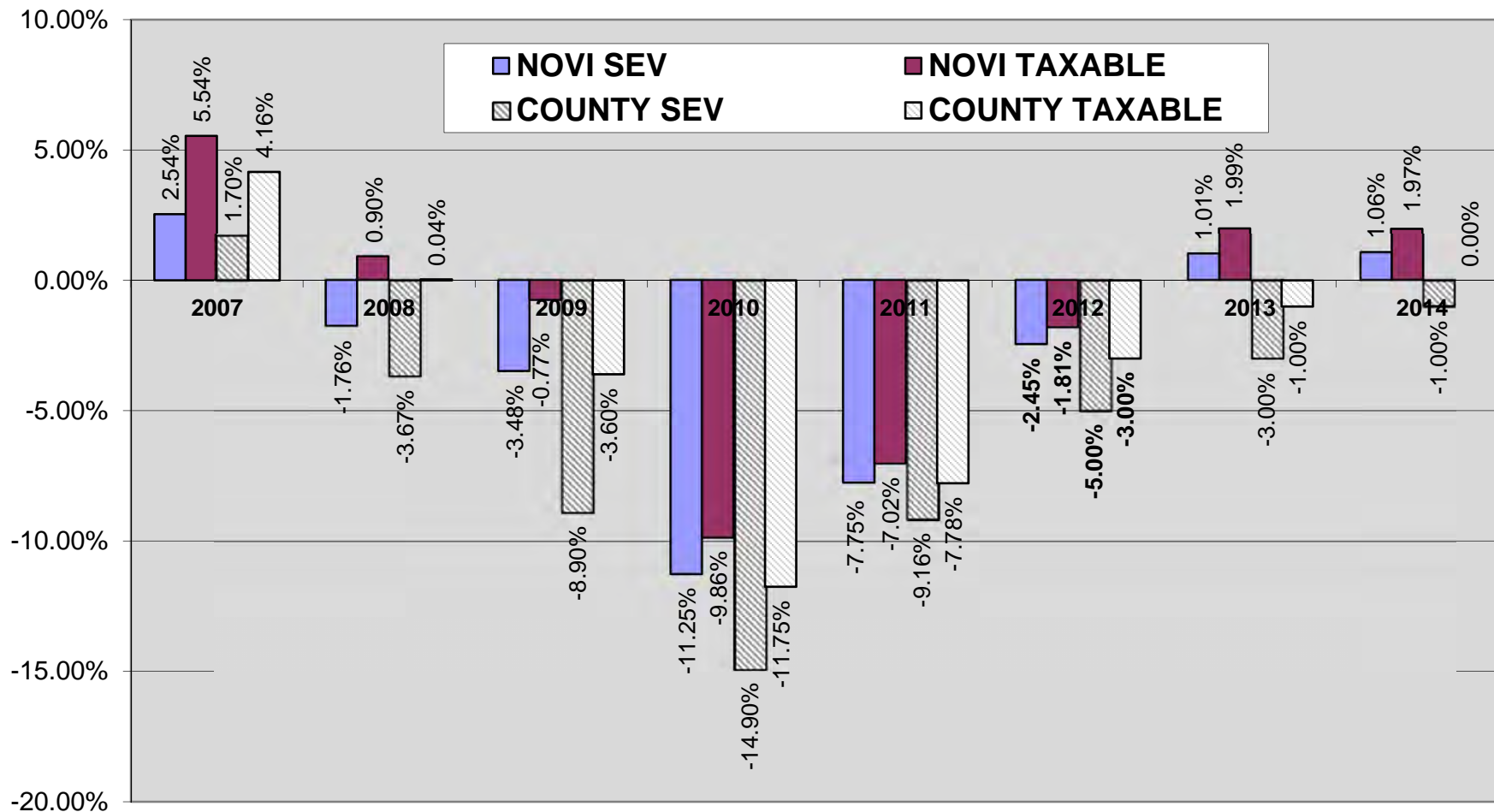
INDUSTRIAL
\$44,358,500
1.5% (2%)

COMPARATIVE CHANGE FROM 2007

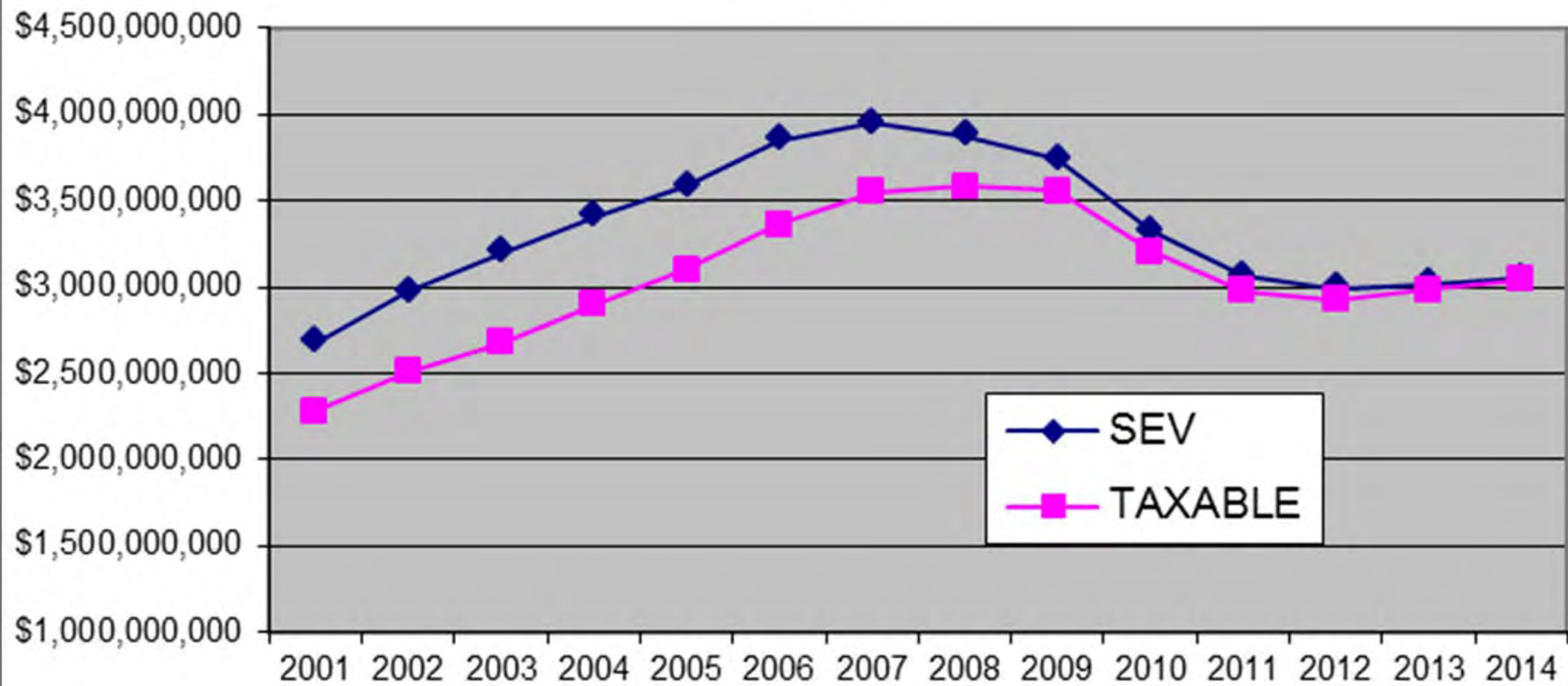
OAKLAND COUNTY		CITY OF NOVI	
2007 Countywide True Cash Value \$154.6 Billion	2007 Countywide Taxable Value \$64.7 Billion	2007 Novi True Cash Value \$3.95 Billion	2007 Novi Taxable Value \$3.55 Billion
2009 Countywide True Cash Value \$135.7 Billion Change from 2007 -12.2%	2009 Countywide Taxable Value \$62.4 Billion Change from 2007 -3.6%	2009 Novi True Cash Value \$3.74 Billion Change from 2007 -5.3%	2009 Novi Taxable Value \$3.55 Billion Change from 2007 0%
2010 Countywide True Cash Value \$115.5 Billion Change from 2007 -25.3%	2010 Countywide Taxable Value \$55.1 Billion Change from 2007 -14.8%	2010 Novi True Cash Value \$3.32 Billion Change from 2007 -16.0%	2010 Novi Taxable Value \$3.20 Billion Change from 2007 -9.86%
2011 Countywide True Cash Value \$104.9 Billion Change from 2007 -32.1%	2011 Countywide Taxable Value \$50.8 Billion Change from 2007 -21.53%	2011 Novi True Cash Value \$3.06 Billion Change from 2007 -22.5%	2011 Novi Taxable Value \$2.98 Billion Change from 2007 -16.1%
2012 Countywide True Cash Value Estimated \$99.6 Billion Change from 2007 -35.6%	2012 Countywide Taxable Value Estimated \$49.2 Billion Change from 2007 -24.0%	2012 Novi True Cash Value Estimated \$2.99 Billion Change from 2007 -24.3%	2012 Novi Taxable Value Estimated \$2.93 Billion Change from 2007 -17.5%

VALUE CHANGE 2007 - 2014

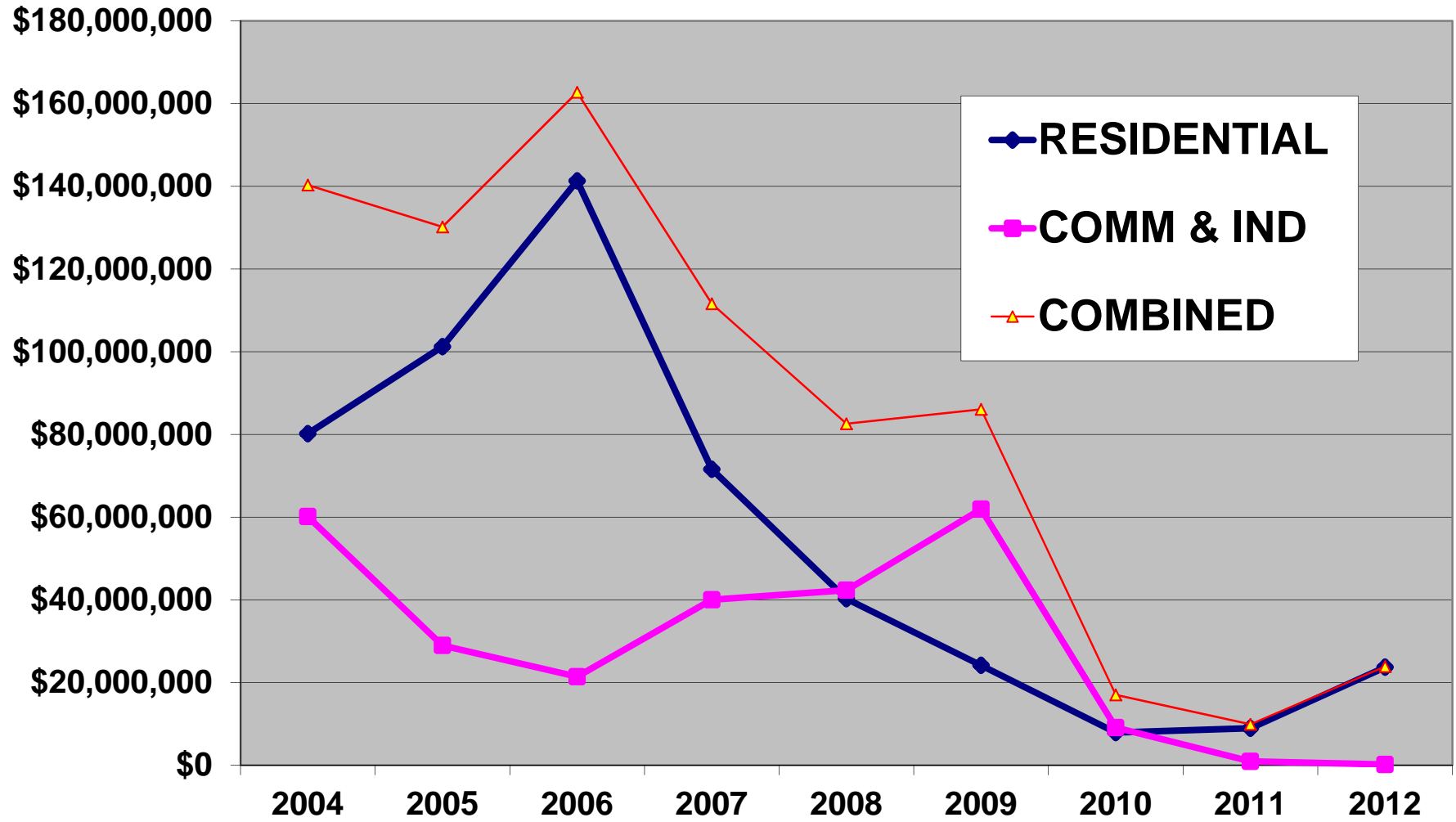
Novi v Oakland County



SEV & TAXABLE VALUES 2001 - 2014



ADDITIONS FROM NEW CONSTRUCTION



ASSESSED AND TAXABLE VALUE FOR 2011 - POST MBOR

RESIDENTIAL PROPERTIES 17,164 PARCELS	2010 POST MBOR	NEW/ADDNS	LOSS/LOSSES	2011 ESTIMATED	2011 w/o NEW/ADDNS
SEV	\$1,902,861,350	\$24,792,700	\$2,846,100	\$1,820,618,900	\$1,798,672,300
TAXABLE	\$1,862,673,780	\$24,566,780	\$1,781,983	\$1,781,997,870	\$1,759,213,073
% CHANGE TO ASSESSED				-4.32%	-5.48%
% CHANGE TO TAXABLE				-4.33%	-5.55%
% OF PARCELS WHERE SEV = TAXABLE				83.58%	
% OF VALUE WHERE SEV = TAXABLE				97.88%	

COMMERCIAL & INDUSTRIAL PROPERTIES 1,085 PARCELS	2010 POST MBOR	NEW/ADDNS	LOSS/LOSSES	2011 ESTIMATED	2011 w/o NEW/ADDNS
*****EQUALIZATION NEW AND LOSS*****		\$166,199,750	\$201,317,850		
SEV	\$1,197,856,300	\$1,226,600	\$543,540	\$1,022,625,150	\$1,021,942,090
TAXABLE	\$1,121,427,690	\$1,226,600	\$543,540	\$976,935,070	\$976,252,010
% CHANGE TO ASSESSED				-14.63%	-14.69%
% CHANGE TO TAXABLE				-12.88%	-12.95%
% OF PARCELS WHERE SEV = TAXABLE				81.69%	
% OF VALUE WHERE SEV = TAXABLE				95.53%	

PERSONAL PROPERTY - ESTIMATED 2,557 PARCELS	2010 POST MBOR	NEW/ADDNS	LOSS/LOSSES	2011 ESTIMATED	2011 w/o NEW/ADDNS
SEV & TAXABLE	\$220,466,950	\$0	\$0	\$220,678,540	\$220,678,540

ALL PROPERTIES 20,825 PARCELS	2010 POST MBOR	NEW/ADDNS	LOSS/LOSSES	2011 ESTIMATED	2011 w/o NEW/ADDNS
SEV	\$3,321,184,600	\$26,019,300	\$3,389,640	\$3,063,922,590	\$3,041,292,930
TAXABLE	\$3,204,568,420	\$25,793,380	\$2,325,523	\$2,979,611,480	\$2,956,143,623
% CHANGE TO ASSESSED				-7.75%	-8.43%
% CHANGE TO TAXABLE				-7.02%	-7.75%
% OF PARCELS WHERE SEV = TAXABLE				83.47%	
% OF VALUE WHERE SEV = TAXABLE				97.25%	

ASSESSED AND TAXABLE VALUE PROJECTION FOR 2012

RESIDENTIAL PROPERTIES 17,093 PARCELS	2011 POST MBOR	NEW/ADDNS	LOSS/LOSSES	2012 ESTIMATED	2012 w/o NEW/ADDNS
SEV	\$1,820,618,900	\$25,781,750	\$527,852	\$1,869,067,400	\$1,843,285,650
TAXABLE	\$1,781,997,870	\$23,708,600	\$496,200	\$1,833,805,300	\$1,810,096,700
% CHANGE TO ASSESSED				2.66%	1.25%
% CHANGE TO TAXABLE				2.91%	1.58%
% OF PARCELS WHERE SEV = TAXABLE				84.29%	
% OF VALUE WHERE SEV = TAXABLE				98.11%	

COMMERCIAL & INDUSTRIAL PROPERTIES 1,096 PARCELS	2011 POST MBOR	NEW/ADDNS	LOSS/LOSSES	2012 ESTIMATED	2012 w/o NEW/ADDNS
SEV	\$1,022,625,150	\$14,794,600	\$16,339,800	\$899,665,200	\$884,870,600
TAXABLE	\$976,935,070	\$174,000	\$2,723,200	\$871,825,600	\$871,651,600
% CHANGE TO ASSESSED				-12.02%	-13.47%
% CHANGE TO TAXABLE				-10.76%	-10.78%
% OF PARCELS WHERE SEV = TAXABLE				86.04%	
% OF VALUE WHERE SEV = TAXABLE				96.91%	

PERSONAL PROPERTY - ESTIMATED 2,557 PARCELS	2011 POST MBOR	NEW/ADDNS	LOSS/LOSSES	2012 ESTIMATED	2012 w/o NEW/ADDNS
SEV & TAXABLE	\$220,678,540	\$0	\$0	\$220,000,000	\$220,000,000

ALL PROPERTIES 20,583 PARCELS	2011 POST MBOR	NEW/ADDNS	LOSS/LOSSES	2012 ESTIMATED	2012 w/o NEW/ADDNS
SEV	\$3,063,922,590	\$40,576,350	\$16,867,652	\$2,988,732,600	\$2,948,156,250
TAXABLE	\$2,979,611,480	\$23,882,600	\$3,219,400	\$2,925,630,900	\$2,901,748,300
% CHANGE TO ASSESSED				-2.45%	-3.78%
% CHANGE TO TAXABLE				-1.81%	-2.61%
% OF PARCELS WHERE SEV = TAXABLE				86.21%	
% OF VALUE WHERE SEV = TAXABLE				97.89%	

Five-Year State Equalized Valuation (SEV) HISTORY

12/5/2011

SEV is 50% of True Cash Value (Market Value)

	ACTUAL				ESTIMATED	PROJECTED		
	2008 for FY 2008/2009	2009 for FY 2009/2010	2010 for FY 2010/2011	2011 for FY 2011/2012	2012 for FY 2012/2013	2013 for FY 2013/2014	2014 for FY 2014/2015	2015 for FY 2015/2016
Commercial & Industrial	1,270,942,600	1,313,896,100	1,197,856,300	1,022,625,150	899,665,200	918,000,000	936,000,000	955,000,000
Personal Property	210,456,740	233,170,160	220,466,950	220,678,540	220,000,000	176,000,000	132,000,000	88,000,000
Total Non-Residential Property	\$1,481,399,340	\$1,547,066,260	\$1,418,323,250	\$1,243,303,690	\$1,119,665,200	\$1,094,000,000	\$1,068,000,000	\$1,043,000,000
Total Non-Residential as % of Total	38.2%	41.3%	42.7%	40.6%	37.5%	36.2%	35.0%	33.8%
Non-Residential Real Change from Previous Year	3.0%	4.4%	-8.3%	-12.3%	-9.9%	-2.3%	-2.4%	-2.3%
Residential	2,395,555,450	2,194,995,650	1,902,861,350	1,820,618,900	1,869,067,400	1,925,000,000	1,983,000,000	2,042,000,000
TOTAL SEV	\$3,876,954,790	\$3,742,061,910	\$3,321,184,600	\$3,063,922,590	\$2,988,732,600	\$3,019,000,000	\$3,051,000,000	\$3,085,000,000
Change from Previous Year	-1.8%	-3.5%	-11.2%	-7.7%	-2.5%	1.0%	1.1%	1.1%
% Change by Category								
	ACTUAL				ESTIMATED	PROJECTED		
	2008 for FY 2008/2009	2009 for FY 2009/2010	2010 for FY 2010/2011	2011 for FY 2011/2012	2012 for FY 2012/2013	2013 for FY 2013/2014	2014 for FY 2014/2015	2015 for FY 2015/2016
Commercial & Industrial	6.7%	3.4%	-8.8%	-14.6%	-12.0%	2.0%	2.0%	2.0%
Residential	-2.7%	-8.4%	-13.3%	-4.3%	2.7%	3.0%	3.0%	3.0%
Total Real Property	0.4%	-4.3%	-11.6%	-8.3%	-2.6%	2.7%	2.7%	2.7%
Personal Property	7.8%	10.8%	-5.4%	0.1%	-0.3%	-20.0%	-25.0%	-33.3%
TOTAL SEV	0.7%	-3.5%	-11.2%	-7.7%	-2.5%	1.0%	1.1%	1.1%

Five-Year Taxable Value HISTORY

	ACTUAL				ESTIMATED	PROJECTED		
	2008 for FY 2008/2009	2009 for FY 2009/2010	2010 for FY 2010/2011	2011 for FY 2011/2012	2012 for FY 2012/2013	2013 for FY 2013/2014	2014 for FY 2014/2015	2015 for FY 2015/2016
Commercial & Industrial	1,133,315,240	1,203,024,590	1,121,427,690	976,935,070	871,825,600	897,900,000	924,800,000	952,500,000
Personal Property	210,456,740	233,170,160	220,466,950	220,678,540	220,000,000	176,000,000	132,000,000	88,000,000
Total Non-Residential Property	\$1,343,771,980	\$1,436,194,750	\$1,341,894,640	\$1,197,613,610	\$1,091,825,600	\$1,073,900,000	\$1,056,800,000	\$1,040,500,000
Total Non-Residential as % of Total	37.5%	40.4%	41.9%	40.2%	37.3%	36.0%	34.7%	33.5%
Non-Residential Real Change from Previous Year	4.1%	6.9%	-6.6%	-10.8%	-8.8%	-1.6%	-1.6%	-1.5%
Residential	2,238,676,260	2,118,748,880	1,862,673,780	1,781,997,870	1,833,805,300	1,910,000,000	1,986,000,000	2,065,000,000
TOTAL Taxable Value	\$3,582,448,240	\$3,554,943,630	\$3,204,568,420	\$2,979,611,480	\$2,925,630,900	\$2,983,900,000	\$3,042,800,000	\$3,105,500,000
LOSS PROVISION FOR Board of Review, Michigan Tax Tribunal cases, etc.					\$50,000,000	\$50,000,000	\$50,000,000	\$50,000,000
NET TAX BASE					\$2,875,630,900	\$2,933,900,000	\$2,992,800,000	\$3,055,500,000
Change from Previous Year	6.5%	-0.8%	-9.9%	-7.0%	-3.49%	2.0%	2.0%	2.1%
MI Consumer Price Index	2.3%	4.4%	-0.3%	1.7%	2.7%	2.6% Est	2.6% Est	2.6% Est
% Change by Category								
	2008 for FY 2008/2009	2009 for FY 2009/2010	2010 for FY 2010/2011	2011 for FY 2011/2012	2012 for FY 2012/2013	2013 for FY 2013/2014	2014 for FY 2014/2015	2015 for FY 2015/2016
Commercial & Industrial	10.6%	6.2%	-6.8%	-12.9%	-10.8%	3.0%	3.0%	3.0%
Residential	4.4%	-5.4%	-12.1%	-4.3%	2.9%	4.2%	4.0%	4.0%
Total Real Property	6.4%	-1.5%	-10.2%	-7.5%	-1.9%	3.8%	3.7%	3.7%
Personal Property	7.8%	10.8%	-5.4%	0.1%	-0.3%	-20.0%	-25.0%	-33.3%
TOTAL Taxable Value	6.5%	-0.8%	-9.9%	-7.0%	-1.8%	2.0%	2.0%	2.1%

**Other factors affecting
the Assessing and Treasury
Departments**

2011 TAXABLE VALUE BY SCHOOL DISTRICT

