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# 2023 ESTIMATED TAX ASSESSMENT REPORT FOR THE PETERSBURG BOROUGH



Anchorage, Alaska

Report Prepared on February 15, 2023

**ASSESSMENT REPORT SUMMARY**

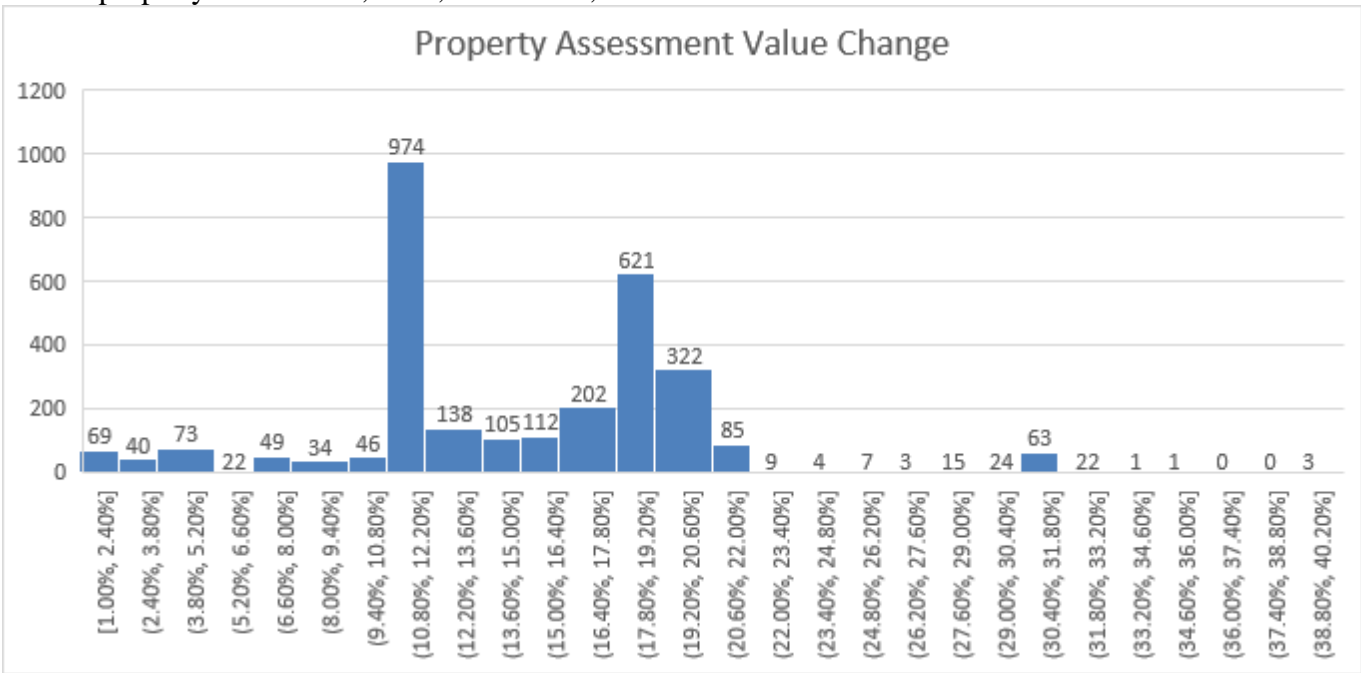
**To: Petersburg Borough, Borough Assembly**  
**From: Appraisal Company of Alaska**  
**Date: 2/15/2023**  
**Subject: 2023 Estimated Tax Assessment Report**

This is a brief report that includes an estimate of 2023 assessment value totals and changes. More detailed report will be available at the time of the Board of Equalization meeting. All values are subject to change due to appeals and other factors.

For your information – properties are assessed based on constant research for significant facts (sales) to accumulate and analyze in order to estimate the full and true (fair market) value of your property. Finding the full and true market value involves estimating the price most people would pay for it in its present condition. The assessor does not create the value – people create value through their transactions in the marketplace. State law requires your property to be assessed at its full and true value each and every year. The assessor has the legal responsibility to study those transactions and appraise your property accordingly. Values change in the marketplace, whether improvements are made to property or not. Each year assessments are done all over again because the market value changes from one year to the next.

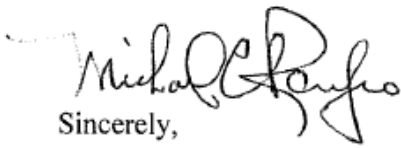
**2023 Updates**

- Residential Properties: Based on the property market analysis in Petersburg– trends from the past year and past 2 – 3 years show residential property value increase. This year property owners will see the assessed value increase on average by about 15% (majority ranging from 10%...20% - see the graph below) - depending on the characteristics of the property. Part of the increase includes land value updates as well. An increase this year for both land / improvements was required to meet the requirements set by the States Assessors Office. Based on our annual inspections - some properties will see higher value changes than listed above due to construction related to their property – new deck; shed; new house, etc.



- Commercial Properties: The only change for commercial properties will be land revaluation and changes in land valuation are ranging from 12%...20%. Some properties will see value change due to our annual inventory review, but it's a small number of properties.
- Sales Ratio Study: As part of our assessment process, we conduct annual reviews of recent property sales; and compare these to the specific property/ies they relate to. Based on the sales ratio study findings an increase for land and improvements are being applied. It's important to highlight that both land and residential property values in Petersburg have been increasing, and this trend still continues as of today. The Assessor's Office is always taking a cautious approach to calculating trends mainly due to lack of available data. Major factors that are contributing to value changes are:
  - Supply / Demand – shortage of housing
  - Costs of Vacant land – site preparation costs
  - Construction Costs – material costs, shipping, labor, etc.

These factors are common across the State and are the driving force of higher property values.



Sincerely,

Michael C Renfro

Contract Assessor