

Press Release
Manchester Signs Grand List

January 30, 2009- The October 1, 2008 Grand List for the Town of Manchester was signed late in the afternoon of January 29, 2009. This list is total of all net taxable assessments of motor vehicles, personal property, and real estate in Manchester. Motor vehicles and personal property are valued annually, while real estate was revalued two years ago in conjunction with Manchester's October 1, 2006 Town-wide revaluation. The real estate values for the October 1, 2008 Grand List reflect the implementation of the third and final year of the three-year phase-in adopted by the Town of Manchester in October 2006. Thus, real estate assessments are now equalized at the State-mandated 70% assessment ratio.

In accordance with Connecticut law, revaluations take place at a maximum of every five years; Manchester's next revaluation date is currently scheduled for October 1, 2011. It is important to note that assessed values for real estate in Manchester remain based on an assessment date of October 1, 2006. While it is clear that real estate values have depreciated since October 1, 2006, the Town of Manchester is not allowed to change assessments to reflect current market conditions without performing another revaluation. In addition, since revaluation does not impact the total amount of taxes collected by the Town's taxpayers, even after the next revaluation in 2011, if a property's value decreases, it may not automatically translate to lower a tax bill. Assessments were not increased between Manchester's 2000 and 2006 revaluations, when property values showed significant appreciation. The revaluation process, under Connecticut law, must use a uniform assessment date, which in the case of Manchester must remain October 1, 2006 until the Town's next revaluation.

Manchester's total net Grand List of October 1, 2008 is \$4,270,797,534. The 2007 net Grand List totals compare to the previous (2007 Grand List after Board of Assessment Appeals) as follows:

| Assessment | 2008 | % of List | 2007 | % of List | % Change (08/07) | # Change (08/07) |
|-------------------|------------------------|------------------|------------------------|------------------|-------------------------|-------------------------|
| Real Estate | \$3,717,708,282 | 87.05% | \$3,268,239,898 | 85.18% | 13.75% | \$449,468,384 |
| Motor Vehicle | \$296,724,840 | 6.95% | \$311,060,732 | 8.11% | -4.61% | -\$14,335,892 |
| Personal Property | \$256,364,412 | 6.00% | \$257,441,848 | 6.71% | -0.42% | -\$1,077,436 |
| TOTAL | \$4,270,797,534 | 100.00% | \$3,836,742,478 | 100.00% | 11.31% | \$434,055,056 |

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

| Accounts | 2008 | % of List | 2007 | % of List | % Change (08/07) | # Change (08/07) |
|-------------------|---------------|------------------|---------------|------------------|-------------------------|-------------------------|
| Real Estate | 18,569 | 27.15% | 18,575 | 27.02% | -0.03% | -6 |
| Motor Vehicle | 46,787 | 68.41% | 47,057 | 68.44% | -0.57% | -270 |
| Personal Property | 3,038 | 4.44% | 3,120 | 4.54% | -2.63% | -82 |
| TOTAL | 68,394 | 100.00% | 68,752 | 100.00% | -0.52% | -358 |

The Real Estate Grand List showed growth of 13.75% from the 2007 Grand List. Virtually all of that growth on the 2008 Real Estate Grand List consisted of the addition of the final year of the phase-in of the 2006 revaluation. Overall Grand List growth on the 2008 Grand List would have been 0.1% had the 2007 Grand List not been phased-in, and overall growth on the Real Estate Grand List only would have been roughly 0.54% had the 2007 Grand List not been phased-in. The state of the economy over the past year is felt to be the primary reason why the Real Estate Grand List did not experience more growth. There were fewer building permits issued in 2008 than prior years, resulting from a loss in new construction. Fewer homes and fewer new commercial buildings constructed directly translate to less growth in the Real Estate Grand List.

Motor vehicle assessments decreased by 4.6% overall. A decrease in the Motor Vehicle Grand List has been expected since the summer of 2008 and is again reflective of the state of the economy. As evidenced by the heavy losses most of the major automobile manufacturers experienced in 2008, and dealership closings in this area,

consumers are buying fewer new vehicles, and keeping their existing vehicles longer. This has a downward impact on the Motor Vehicle Grand List as fewer, new, replacement vehicles are priced on the Motor Vehicle Grand List, and more, older vehicles continue to depreciate on the Grand List. The number of registered motor vehicles in Manchester also decreased on this Grand List by 270 vehicles. Again this is felt to be reflective of the economy.

The Personal Property Grand List also showed a slight decrease of 0.42%. Once again, this is reflective of the overall economy. There are 81 fewer businesses on the 2008 Grand List than there were on the 2007 Grand List. While there were some new businesses that relocated to Manchester during the assessment year, nearly 200 businesses closed. Of the top 30 deleted accounts that were on the 2007 Grand List and deleted for the 2008 Grand List, 26 of them went out of business, translating to roughly \$4,400,000 in reduced assessments for just those accounts alone.

The Town of Manchester expects the trends shown in this Grand List to continue through 2009 and at least into 2010. At this point, next year's Grand List, the October 1, 2009 Grand List is anticipated to show zero assessment growth, with a decrease in net overall assessment very likely.

The October 1, 2008 Grand List will be used for Fiscal Year 2009-2010 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. The 2008 Grand List corresponds to the tax bills payable beginning in July 2009.

Taxpayers will soon be sent notification of their revised assessments reflecting the final year of the phase-in. These notices will be sent to property owners within a week to ten days. In most cases, gross assessments did not change, and only the phase-in (exemption) amount changed. If the gross assessment on a property changed, it was due to a non-revaluation-related reason, such as physical change to the property, such as an addition, remodeling, etc.

Property owners or 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 Friday, February 20, 2009 at 4:30 PM. Forms are available at the Manchester Office of Assessment & Collection. 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 2009 will be established by the Board of Directors in May 2009.

The Top Ten Taxpayers in Manchester for the Grand List of October 1, 2008 are:

| # | Names | Nature of Accounts | Net Assessment |
|----|---|----------------------|----------------|
| 1 | Pavilions at Buckland Hills, LLC, Et. Al. | Buckland Hills Mall | \$138,557,530 |
| 2 | Northland Pavilions, LLC | Apartment Complex | \$65,983,310 |
| 3 | JC Penney Properties | Retail & Warehousing | \$61,167,690 |
| 4 | CT Light and Power Co. | Utility | \$48,758,330 |
| 5 | Manchester Developers LLC, Buckland Developers, LLC | Apartment Complexes | \$40,888,470 |
| 6 | Gateway Lauren, LLC | Shopping Center | \$28,932,580 |
| 7 | Plaza at Buckland Hills LLC | Shopping Centers | \$27,705,100 |
| 8 | Manchester Tolland Development Co. | Apartment Complex | \$26,155,630 |
| 9 | TGM Waterford LLC (Formerly California State Teacher's Retirement System) | Apartment Complex | \$24,633,830 |
| 10 | Manchester Tarragon LLC | Apartment Complex | \$24,126,960 |