

**Press Release
Manchester Signs Grand List**

January 29, 2010- The October 1, 2009 Grand List for the Town of Manchester was signed on the afternoon of January 29, 2010. 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 valued as of three years ago in conjunction with Manchester's October 1, 2006 Town-wide revaluation.

Manchester's total net Grand List of October 1, 2009 is \$4,257,908,344. The 2009 net Grand List totals compare to the previous (2008 Grand List after Board of Assessment Appeals) as follows:

Assessment	2009	% of List	2008	% of List	% Change (09/08)	# Change (09/08)
Real Estate	\$3,722,689,977	87.43%	\$3,715,445,357	87.09%	0.19%	\$7,244,620
Motor Vehicle	\$295,169,149	6.93%	\$295,569,936	6.93%	-0.14%	-\$400,787
Personal Property	\$240,049,218	5.64%	\$255,369,952	5.99%	-6.00%	-\$15,320,734
TOTAL	\$4,257,908,344	100.00%	\$4,266,385,245	100.00%	-0.20%	-\$8,476,901

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

Accounts	2009	% of List	2008	% of List	% Change (09/08)	# Change (09/08)
Real Estate	18,560	27.23%	18,569	27.13%	-0.05%	-9
Motor Vehicle	46,576	68.34%	46,830	68.43%	-0.54%	-254
Personal Property	<u>3,018</u>	<u>4.43%</u>	<u>3,038</u>	<u>4.44%</u>	<u>-0.66%</u>	<u>-20</u>
TOTAL	68,154	100.00%	68,437	100.00%	-0.41%	-283

The Real Estate Grand List showed modest growth of 0.19% from the 2008 Grand List. Unlike the past few years, where the phase-in of the 2006 revaluation was reflected in the Grand List growth, the 2009 Real Estate Grand List reflected only growth from new construction. As the economy has slowed down over the past few years, new construction, in both the residential and commercial/industrial segments has slowed down significantly. While the total number of building permits in 2009 was not that much different than in 2008, the value of these building permits was significantly lower as the real estate construction projects tended to be on a much smaller scale than in past years. Fewer new homes and fewer new commercial buildings constructed translate directly to less growth in the Real Estate Grand List.

Motor vehicle assessments decreased by 0.14% overall. This decrease was anticipated as the 2008 Grand List also showed a decrease in the Motor Vehicle Grand List, and this trend continued in 2009, although to a much lesser extent than the 2008 Grand List which showed a 4.6% decrease. Though still a decrease, the Federal Government's "Cash for Clunkers" program did provide an increase in demand for new vehicles, even though this program was only available for a portion of the assessment year. Although the number of vehicles on the 2009 Grand List is 254 vehicles less than the 2008 Grand List, there are nearly 2,000 vehicles on the 2009 Grand List from either the 2009 or 2010 model years, and many of these are higher priced vehicles purchased during the last year. This resulted in a lesser decrease than the prior year. The decrease, as small as it is, is again reflective of the state of the economy.

The Personal Property Grand List showed quite a large decrease of 6.00%. The Personal Property Grand List also dropped last year as well, though by a much smaller amount of 0.42%. While the decrease in the number of accounts on the Personal Property Grand List was smaller than it was last year, at a drop of 20 accounts compared to 82 fewer accounts in the prior year, there were a significant number of medium and larger organizations who closed in Manchester within the last year. These include Tweeter Etc, Huntington Learning Center, Body Fit, Lindt Chocolates, Gordon Jewelers, Belden Jewelers, Circuit City & Linen N Things, among others. The assessment loss from those eight accounts alone was nearly \$1,500,000. In all, there were over 130 businesses deleted from the 2009 Personal Property Grand List. While the overall number of accounts only shows a drop of about 20 accounts,

the accounts added to the Grand List did not make up for the accounts lost. Further, a number of businesses retrenched between October 1, 2008 and October 1, 2009, and many of these businesses scaled back, meaning they disposed of some of their taxable, tangible personal property, or did not re-invest in new equipment. One account in particular, Cox Communications, re-allocated some of their assets from Manchester to 18 other towns in the area. This re-allocation resulted in Cox's assessment in Manchester decreasing by roughly \$6,500,000 in assessment on one single account. While it is important to note that this does not reflect any hardship on the part of Cox Communications, it does result in a significantly lowered assessment for Cox in Manchester.

Overall, it is clearly obvious that the 2009 Grand List in Manchester, especially on the Personal Property Grand List and the Motor Vehicle Grand List are reflecting the recent economic downturn. This was not entirely unexpected. A year ago, when the 2008 Grand List was signed, we indicated that "the October 1, 2009 Grand List is anticipated to show zero assessment growth, with a decrease in net overall assessment very likely." The Town of Manchester is very conscious of the impact of this Grand List on its residents and citizens. We understand that many residents in Manchester are struggling individually, as reflected in the changes in the economy and business community. We are hopeful that within the next year, we will hopefully see a strengthening of the economy and improvement in that will benefit the residents of Manchester, though we do not forecast significant growth for next year's 2010 Grand List.

The October 1, 2009 Grand List will be used for Fiscal Year 2010-2011 Town of Manchester budget calculations, pending the outcome of Board of Assessment Appeals hearings in March and possibly April. The Board of Assessment Appeals issues a final disposition on property values. The 2009 Grand List corresponds to the tax bills payable beginning in July 2010.

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 Monday, February 22, 2010 at 5:00 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 2010 will be established by the Board of Directors within the next few months.

The Top Ten Taxpayers in Manchester for the Grand List of October 1, 2009 are:

#	Names	Nature of Accounts	Net Assessment
1	Pavilions at Buckland Hills, LLC, Et. Al.	Buckland Hills Mall	\$135,925,850
2	Northland Pavilions, LLC	Apartment Complex	\$65,849,860
3	JC Penney Properties	Retail & Warehousing	\$58,401,850
4	CT Light and Power Co.	Utility	\$52,260,050
5	Manchester Developers LLC, Buckland Developers, LLC	Apartment Complexes	\$40,867,060
6	Gateway Lauren, LLC	Shopping Center	\$28,930,370
7	Plaza at Buckland Hills LLC	Shopping Centers	\$27,708,240
8	Manchester Tolland Development Co.	Apartment Complex	\$26,143,360
9	TGM Waterford LLC	Apartment Complex	\$24,698,050
10	Manchester Tarragon LLC	Apartment Complex	\$24,121,090

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. The Town of Manchester recently undertook a bid process for the upcoming October 1, 2011 Revaluation and received three proposals in this bid process. The winning bidder for the October 1, 2011 Revaluation was Vision Appraisal Technologies, the same firm that performed Manchester's October 1, 2000 and October 1, 2006 Revaluations. The Town of Manchester is involved in final contract negotiations with Vision Appraisal Technologies at this time. The October 1, 2011 Revaluation is a full, measure and list revaluation, which means that revaluation staff will visit virtually every property in

Manchester in order to update the property's characteristics. Field work on this revaluation is expected to begin as early as Spring 2010, and will take an estimated year and a half to complete. The next revaluation values take effect for the Grand List of October 1, 2011, which means that the first tax bills using the next revaluation values will be mailed in June 2012. As mentioned, revaluation is required at least every five years by State law in order to re-establish equity and reflect changes in market values over time between revaluations.

While work on the 2011 Revaluation is beginning soon, 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 until performing the upcoming 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.