

Prince William County home assessments level off

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Sunday, March 14, 2010

The residential housing market in some Prince William County neighborhoods is beginning to recover after being plagued by foreclosures and plunging home values.

The average residential property assessment is up about 0.4 percent over the past year, whereas last year it was down almost 30 percent, [Prince William officials told the Board of County of Supervisors on Tuesday](#). Commercial property, however, is down about 17 percent, on top of a 15 percent decrease last year.

"Some neighborhoods are stabilizing in value faster than others, but prices basically . . . are not dropping any further," Prince William financial analyst Dave Sinclair said. "This is a giant step in seeing them slowly climb back up again."

Last year's sharp decline in residential values came as banks flooded the market with foreclosed homes, Sinclair said.

In 2008, more than 6,500 foreclosed homes went on the market, and in December 2008, 88 percent of homes sold were bank or short sales, in which the home is sold for less than the outstanding loan balance, county officials said. Last year, the number of foreclosures dropped to about 3,500, and only 40 percent of home sales were bank or short sales in December.

"If there is any silver lining to a recession like this, it is that housing has become more affordable," County Executive Melissa S. Peacor said. "We are certainly hearing that young families and even our employees can get into the home market."

Although home values are rising in some parts of the county, they are still declining in others. County officials said the changes in property assessments vary tremendously this year.

"That is a phenomenon coming out of a recession," Peacor said. "That is a phenomenon we don't typically see."

In Lake Ridge, for instance, assessments in some neighborhoods rose as much as 29 percent, but in others they are down as much as 40 percent. Some residents in Bristow, where the average home was assessed at \$303,000, will have the largest assessment increase in the county, 30 percent. In Dumfries, some home values fell as much as 37 percent, and in Woodbridge, as much as 33 percent. The average home in those areas costs less than \$200,000.

Assessments are based on a variety of factors, including the number of foreclosures in the community, the number of bank sales, renovations to homes and the types of dwellings in the community, county officials said. Many condominiums in neighborhoods such as Montclair and Dumfries, for instance, have dropped in value more than the single-family homes. County officials said another factor to look at is how much home values in a particular neighborhood fell the previous year.

Although the average tax bill would rise about 2.5 percent if the board adopts the proposed rate of \$1.236 per \$100 of assessed value, the variability of the assessments means some homeowners could see steep increases -- or decreases -- from last year.

At the proposed tax rate, the county would receive almost \$475 million in real estate tax revenue, down 0.4 percent from fiscal 2010 because of the declining commercial values. The proposed rate would keep the average bill for Prince William residents 30 percent lower than bills in other major Northern Virginia jurisdictions, county officials said. Although board Chairman Corey A. Stewart (R-At Large) praised county staff members for making that possible, Supervisor Frank J. Principi (D-Woodbridge) said such low taxes come with a price.

"I don't wear the lowest tax burden in the region as a badge of honor," he said. "I think you get what you pay for. . . . I think we're shortchanging our citizens."

Tuesday's presentation was just one of many supervisors will hear as they look to adopt a fiscal 2011 budget April 27. The proposed budget includes a \$435 million general fund budget and would transfer about \$401 million to the Prince William school system. It includes about \$38 million in cuts to the general fund and the schools.