

**Appendix 'A': Copy of Contract
Specific to this Report**

STATISTICAL REVALUATION CONTRACT COMMERCIAL/INDUSTRIAL/COMMERCIAL/EXEMPT PROPERTIES

SUBJECT: FULL STATISTICAL REVALUATION means the process of a revaluation of all taxable and nontaxable residential properties in a Municipality, using existing property data, to arrive at full and true value as of April 1.

The Municipality of Portsmouth, NH, a municipal corporation organized and existing under the laws of the State of New Hampshire, hereinafter called the Municipality; and Property Valuation Advisors having a principal place of business at 63 Hill St., Newburyport, MA 01950 hereinafter called the Contractor, hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION and DEFINITIONS {602.02 (b)}

1.1 Name of Municipality:	City of Portsmouth
1.2 Mailing Address of Municipality:	1 Junkins Ave., Portsmouth, NH 03801
1.3 Contracting Officer for the Municipality:	John P. Bohenko, City Manager
1.4 Telephone and fax numbers	Ph.: 603-610-7249
1.5 E-mail Address, if applicable	jpbohenko@cityofportsmouth.com
1.6 Name of Contractor:	Property Valuation Advisors
1.7 Mailing Address of Contractor:	63 Hill St., Newburyport, MA 01950
1.8 Principal place of business, if different from b. above	Same
1.9 E-mail address, if applicable	straub@shore.net
1.10 Telephone and fax numbers	978-462-4347
1.11 Name and Title of Contractor Signer:	Stephen Traub, Proprietor & Chief Appraiser
1.12 Type of business organization	Sole Proprietorship

DEFINITIONS:

Abatement Review means to make an assessment recommendation to the municipal assessing officials or to make a change to an assessment that is in response to an abatement request from a taxpayer. **Rev 601.01**

Appraisal means the act or process of developing a market value estimate of property which will be used as the basis for valuation, fulfilling a municipality's statutory duties relative to property tax administration including, but not limited to those pursuant to RSA 75:1. **Rev 601.02**

Assessing Services means the making of appraisals, reappraisals, assessments, or providing other services on behalf of municipal assessing officials for the statutory administration of property valuation and assessment including, but not limited to those pursuant to RSA 75:1. **Rev 601.05**

Assessing Standards Board (ASB) means the State of New Hampshire assessing standards board as established pursuant to RSA 21-J:14-a. **Rev 601.06**

Assessment means an estimate of the quality, amount, size, features, or worth of real estate which is used as a basis for a municipalities' valuation in accordance with statutory requirements including, but not limited to those pursuant to RSA 75:1. Rev 601.07

Base Year means the tax year in which the municipality performed a revaluation of all properties. Rev 601.08

BTLA Reassessment means an order by the State of New Hampshire board of tax and land appeals for a revaluation or partial update of a municipality's property assessments. Rev 601.09

Calibration means the process of ensuring the predictive accuracy of the CAMA model(s), through testing, which may include but not be limited to; determining the variable rates and adjustments from market analysis for land and land factors, costs and depreciation for a cost model, valuation rates and adjustments for a sales comparison model, and market rents and capitalization rates for an income model. Rev 601.10

Computer Assisted Mass Appraisal System (CAMA) means a system of appraising property that incorporates computer-supported tables, automated valuation models and statistical analysis to assist the appraiser in estimating value for a revaluation, assessment data maintenance and valuation update. Rev 601.11

Contract means any agreement between the municipality and the contractor for making appraisals, reappraisals, assessments, or for appraisal work on behalf of a municipality with the State of New Hampshire. Rev 601.13

Contractor means the person, firm, Contractor, or corporation with which the municipality has executed a contract or agreement for assessing services. Rev 601.14

Statistical Inspection means the process of a systematic measure and listing of all properties within a municipality over a specified period of time. The term includes "data collection" and "data verification". Rev 601.15

Statistical Revaluation means the process of combining a full statistical revaluation of the entire municipality with a Statistical inspection process. Rev 601.16

Data Collection means the inspection, measuring, or listing of property within a municipality. The term includes data verification. Rev 601.17

DRA-certified means a level of certification attained by a person as set forth by the ASB in Asb 300 pursuant to RSA 21-J:14-f. Rev 601.20

Executed means to transact, agree to, carry into effect, sign or act upon a contract or agreement to perform assessing services for a municipality. The term includes "executing". Rev 601.22

Final Monitoring Report means the DRA's final letter to the municipality for any revaluation or partial update. Rev 601.23

Full Revaluation means the revaluation of all taxable and nontaxable properties in a municipality, with a complete measure and listing of all taxable and nontaxable properties to occur at the same time of the establishment of the new base year, to arrive at full and true value as of April 1. The term includes "full reappraisal" and "full reassessment." Rev 601.24

Full Statistical Revaluation means the process of a revaluation of all taxable and nontaxable properties in a municipality, using existing property data, to arrive at full and true value as of April 1. The term includes "statistical update" and "statistical reassessment". Rev 601.25

Highest and Best Use means the physically possible, legally permissible, financially feasible, and maximally productive use of a property, as appraised in accordance with RSA 75:1. Rev 601.26

Improvement means any physical change to either land or to buildings that may affect value. Rev 601.27

In-house Work Plan means a written set of goals, objectives, processes, and timelines that the municipality intends to rely upon to perform revaluations, partial updates, or Statistical inspections. Rev 601.29

Listing means recording a description of the interior, exterior, and attributes of any improvements or the recording of the description of land features and attributes. The term includes "list". Rev 601.30

Market Analysis means the study and processes utilized to determine the response of buyers and sellers of real estate, in a geographic area, to various data elements through the analysis of cost data, income data, and sale transactions in the performance of mass appraisal. **Rev 601.31**

Market Value means the value of a property that:

- (a) Is the most probable price, not the highest, lowest or average price;
- (b) Is expressed in terms of money;
- (c) Implies a reasonable time for exposure to the market;
- (d) Implies that both buyer and seller are informed of the uses to which the property may be put;
- (e) Assumes an arm's length transaction in the open market;
- (f) Assumes a willing buyer and a willing seller, with no advantage being taken by either buyer or seller; and,
- (g) Recognizes both the present use and the potential use of the property.

The term includes "full and true value". **Rev 601.32**

Mass Appraisal means the utilization of standard commonly recognized techniques to value a group of properties as of a given date, using standard appraisal methods, employing common data and providing for statistical testing. **Rev 601.33**

Measure means the physical inspection, verification, sketching and recording of the exterior dimensions and attributes of any improvements made to a property. **Rev 601.34**

Municipal Assessing Officials means those charged by law with the duty of assessing taxes and being the:

- (a) Governing body of a municipality;
- (b) Board of assessors or selectmen of a municipality; or
- (c) County commissioners of an unincorporated place.

Rev 601.36

Municipality means a city, town or unincorporated place. **Rev 601.37**

Partial Update means the process of analyzing market sales throughout the entire municipality to identify and implement needed value changes to the affected areas, or classes of property, to bring those properties to the municipality's general level of assessment utilizing the existing base tax year and providing an addendum to the existing USPAP compliant report. The term includes "partial revaluation." **Rev 601.38**

Revaluation means the act of re-estimating the worth of real estate of the entire municipality using standard appraisal methods, calibration of the CAMA tables and models, establishment of a new base year with a USPAP compliant report, and providing for statistical testing whether by either:

- (a) A full revaluation; or,
- (b) A full statistical revaluation.

The term includes "reappraisal," "reassessment," and "value anew". **Rev 601.40**

Sale Validation means the process of verifying a real estate sale transaction to determine whether the sale was a valid or an invalid indicator of the market value of the sold property. The term includes "sale verification" and "sale qualification." **Rev 601.41**

Statistical Testing means the use or application of numerical statistics to understand the results of a reappraisal or the need for a reappraisal. **Rev 601.42**

Uniform Standards of Professional Appraisal Practice (USPAP) means the generally accepted and recognized standards of appraisal practice printed by The Appraisal Foundation as authorized by Congress as the source of appraisal standards and appraiser qualifications. **Rev 601.44**

USPAP Compliant Report means an appraisal report based upon the standards established by the ASB pursuant to RSA 21-J:14-b I, (c.) **Rev 601.45**

DUTIES OF:

DRA-Certified Building Measurer and Lister Duties Asb 304.01

- (a) A DRA-certified building measurer and lister may collect data as described in Asb 303.02 for the sales survey.
- (b) A DRA-certified building measurer and lister shall not validate or invalidate any property sales.
- (c) A DRA-certified building measurer and lister shall not determine, or change, the quality grade or depreciation of structures.

DRA-Certified Property Assessor Assistant Duties Asb 304.02 A DRA-certified property assessor assistant may, under the guidance and review of a DRA-certified property assessor or DRA-certified property assessor supervisor in accordance with Asb 303.03:

- (a) Appraise various types of real estate for tax purposes; and,
- (b) Verify sales for the sales survey.

DRA-Certified Property Assessor Duties Asb 304.03

- (a) A DRA-certified property assessor may, in accordance with Asb 303.04:
 - (1) Appraise property for tax purposes including:
 - (a) The annual maintenance of assessments by using sales surveys, charts, and schedules; and,
 - (b) Using cost data established by a DRA-certified property assessor supervisor during the year of the last revaluation;
 - (2) Validate or invalidate sales for the sales survey; and,
 - (3) Submit a signed and dated statement to the DRA attesting to the qualifications of a building measurer and lister working under the DRA-certified property assessor's supervision to be true, accurate and correct.
- (b) A DRA-certified property assessor shall not adjust the cost, land, depreciation, or other tables resulting in a change to the values without the approval of a DRA-certified property assessor supervisor.

DRA-Certified Property Assessor Supervisor Duties Asb 304.04 A DRA-certified property assessor supervisor, may, in accordance with Asb 303.05:

- (a) Exercise general supervision over a revaluation;
- (b) Conduct sales surveys and establish base values for land and buildings;
- (c) Prepare the sales survey;
- (d) Establish charts and schedules to be used in the revaluation;
- (e) Prepare reports;
- (f) Supervise informal reviews of property assessments with the property owner;
- (g) Oversee any revaluation by assisting the municipality to ensure the revaluation is performed in accordance with state laws and rules;
- (h) Assist the municipality to ensure that compliance with the contract is adhered to; and,
- (i) Submit a signed and dated statement to the DRA attesting to the qualifications at all levels of certification to be true, accurate and correct.

2. SPECIFIC SERVICES TO BE PERFORMED BY THE CONTRACTOR {Rev 602.06}

2.1 Appraise all property as indicated A) in City of Portsmouth's RFP# 47-17 Statistical Revaluation – Commercial/Industrial/Apartment/Utility/Exempt & Non-Taxable Properties ; B) in the Contractor's response to the RFP; and C) as follows:

- 2.1.1 The Contractor will update all taxable Utility, Commercial, Industrial, and Apartment property and Exempt properties within the municipality in a good and workmanlike manner according to New Hampshire RSA 75:1.
- 2.1.2 The Municipality (not the Contractor) will update taxable primarily residential property within the taxing jurisdiction of the Municipality.
- 2.1.3 The Municipality (not the Contractor) shall re-measure, re-list and verify sales of Commercial, Industrial, and Apartment property used as benchmarks for the update.
- 2.1.4 The Municipality (not the Contractor) shall measure and list new construction via building permits, inventories and any other source.

2.2 Completion of Work: {602.02 (b)(3),(4),(5)}

- 2.2.1 The Contractor shall complete all work and deliver the same in final form to the Assessors on or before 9/29/2017
- 2.2.2 A penalty of \$200 per day shall be paid by the Contractor for each day required for completion beyond the above stated completion date for delays caused by the Contractor.
- 2.2.3 The Contractor shall provide to the Municipality a list of all products to be delivered and the dates of delivery thereof. These products include but are not limited to property record cards in hard copy, electronic or both formats, the USPAP Compliant Final Appraisal Report as described in 3.2.1, and any other products as deemed necessary by the Municipality.
- 2.2.4 The update shall be considered complete and in its final form only when {602.20 (a & b)}
- 2.2.4.1 The informal review of assessments has been completed;
- 2.2.4.2 The value adjustments are made;
- 2.2.4.3 The final values are submitted to and accepted by the assessing officials;
- 2.2.4.4 The DRA has completed its final monitoring report;
- 2.2.4.5 All products required by the contract are delivered to the municipality and the DRA; and
- 2.2.4.6 All other terms of the contract are fulfilled.

2.3 Personnel. {602.03(a)(b)}

- 2.3.1 For the grading, classifying, appraising and data collection of all property covered by this contract, the Contractor shall only employ personnel who are:
1. Certified by the DRA, in accordance with New Hampshire Code of Administrative Rules, Asb 303 for the work they will be performing; and
 2. Approved by the Municipality.
- 2.3.2 The Contractor shall not compensate, in any way, a municipal official or employee or any immediate member of the family of such official or employee in the performance of any work under this contract.
- 2.3.3 Upon approval of the contract and before the update begins, the Contractor shall forward to the DRA a list of the approved employees assigned to the update project.
- 2.3.4 The Contractor shall ensure when on site, that a DRA certified assessor supervisor will be on site for the update 100% of the time.

2.4 Public Relations. {602.04(a-b)}

- 2.4.1 The Contractor and the Municipality, during the progress of the work, shall each use its best efforts and that of its employees to promote full cooperation and amiable relations with the taxpayers. All publicity and news releases shall be cleared with the Assessors and include the DRA public announcement. The Contractor, upon request of the Municipality, shall make available speakers to acquaint groups with the nature and purpose of the reappraisal.

2.5 Confidentiality. {602.04 (c)(1-2)}

2.5.1 The Contractor agrees to not disclose to anyone except the Assessors or designee and the Commissioner of the DRA or designee, any preliminary values or new values discovered, for any purpose, or to permit anyone to use or examine any of the data on file in connection with the update.

2.5.2 The Contractor agrees that the data regarding the update in possession of the Contractor shall be released, upon request, to the New Hampshire Department of Revenue Administration staff member assigned to monitor the update.

2.6 Compensation and Terms. {602.05}

2.6.1 The Municipality in consideration of the services hereunder to be performed by the Contractor agrees to pay to the Contractor the sum of **Ninety-Six Thousand Dollars (\$96,000)** in manner and form as follows (assuming Municipality to do Data Processing):

2.6.2 Payment shall be made in monthly installments as the work progresses based on 90% of the estimated proportion of the work completed in the preceding month with the 10% balance being held and accumulated until final satisfactory completion of the update as defined in 2.2.4. Rev 602.20 (a), including the DRA final monitoring report

2.6.3 Payment shall be based on monthly progress reports submitted by the Contractor and after being accepted by the Municipality.

3. DETAIL SERVICES TO BE PERFORMED BY THE CONTRACTOR {602.06}

3.1 Development of Unit Costs. {602.06 (a)(1-3), (b)}

3.1.1 The Contractor shall make a careful study and investigation of the costs of utility, commercial and industrial construction in the area, based upon material costs and prevailing wage rates in the building trades. The Contractor shall develop data unit costs, which shall include architects and engineer's fees, and contractor's overhead and profits. Before using such unit costs, the Contractor shall make tests using costs against actual appraisals of buildings whose actual current costs are known in order to insure accuracy.

3.1.2 Residential Property Appraisal Schedules. N/A.

3.2 Manuals of Appraisal. {602.06 (c),(d)}

3.2.1 **USPAP Compliant Final Appraisal Report** {RSA 21-J:14-b, 1, (c)} This report shall comply with the most recent edition of the Uniform Standards of Appraisal Practice (USPAP) Standard Number 6.

The report shall contain the following sections:

1. A letter of Transmittal.

2. A Certification Statement.

3) A section detailing the Scope of Work.

4) A section detailing sales, income, and cost approaches to value including all valuation premises.

5) A section including all tables pertinent to the valuation process along with the cost data and schedules developed along with neighborhood delineation maps for the valuation of commercial, industrial, apartments, and exempt properties.

6. A section including Statistical Revaluation analysis and testing.

The Contractor for use as an appraisal manual shall bind the USPAP Compliant Final Appraisal Report. The Contractor shall instruct the Assessors in the use of the manual so that the Assessors shall have an understanding of the appraisal process being utilized. Upon completion of the Statistical Revaluation update revaluation, the Contractor shall deliver one copy of the manual to the Assessors and one copy to the Department of Revenue Administration.

3.2.2 CAMA Systems Manual N/A (System Already in Place)

3.3 Property Record Cards. {602.06 (e-g)}

3.3.1 The Contractor shall prepare a property record card, 8 1/2 x 11 inches, for each separate parcel of property in the municipality.

3.3.2 The cards shall be so arranged as to show the owner's name, street number, or other designation of the property and the mailing address of the owner, together with the necessary information for determining land value and classification, and space for indicating the land value and value of the buildings on the land.

3.3.3 The card shall be so arranged as to show descriptive information of the buildings, pricing detail, depreciation allowed for physical, functional and economic factors and an outline sketch of all principal buildings in the parcel. The property record cards shall be filed as requested by the Municipality.

3.3.4 Any coding used by the Contractor on the property record card shall be clearly explained in writing elsewhere, on the card, or on an attachment thereto.

3.3.5 The signature or other identifying symbol of the Contractor's employee appraising the property shall be noted on each property record card.

3.4 Sales Survey. {602.07}

3.4.1 A DRA Certified Property Assessor Assistant pursuant to Asb 304.02 under the guidance of a DRA Certified Property Assessor pursuant to Asb 304.03 or DRA Certified Property Assessor Supervisor pursuant to Asb 304.04 may validate sales data. A DRA Certified Property Assessor Supervisor pursuant to Asb 304.04 shall prepare the Contractor's sales survey. (See Definitions section)

3.4.2 In order to ensure that appraisals will reflect full and true value, the Municipality shall provide to the Contractor a copy of all property transfers for a minimum of three (3) years immediately preceding the effective date of the revaluation.

3.4.3 A sales analysis shall be conducted using accepted appraisal methods in order to determine land, building and total property values. Such analysis shall include documentation of the methods employed and examples of the analyses. Accepted methodology shall include the consideration of all sales given by the municipality to the Contractor and their inclusion in the sales survey book with appropriate notations for those sales not used in the correlation of values.

3.4.4 All property sales shall be included in the sales book by photocopy or printout of the property assessment record card and a photograph of the principal buildings shall be attached thereto.

3.4.5 The sales price and terms of the sale shall be verified by the Contractor and a notation to that effect made on the property assessment record card along with the sale price, date of the sale, and date of inspection.

3.4.6 Land values shall be determined from land only sales whenever possible, however, in the absence of an adequate number of land sales, the DRA Certified Property Assessor Supervisor may use the land residual or abstraction technique to assist him in the determination of land values. The analysis portion of the sales survey shall show the sale price and supporting

adjustments made in detail that are understandable by the municipal officials and the taxpayers.

- 3.4.7 The indicated land values shall be shown as, but not limited to, site, front foot, square foot, front acre or rear acre units or other appropriate units of comparison.
- 3.4.8 The completed sales survey showing the sales used and the analysis to indicate property values with documentation of the method employed and any location factors, together with neighborhood delineation maps showing front foot, square foot or front acre, rear acre unit values, or other appropriate units of comparison shall be delivered to the Assessors for approval and shall become the property of the Municipality with a copy provided to the DRA at the completion of the revaluation.

3.5 Informal Reviews.

- 3.5.1 The MUNICIPALITY shall mail, first class, to all property owners of the properties appraised by the Contractor, the notification of the newly estimated value of the property by sending to the property owner either of the following: (1) a list of all property owners and the valuations of all properties in the Municipality or (2) a letter stating the newly estimated value of the property. If a letter is sent then the MUNICIPALITY shall either publish a list showing all property values within the Municipality in a newspaper of general circulation for the entire Municipality or post in 2 public places, a list showing all property values within the Municipality. The notice shall also contain the date, time and location of the informal review process including instructions on obtaining an informal review, the time frame in which the reviews shall be scheduled and instructions relating to the appeal of the informal review process.
- 3.5.2 The notification shall contain instructions regarding the appeal process for abatements pursuant to RSA 76:16, 76:16-a and RSA 76:17.
- 3.5.3 The Assessors shall approve the informal review schedule in advance, or designee after the DRA has reviewed preliminary valuation analysis and the Assessors or designee may monitor the informal review process. The Contractor shall ensure that an informal review of the newly estimated property values is provided to all property owners of property appraised by the Contractor who request such review. A combination of daytime, evening and weekend hours shall be scheduled to accommodate all taxpayers.
- 3.5.4 Notwithstanding Rev 602.04 (c) (2) (Confidentiality) and Section 2.5.1 of this contract, the Contractor shall make available to all property owners the documentation related to their individual valuation(s).
- 3.5.5 The MUNICIPALITY shall notify by first class mail all property owners addressed during the informal reviews of the disposition of their review stating whether or not a change in value has resulted, and the amount thereof along with complete instructions for an appeal of the informal review process.

3.6 Defense of Values:

- 3.6.1 The Contractor agrees to furnish the services of a qualified representative to support the values established for the revaluation tax year upon appeal to the BTLA or Superior Court, in all cases where the appeals have been entered within the time prescribed by law at a charge of \$145 per hour plus expenses commercial industrial properties and \$150 per hour plus expenses for utility properties. Such appeals defense will be performed in an unbiased manner with consideration given to any additional or new data that becomes available or is brought to light and will conform to USPAP. This contract does not include Utility properties.

4. CONDUCT OF VALUATION OF RESIDENTIAL AND COMMERCIAL PROPERTY {602.10}

4.1 Inspection. {602.10 (a-b)}

The exterior and interior of each taxable utility, commercial industrial and apartment building and all appurtenant buildings that sold during the update period shall be carefully inspected, measured and listed by the MUNICIPALITY.

4.1.1 "Measure" means a physical inspection and recording and sketching of the exterior dimensions of any improvements. {Rev 601.16 and Asb 301.09}

4.1.2 "Listing" means recording a description of the interior and exterior attributes of any improvements. {Rev 601.13 and Asb 301.08}

4.2 Entrance {602.10 (c-h)}

Except for vacancies, refusals, unsafe structure, inhabitants that appear dangerous or threatening and those properties where the Assessors are unable to make arrangements for interior inspection, the MUNICIPALITY shall guarantee 100% interior inspection of all commercial industrial and apartment property sales in the Municipality.

When entrance to a building is refused or the occupants are not present, the MUNICIPALITY shall make a note, together with the date and time, on the property record card. A second attempt to inspect the property shall be made either after 5:00p.m. on weekdays or on Saturday. If a second attempt to inspect the property is unsuccessful, the MUNICIPALITY shall either leave a notification card at the property or send a letter to the property owner requesting the property owner arrange an appointment for an interior inspection.

If the MUNICIPALITY receives no response from the property owner within thirty (30) days, a report shall be made to the Assessors or designee. The Assessors or designee shall further attempt to make arrangements for the interior inspection and notify the Contractor within (10) working days of whether or not an inspection was made.

If the Assessors or designee is unable to perform an interior inspection, the Contractor shall estimate the value of the building using the best available evidence. The property record card shall be appropriately documented.

In all cases of entry, the property owner or occupant, must be at least 18 years of age, shall be asked to sign the property record card as evidence of interior inspection.

4.3 Measurement. {602.10 (i)}

The MUNICIPALITY shall show on the property record card, or an attachment thereto, a diagram of the principal buildings and their dimensions, with the street side or waterfront toward the bottom of the diagram.

4.4 **Listing** The MUNICIPALITY shall accurately describe and record all listing items whether affecting market value or not to both interior and exterior features.

4.5 Construction. {602.10 (j)}

In accordance with Rev. 600 rules the quality of construction and approximate age shall be noted and the specific details of the following features, as applicable, such as foundation, basement area, insulation, roofing, flooring, exterior cover, interior finish, fireplaces, heating and air conditioning systems, solar collectors, plumbing and plumbing fixtures, tiling, electric service, the number of rooms and bedrooms, sprinkler systems, elevators and any other data which would influence value. **The CONTRACTOR shall field review all such sales that were measured and listed by the MUNICIPALITY and make any adjustments it deems appropriate such as story heights, sketch labels, style/use and model classifications, quality grades and depreciation ratings, etc.**

5. How The Contractor Values Property {602.11}

- 5.1 Replacement cost shall be computed using the schedules described in sub-paragraph 3.2. These values shall then be depreciated according to age, condition, utility, and desirability, and the appropriate amount of physical, functional and economic depreciation shall be shown on each property record card, or shown as a composite adjustment based on condition, utility and desirability.
- 5.2 If the residential property contains 4 or more separate apartments or residential areas, and if the rental charges are at market level, the earnings may be examined to establish a basis of rent capitalization to be used as a comparison to other property indications of value.
- 5.3 Before the final values are estimated, a DRA Certified Property Assessor Supervisor as described in RSA 21-J:14-f, I and II, shall compare the preliminary values with the sales utilized in the sales survey to ensure all values reflect the market as of April 1 of the year of the update.
- 5.4 When computations of the data obtained from the inspection have been completed a final review shall be made by a DRA Certified Property Assessor Supervisor as described in RSA 21-J:14-f, I and II, parcel by parcel, block by block, to identify and correct any mechanical errors, unusual features or anything influencing the final value and to ensure all properties are valued at their highest and best use.

6. SERVICES TO BE PERFORMED BY THE MUNICIPALITY/CITY {602.12}

- 6.1 The municipality shall notify the Contractor, in writing, which properties within the taxing jurisdiction are exempt from taxation.
- 6.2 The Municipality shall furnish to the Contractor information pertaining to ownership of all property in the municipality, a set of current tax maps, zoning maps, charts, plans, and sales information, and additional copies if requested by the Contractor.
- 6.3 The Municipality shall keep the Contractor informed of all sales of property taking place during the progress of the update of which it has knowledge.
- 6.4 The Municipality shall make corrections to tax maps as of April 1, of the update year where lots have been subdivided or apportioned and notify the Contractor of all ownership, name and address changes of which it has knowledge.
- 6.5 Office Space and Equipment. {602.02 (b) (6)} The Municipality shall provide suitable office space with desks, tables, and chairs for the use of the agents and employees of the Contractor in performing their necessary work. The Contractor shall furnish any needed telephones, and other such equipment necessary to complete the work. The municipality shall provide (its existing) appraisal software and hardware and access to the City's existing CAMA assessment system.

7. Left Blank Purposely

8. INDEMNIFICATIONS AND INSURANCE {602.14}

- 8.1 The Contractor agrees to defend and indemnify the Municipality against claims for bodily injury, death and property damage that arises in the course of the Contractor's performance of this agreement and with respect to which the Municipality is free from negligence on the part of itself, its employees and agents.
- 8.2 The Contractor shall not be responsible for consequential or compensatory damages arising from the late performance or non-performance of the agreement caused by circumstances beyond the Contractor's reasonable control.
- 8.3 The Contractor shall maintain Public Liability Insurance, Automobile Liability Insurance and Workmen's Compensation Insurance.
- 8.3.1 The Public Liability Insurance shall be in the form of commercial general liability with the inclusion of contractual liability coverage and shall provide limits of \$1,000,000 each person and \$1,000,000 each occurrence for bodily injury liability, and \$1,000,000 each occurrence for property damage liability.
- 8.3.2 The Automobile Liability Insurance shall be in the form of comprehensive automobile liability and shall provide limits of \$1,000,000 each person and \$1,000,000 each occurrence for bodily injury liability. A copy of the insurance certificate shall be forwarded to the DRA before starting any work.
- 8.4 The Contractor shall provide certificates of insurance to the Municipality and the DRA before starting the update confirming the required insurance coverage and providing that the Municipality shall receive ten (10) days written notice of the cancellation or material change in the required insurance coverage.

9. PERFORMANCE BOND {602.15}

Contractor, before starting any revaluation work, shall deliver an executed bond or irrevocable letter of credit in favor of Municipality, or as otherwise agreed upon, with which it is contracting to assure faithful and satisfactory performance of the contract, and provide a copy to the DRA. The amount of such bond or letter of credit shall be no less than the amount of compensation to be paid by Municipality to Contractor for services to be performed, and shall not expire before final values are submitted to and accepted by the municipal assessing officials.

10. ESTIMATED SIZE OF UPDATE {602.16}

It is agreed between the parties that the entire Commercial, Industrial and Apartment update consists of an estimated 1,775 tracts/parcels (1,500 taxable and 275 exempt) as defined by RSA 75:9, and that in the event that the total number should exceed 102% of said total estimate, the Contractor shall be entitled to additional remuneration of \$75 per tract. The CONTRACTOR'S responsibilities do not include: 1) Interior Inspections and Measuring and Listings of Sale Properties (to be done by the MUNICIPALITY); 2) updating of building permits (to be done by the MUNICIPALITY); 3) Income and Expense (I&E) Questionnaire mailings and postage to be performed by MUNICIPALITY (the CONTRACTOR will supply I&E forms); 4) Data Processing (to be done by the MUNICIPALITY); 5) New valuation (impact) notice mailings and postage (to be done by the MUNICIPALITY); 6) Valuation of utility property (to be performed by Contractor per option one of the Contractor's price proposal).

PROPOSED PRELIMINARY PROJECT SCHEDULE

Startup Meeting and Review Contract, Receive Town Deliverables	4/17/17
Print Sale Cards (Sales from 1/1/15 to 4/1/17)	
Field Inspect Sales	4/18/17 - 5/1/17
Review Base Improvement Rates and Depreciation	4/17/17 - 5/5/17
Update Income and Expense Documents for Mailing to Taxpayers for Improved Commercial Properties	4/17/17
Mail Sales Questionnaires & Income and Expense Statements	4/20/17
Analyze Sales	5/6/17 - 5/15/17
Perform Preliminary Land Analysis and Create Preliminary Land Analysis Valuation Schedules	5/1/17 - 5/7/17
Review Preliminary Valuation Parameters with Assessor	5/8/17
Review Final Returned Income and Expense Statements	5/1/17 - 6/1/17
Create Final Income and Cost and Land Valuation Parameters	6/1/17 - 6/7/17
Assessor to Print Full Set of Property Cards	6/12/17
Perform Full Field Review	6/12/17 - 7/12/17
Perform Data Entry Changes & Print Revised Cards	6/15/17- 7/15/17
Perform Individual Income Approach on Income-Producing or Potential Income Producing Properties	7/15/17 - 8/1/17
Reconcile Indicated Cost, Market, and Income Valuations	7/22/17 - 8/7/17
Create Preliminary Documentation/Comprehensive Manual	6/1/17 - 8/15/17
Assessor Training and Review of Values and Methodology	7/1/17 - 8/17/17
Send Value Change Notices	8/20/17
Schedule Appointments	8/22/17 - 9/10/17
Hold Informal Hearing	9/11/17 - 9/25/17
Hearing Changes	9/13/17 - 9/27/17
Notify Taxpayers of Hearing Changes	9/28/17
Turnover Final Documentation/Comprehensive Manual	9/29/17
Turnover Final Deliverables	9/29/17

11. SIGNATURE PAGE (Rev 602.18)

Date: 3-24-17

Municipality of: Rodsworth

In the Presence of:

Rosann Lutz
Witness

By Municipal Official(s):

[Signature]

In the presence of:

Dennis Molder
Witness

By Contractor:

[Signature]
Proprietor/Chief Appraiser

12. ADDENDUMS, AMENDMENTS AND APPENDIXES {602.17}

12.1 Addendums, Amendments and appendixes may be added only by separate instrument in writing and shall meet all requirements of Rev. 602.