



# PROPERTY VALUE

## Understanding Real Estate Assessments



# What are Real Estate Assessments?

- An estimate of fair-market value. State law requires real property is assessed at 100% of fair-market value. Market value means the value that a buyer would purchase a property for, with adequate exposure to the market and under no obligation to do so. Fair-market value like market value must be representative of what a property would sell for arrived at in a fair (equitable) manner.
- Assessed value determines the overall share of taxes paid – it is important assessed values be accurate and fair resulting in an even distribution of taxes.
- Assessments are not taxes (levies) -The combination of assessed value and amount determined by governing body makes up the amount you will pay in taxes. (Assessed Value/100)\*tax rate = annual real estate taxes (levies).
- Assessments are arrived by employing one, two, or three generally accepted appraisal approaches to value: Market Approach, Income Approach, and Cost Approach.



# Residential Assessments



## Market Approach to Value

- Based on sales which occur the year leading up to the reassessment, i.e., for January 1, sales during the year immediately prior.
- Sales are verified and analyzed within an individual neighborhood and/or neighborhood group
- Sale prices are adjusted to account for differences between typical properties within a neighborhood
- Adjusted sale prices are compared to current assessments to determine the level (percentages) by which assessments may increase, decrease or remain unchanged
- Model equalization can affect the level at which individual homes increase, decrease or remain the same



# Commercial/Industrial/ Multi-family Assessments

Income Approach, Market Approach and/or  
Cost Approach to Value

- Commercial condominiums are valued using the Market Approach, like residential valuation
- Most other commercial, industrial, and multi-family apartments are valued using the Income Approach\*
  - Value equals net operating income divided by the capitalization rate
- Specialty commercial/industrial are valued using the Cost Approach\*
  - Value equals replacement cost new less depreciation plus the value of the land
- \*Tested for reasonableness by the Market Approach



# Deciphering The Annual Notice of Assessment Change



February 18, 2026  
Office of Real Estate Assessments  
10455 Armstrong St. #238, Fairfax, VA 22030  
Hours: Mon-Fri 9:30A.M. to 5:00 P.M.  
Telephone: 385-7840

**City of Fairfax**  
**NOTICE OF ASSESSMENT CHANGE**

**#1 \*\*\* THIS IS NOT A TAX BILL \*\*\***

Special District:

Account: \_\_\_\_\_  
Location: \_\_\_\_\_

Parcel ID & Legal description:  
FAIRMONT ESTATES

#1 This is not a tax bill – the Notice of Assessment Change is a public notification of a property’s reassessed (appraised) value.

#2 Tax rate is to be determined (TBD). The proposed rate will be presented with the FY 2027 Budget.

#3 Estimated Tax Levy is the (Total Assessed Value divided by 100) times the proposed rate (TBD).

#4 Lowered Rate calculations that will be advertised during the budget process/

2026 Assessed Value	
Land	\$ 280,000
Building (s)	\$ 465,800
<b>Total</b>	<b>\$ 725,800</b>
Tax Rate	#2 \$ TBD ***
Estimated Tax Levy	#3 \$ TBD ***
Change in tax levy since 2025:	TBD
Change in tax levy since 2024:	TBD

2025 Assessed Value	
Land	\$ 244,800
Building (s)	\$ 452,300
<b>Total</b>	<b>\$ 697,100</b>
Tax Rate	\$ 1.0550 **
Tax Levy	\$ 7,354.41 **

2024 Assessed Value	
Land	\$ 222,500
Building (s)	\$ 408,800
<b>Total</b>	<b>\$ 631,100</b>
Tax Rate	\$ 1.0300**
Tax Levy	\$ 6,500.33**

\*\*\* PROPOSED TAX RATE TO BE DETERMINED (TBD)  
 \*\*\* Estimated Tax Levy TBD  
 \*\* Levies exclude any outstanding penalties and/or interest;  
 \*\* Levies do not reflect any exemptions  
 \*\* Levies may vary from actual taxes due to rounding; % change in levies TBD  
 \*\* Levies for properties with new construction completed in previous years do not reflect prorated tax amounts. Prior years' assessments include 100% of the value of new improvements.

Items 2-4 included in Notices of Assessment Change are reflective of 2024 amendments pursuant to § 58.1-3330 of the Code of Virginia.

Information regarding public testimony, hearing dates, appeals, tax relief, and tax exemptions can be found on the rear side of the notice.

The reason for this assessment change is: **General Reassessment.**  
 Assessments are reflective of 100% of estimated fair market value and are effective as of **January 1, 2026.**  
 ALL ADMINISTRATIVE APPEALS TO THE ASSESSOR MUST BE FILED BY: **April 3, 2026.**

THE 2026 DUE DATE FOR APPEAL TO THE BOARD OF EQUALIZATION IS **June 30, 2026.**

Va. Code, Section 58.1-3330(B): Public testimony on the real estate tax rate will be accepted by City Council during their deliberations of the FY2027 Proposed Budget. Please see calendar on reverse side of this notice.

Lowered Rate Necessary to Offset Increased Assessment: The tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above, would be \$ TBD per \$100 of assessed value. This rate will be known as the "lowered tax rate." Effective Rate Increase: The difference between the lowered tax rate and the proposed rate would be \$ TBD per \$100, or TBD percent. This difference will be known as the "effective tax rate increase." Equalization rates will be advertised prior to Budget/Tax Rate public hearing. #4



# Appealing Assessed Values

## Options for appealing an assessment

Administrative Review - **filing due date**  **April 3**

- Appraisers are available to answer questions
- Forms and instructions are available at: <https://www.fairfaxva.gov/government/real-estate/assessment-appeal-information>, by email at: [RealEstate@fairfaxva.gov](mailto:RealEstate@fairfaxva.gov), or by calling the Real Estate Assessment Office at: 703 385-7840.
- May require interior/exterior property inspection

Board of Equalization (BOE) – **filing due date June 30**

- Forms are available at: <https://www.fairfaxva.gov/government/real-estate/board-of-equalization>

**Please note: appeals should not be based on taxes, rather whether an assessed value is more than fair-market value or inequitable with comparable properties.**





- ▶ Exemption from taxes on property for disabled veterans/surviving spouses
  - ▶ § 58.1-3219.5 of the Code of Virginia - full tax exemption from real estate taxes for veterans and surviving spouses who have been rated to have a 100 percent service-connected, permanent, and total disability
  - ▶ § 58.1-3219.9 of the Code of Virginia - full tax exemption from real estate taxes for surviving spouses of any member of the armed forces of the United States who was killed in action
  - ▶ Information: <https://www.fairfaxva.gov/government/real-estate/special-programs/disabled-veteran-tax-exemption>
- ▶ Tax Relief for the Elderly or Persons with Disabilities
  - ▶ § 58.1-3210 of the Code of Virginia - Exemption or deferral of taxes on property for certain qualifying persons
    - ▶ At least 65 years of age, or
    - ▶ Are determined to be permanently and totally disabled, and
    - ▶ Household net worth up to a maximum of **\$440,000** (value of primary residence excluded), and
    - ▶ Household qualifying income up to a maximum of **\$90,000\***
    - ▶ Information: <https://www.fairfaxva.gov/government/real-estate/special-programs/tax-relief-rent-relief-programs> or you may call the Finance Office at (703) 359-2486
  - ▶ Applications and all supporting documentation must be received by the Finance Office on or before **April 15, 2026**.
- ▶ \*For persons with disabilities, the first \$10,000 of income is excluded when calculating qualifying gross combined income

# Tax Exemptions & Tax Relief

