



Valuation Influences - Taxes & Regulatory Reform

**NCREIF Winter Virtual
Conference 2021**

March 15-19, 2021

Valuation Committee

Valuation Influences - Taxes & Regulatory Reform

Panel Members

Ray Cirz, MAI, CRE, FRICS, Moderator, Newmark Valuation & Advisory

Keith Strohl, MAI, National Property Valuation Advisors

Paula Thoreen, MAI, CRE, Colliers

Keith Darin, MAI, CRE, Capright

Keith Brenan, CRE, Weitzman Associates



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Winter Conference

2021



Taxes & Regulatory Reform

Property Tax

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Sample NYC Property Tax Calculation

Block 1019, Lot 1001 - R.E. TAXES - TRANSITIONAL ASSESSMENT PHASE-IN															
Tax	Yr.	Act. Assmt.	Trans. Assmt.	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030	2030/ 2031	2031/ 2032
2016 / 17		\$20,916,000	\$24,734,610												
2017 / 18		\$22,943,700	\$24,111,900		\$405,540										
2018 / 19		\$23,433,750	\$23,095,594		\$98,010	\$98,010									
2019 / 20		\$23,024,700	\$22,124,184		(\$81,810)	(\$81,810)	(\$81,810)								
2020 / 21		\$23,634,900	\$22,322,720		\$122,040	\$122,040	\$122,040	\$122,040							
2021 / 22		\$24,107,598	\$22,769,174		\$94,540	\$94,540	\$94,540	\$94,540	\$94,540						
2022 / 23		\$24,589,750	\$23,098,384			\$96,430	\$96,430	\$96,430	\$96,430	\$96,430					
2023 / 24		\$25,081,545	\$23,427,943				\$98,359	\$98,359	\$98,359	\$98,359	\$98,359				
2024 / 25		\$25,583,176	\$23,939,639					\$100,326	\$100,326	\$100,326	\$100,326	\$100,326			
2025 / 26		\$26,094,839	\$24,431,626						\$102,333	\$102,333	\$102,333	\$102,333	\$102,333		
2026 / 27		\$26,616,736	\$24,933,454							\$104,379	\$104,379	\$104,379	\$104,379	\$104,379	
2027 / 28		\$27,149,071	\$25,445,318								\$106,467	\$106,467	\$106,467	\$106,467	\$106,467
2028 / 29		\$27,692,052	\$25,967,420									\$108,596	\$108,596	\$108,596	\$108,596
2029 / 30		\$28,245,893	\$26,499,963										\$110,768	\$110,768	\$110,768
2030 / 31		\$28,810,811	\$27,043,158											\$112,984	\$112,984
2031 / 32		\$29,387,027	\$27,597,216												\$115,243
Previous Transitional Phase In				\$22,124,184	\$22,322,720	\$22,769,174	\$23,098,384	\$23,427,943	\$23,939,639	\$24,431,626	\$24,933,454	\$25,445,318	\$25,967,420	\$26,499,963	\$27,043,158
Current Trans. Assessment				\$22,322,720	\$22,769,174	\$23,098,384	\$23,427,943	\$23,939,639	\$24,431,626	\$24,933,454	\$25,445,318	\$25,967,420	\$26,499,963	\$27,043,158	\$27,597,216
Current Actual Assessment				\$23,634,900	\$24,107,598	\$24,589,750	\$25,081,545	\$25,583,176	\$26,094,839	\$26,616,736	\$27,149,071	\$27,692,052	\$28,245,893	\$28,810,811	\$29,387,027
Taxable (min of Actual & Trans.)				\$22,322,720	\$22,769,174	\$23,098,384	\$23,427,943	\$23,939,639	\$24,431,626	\$24,933,454	\$25,445,318	\$25,967,420	\$26,499,963	\$27,043,158	\$27,597,216
Tax Rate				10.694%	10.801%	10.909%	11.018%	11.128%	11.240%	11.352%	11.465%	11.580%	11.696%	11.813%	11.931%
Annual Tax Liability				\$2,387,192	\$2,459,285	\$2,519,791	\$2,581,300	\$2,664,055	\$2,745,993	\$2,830,420	\$2,917,411	\$3,007,045	\$3,099,401	\$3,194,562	\$3,292,612
Annual % Increase					3.02%	2.46%	2.44%	3.21%	3.08%	3.07%	3.07%	3.07%	3.07%	3.07%	3.07%
Fiscal Year RE Tax Liability				\$2,417,231	\$2,484,496	\$2,545,420	\$2,615,781	\$2,698,196	\$2,781,171	\$2,866,666	\$2,954,759	\$3,045,527	\$3,139,052	\$3,235,416	\$3,334,707
BID TAXES				\$39,335	\$40,515	\$41,731	\$42,983	\$44,272	\$45,600	\$46,968	\$48,377	\$49,829	\$51,323	\$52,863	\$54,449
Total RE Tax & Bid Liability				\$2,456,566	\$2,525,011	\$2,587,150	\$2,658,764	\$2,742,468	\$2,826,771	\$2,913,635	\$3,003,136	\$3,095,356	\$3,190,375	\$3,288,279	\$3,389,156
Per Square Foot				\$78.32	\$80.50	\$82.49	\$84.77	\$87.44	\$90.13	\$92.89	\$95.75	\$98.69	\$101.72	\$104.84	\$108.06

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Transfer Tax



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Rent Control



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Affordable Housing

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Federal Tax

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Prevailing Wage



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Opportunity Zones



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Other Tax



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Trends



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Discussion Wrap Up





Thank You.



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