

Powhatan County Final Sales Ratio for the 2025 Reassessment

The Virginia Code 58.1-3201 provides that the general reassessment shall be at 100% fair market value. The assessment sales ratio, the assessment divided by the sale price, is the ratio and the indicator of whether assessments are acceptable, too low or too high. Assessments less than 1 or 100% indicate the assessment is lower than market value, whereas assessments greater than 1 or 100% indicate that the assessment is higher than market value.

Assessment sales ratios are statistically studied with the median observation of a sample population being the indicator of the level of assessment. Median observations are used to reduce the influence of extreme outliers that can affect an average calculation.

This ratio study considers 750 arm's length real estate sales in Powhatan County representing fair market value. These sales occurred in the twelve months between August 1, 2023 and July 31, 2024 and are measured against both the fiscal year 2024 assessments and the new fiscal year 2025 assessments.

The assessment sales ratios were studied County-wide and by State Property Class, as well as by month over the period of the ratio study

The County-wide median assessment sales ratio using the fiscal year 2024 assessment values is 85%, below the lower limit of the acceptable range of 90% - 100% as recommended by the International Association of Assessing Officers (IAAO). The County-wide median assessment sales ratio using the new fiscal year 2025 assessments is 93%, much closer to the state-mandated 100% and within the acceptable range of 90% - 100% as recommended by IAAO.

IAAO also recommends that individual property classes are also within the acceptable range of 90% - 100%. The median assessment sales ratios for Suburban Residential, Commercial and Agricultural are presented below. These are followed by an analysis of median monthly assessment sales ratios illustrating the appreciating real estate values in Powhatan County.

Property Class	State Code	No. of Sales	2024 Assmt. Median Ratio	2025 Assmt. Median Ratio
Suburban Residential	2	535	85%	93%
Multi-Family	3	0	--	--
Commercial	4	18	87%	95%
Agricultural	5 & 6	17	88%	96%
Exempt	7	0	--	--

Sale Month	Sale Year	No. of Sales	2024 Assmt. Median Ratio	2025 Assmt. Median Ratio
Aug	2023	43	89%	97%
Sep	2023	48	92%	100%
Oct	2023	47	90%	98%
Nov	2023	30	86%	94%
Dec	2023	41	90%	98%
Jan	2024	41	80%	88%
Feb	2024	30	86%	92%
Mar	2024	48	85%	91%
Apr	2024	53	86%	94%
May	2024	68	85%	93%
Jun	2024	69	80%	88%
Jul	2024	52	80%	88%

The 750 sales that occurred between August 1, 2023 and July 31, 2024 and used in the study are found in the file FY2025 Ratio Study – Sales.