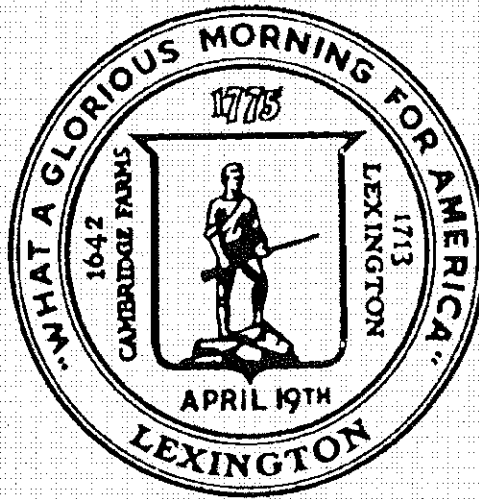


# Town of Lexington Fiscal Year 2012

## Tax Classification Hearing Packet



Prepared for the Lexington Board of Selectmen

By the  
Lexington Board of Assessors

Chairman: William W. Jackson

Member: Edmund C. Grant

Member: Gregory A. Johnson

Robert F. Lent, Director of Assessing

Monday, December 5, 2011

# MEMO

**To: Board of Selectmen**  
**From: Board of Assessors**  
**Subject: Tax Classification Hearing**  
**Date: December 5, 2011**

This memo is intended to provide the Board of Selectmen with the necessary information to conduct a Public Hearing and Information Session on the tax classification options available under Massachusetts General Laws. The classification amendment requires the Board of Selectmen to consider four selections with respect to the FY2012 tax rate. The decision of the Board for each alternative must be submitted to the DOR on form LA5. The four (4) selections are:

- Selection of a residential factor
- Selection of a discount for Open Space
- A residential exemption
- A small commercial exemption

These selections are discussed below.

## **1. Selection of a residential factor.**

The Board of Selectmen may adopt a residential factor, thus increasing the commercial, industrial, and personal property (C-I-P) tax rate by a maximum factor of 1.75. The attached Exhibits A & B demonstrate the shift that the various C-I-P factors have on the percentage of the tax levy borne by each class and the resulting tax rates. Approximately 100 of the 351 communities in Massachusetts adopt this component of classification. Adopting the residential factor is, in practice, only available to communities that have a residential commercial tax base.

## **2. Selection of a discount for Open Space.**

Massachusetts General Law Chapter 59 Sec. 2A Defines Class 2 Open Space as:

"..land which is not otherwise classified and which is not taxable under provisions of chapters 61, 61A or 61B, or taxable under a permanent conservation restriction, and which land is not held for the production of income but is maintained in an open or natural condition and which contributes significantly to the benefit and enjoyment of the public."

A maximum exemption of 25% may be adopted for all property that is classified as Open Space. The Assessors have not identified any property that meets the definition of Open Space according to the statute. Bedford was the only community to adopt this exemption in FY2011.

## EXHIBIT A: ALTERNATIVE TAX RATE SCENARIOS FOR FY2012

**FY2011-FY2012 Change in Levy Limit and Values**

**Factors Affecting Determination of FY2012 Levy Limit**

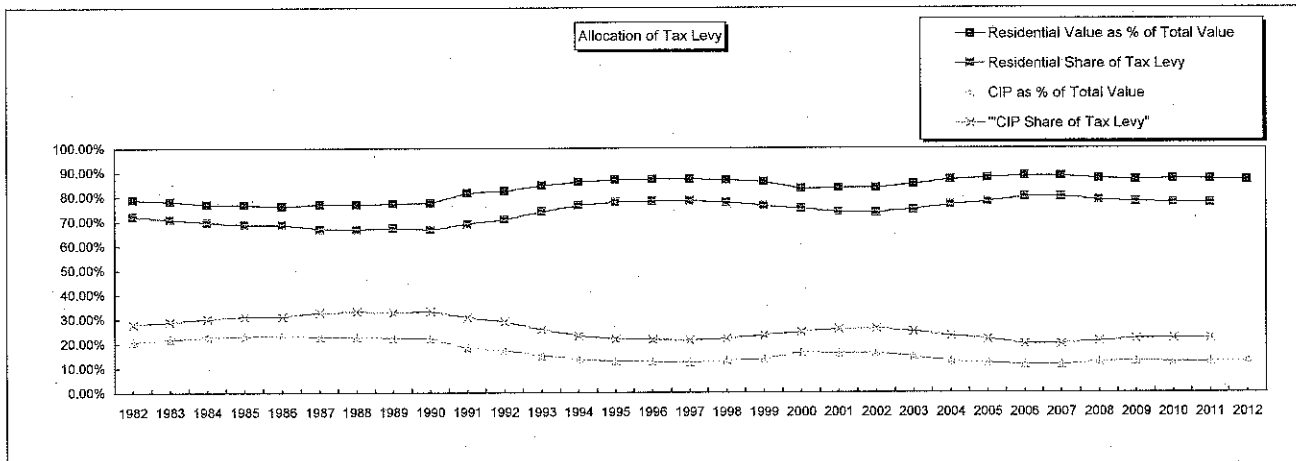
	FY2011	FY2012	% CHANGE
Maximum Allowable Levy Limit	\$128,013,187	\$134,384,498	4.98%
Tax Levy (FY11 actual/FY12 levy limit)	\$127,955,723	\$134,384,498	5.02%
Residential Valuation	\$6,953,985,750	\$6,974,904,000	0.30%
Comm/Ind/PP Valuation	\$1,019,733,440	\$1,051,783,320	3.14%
Total Valuation	\$7,973,719,190	\$8,026,687,320	0.66%
Residential Tax Rate	\$14.40	T.B.D.	
Comm/Ind/PP Tax Rate	\$27.28	T.B.D.	

FY2011 Maximum Allowable Levy Limit	\$128,662,664	
Proposition 2 1/2 increment	\$3,056,491	2.4%
New Growth Increment	3,346,536	2.6%
Override	\$0	0.0%
Debt Exclusion Increment	-31,716	-0.02%
FY2012 Maximum Allowable Levy	\$134,384,498	4.95%

C-I-P FACTOR	RESID FACTOR	% SHARE OF LEVY		TAX LEVY		TAX RATE		% LEVY CHNG: FY11 TO FY12		COMMENTS
		C-I-P	RES	C-I-P	RESID	C-I-P	RESID	C-I-P	RESID	
1.000	1.000	13.10%	86.90%	\$ 17,609,179	\$ 116,775,319	\$16.74	\$16.74	-36.70%	16.62%	SINGLE TAX RATE
1.050	0.992	13.76%	86.24%	\$ 18,489,638	\$ 115,894,860	\$17.58	\$16.62	-33.53%	15.74%	
1.100	0.985	14.41%	85.59%	\$ 19,370,097	\$ 115,014,401	\$18.42	\$16.49	-30.37%	14.86%	
1.150	0.977	15.07%	84.93%	\$ 20,250,556	\$ 114,133,942	\$19.25	\$16.36	-27.20%	13.98%	
1.200	0.970	15.72%	84.28%	\$ 21,131,015	\$ 113,253,483	\$20.09	\$16.24	-24.04%	13.10%	
1.250	0.962	16.38%	83.62%	\$ 22,011,474	\$ 112,373,024	\$20.93	\$16.11	-20.87%	12.22%	
1.300	0.955	17.03%	82.97%	\$ 22,891,933	\$ 111,492,565	\$21.76	\$15.98	-17.71%	11.34%	
1.350	0.947	17.69%	82.31%	\$ 23,772,392	\$ 110,612,106	\$22.60	\$15.86	-14.54%	10.46%	
1.400	0.940	18.35%	81.65%	\$ 24,652,851	\$ 109,731,647	\$23.44	\$15.73	-11.38%	9.58%	
1.450	0.932	19.00%	81.00%	\$ 25,533,309	\$ 108,851,189	\$24.28	\$15.61	-8.21%	8.70%	
1.500	0.925	19.66%	80.34%	\$ 26,413,768	\$ 107,970,730	\$25.11	\$15.48	-5.05%	7.82%	
1.550	0.917	20.31%	79.69%	\$ 27,294,227	\$ 107,090,271	\$25.95	\$15.35	-1.88%	6.94%	
1.560	0.916	20.44%	79.56%	\$ 27,470,319	\$ 106,914,179	\$26.12	\$15.33	-1.25%	6.77%	
1.570	0.914	20.57%	79.43%	\$ 27,646,411	\$ 106,738,087	\$26.29	\$15.30	-0.62%	6.59%	
1.580	0.913	20.70%	79.30%	\$ 27,822,503	\$ 106,561,995	\$26.45	\$15.28	0.02%	6.42%	
1.590	0.911	20.83%	79.17%	\$ 27,998,595	\$ 106,385,903	\$26.62	\$15.25	0.65%	6.24%	
1.600	0.910	20.97%	79.03%	\$ 28,174,686	\$ 106,209,812	\$26.79	\$15.23	1.28%	6.06%	
1.610	0.908	21.10%	78.90%	\$ 28,350,778	\$ 106,033,720	\$26.95	\$15.20	1.91%	5.89%	
1.620	0.907	21.23%	78.77%	\$ 28,526,870	\$ 105,857,628	\$27.12	\$15.18	2.55%	5.71%	
1.630	0.905	21.36%	78.64%	\$ 28,702,962	\$ 105,681,536	\$27.29	\$15.15	3.18%	5.54%	
1.640	0.903	21.49%	78.51%	\$ 28,879,053	\$ 105,505,445	\$27.46	\$15.13	3.81%	5.36%	
1.650	0.902	21.62%	78.38%	\$ 29,055,145	\$ 105,329,353	\$27.62	\$15.10	4.45%	5.18%	
1.660	0.900	21.75%	78.25%	\$ 29,231,237	\$ 105,153,261	\$27.79	\$15.08	5.08%	5.01%	
1.670	0.899	21.88%	78.12%	\$ 29,407,329	\$ 104,977,169	\$27.96	\$15.05	5.71%	4.83%	
1.680	0.897	22.01%	77.99%	\$ 29,583,421	\$ 104,801,077	\$28.13	\$15.03	6.35%	4.66%	
1.690	0.896	22.15%	77.85%	\$ 29,759,512	\$ 104,624,986	\$28.29	\$15.00	6.98%	4.48%	
1.700	0.894	22.28%	77.72%	\$ 29,935,604	\$ 104,448,894	\$28.46	\$14.97	7.61%	4.31%	
1.710	0.893	22.41%	77.59%	\$ 30,111,696	\$ 104,272,802	\$28.63	\$14.95	8.24%	4.13%	
1.720	0.891	22.54%	77.46%	\$ 30,287,788	\$ 104,096,710	\$28.80	\$14.92	8.88%	3.95%	
1.730	0.890	22.67%	77.33%	\$ 30,463,880	\$ 103,920,618	\$28.96	\$14.90	9.51%	3.78%	
1.740	0.888	22.80%	77.20%	\$ 30,639,971	\$ 103,744,527	\$29.13	\$14.87	10.14%	3.60%	
1.750	0.887	22.93%	77.07%	\$ 30,816,063	\$ 103,568,435	\$29.30	\$14.85	10.78%	3.43%	

## EXHIBIT B: HISTORICAL LEVY SUMMARY

FY	TOTAL LEVY	RES VALUE	CIP VALUE	TOTAL VALUE	RESIDENTIAL % VALUE	RESIDENTIAL %LEVY	CIP % VALUE	CIP %LEVY	CIP FACTOR
1982	\$25,840,699	\$981,805,500	\$260,146,400	\$1,241,951,900	79.05%	72.07%	20.95%	27.93%	1.43
1983	\$27,069,102	\$990,919,800	\$276,376,600	\$1,267,296,400	78.19%	71.06%	21.81%	28.94%	1.33
1984	\$28,022,798	\$997,961,400	\$296,494,700	\$1,294,456,100	77.10%	69.73%	22.90%	30.27%	1.32
1985	\$29,632,914	\$1,007,078,700	\$301,942,600	\$1,309,021,300	76.93%	68.88%	23.07%	31.12%	1.32
1986	\$31,019,098	\$1,020,964,400	\$317,326,500	\$1,338,290,900	76.29%	68.76%	23.71%	31.24%	1.32
1987	\$33,153,338	\$2,235,803,100	\$666,024,100	\$2,901,827,200	77.05%	67.03%	22.95%	32.97%	1.44
1988	\$34,836,855	\$2,255,006,000	\$674,748,700	\$2,929,754,700	76.97%	66.81%	23.03%	33.19%	1.44
1989	\$37,264,901	\$2,301,575,500	\$673,074,254	\$2,974,649,754	77.37%	67.26%	22.63%	32.75%	1.45
1990	\$40,392,000	\$2,928,897,300	\$843,484,600	\$3,772,381,900	77.64%	66.71%	22.36%	33.29%	1.49
1991	\$42,322,992	\$2,620,862,100	\$586,620,600	\$3,207,482,700	81.71%	69.14%	18.29%	30.86%	1.69
1992	\$43,474,747	\$2,519,321,000	\$532,077,800	\$3,051,398,800	82.56%	70.86%	17.44%	29.14%	1.67
1993	\$47,365,952	\$2,574,645,700	\$460,616,200	\$3,035,261,900	84.82%	74.14%	15.18%	25.86%	1.70
1994	\$48,686,582	\$2,633,197,000	\$420,527,200	\$3,053,724,200	86.23%	76.59%	13.77%	23.41%	1.70
1995	\$50,261,924	\$2,801,492,000	\$415,545,200	\$3,217,037,200	87.08%	78.04%	12.92%	21.96%	1.70
1996	\$53,185,783	\$2,975,007,040	\$433,858,760	\$3,408,865,800	87.27%	78.36%	12.73%	21.64%	1.70
1997	\$54,713,901	\$3,099,278,410	\$445,558,740	\$3,544,837,150	87.43%	78.63%	12.57%	21.37%	1.70
1998	\$56,940,636	\$3,300,687,100	\$494,410,360	\$3,795,097,460	86.97%	77.85%	13.03%	22.15%	1.70
1999	\$58,891,464	\$3,523,737,000	\$565,977,160	\$4,089,714,160	86.16%	76.47%	13.84%	23.53%	1.70
2000	\$61,263,839	\$3,761,567,000	\$744,710,290	\$4,506,277,290	83.47%	75.21%	16.53%	24.79%	1.50
2001	\$68,753,066	\$4,200,706,000	\$814,607,290	\$5,015,313,290	83.76%	74.01%	16.24%	25.99%	1.60
2002	\$72,024,765	\$4,706,431,500	\$911,710,050	\$5,618,141,550	83.77%	73.71%	16.23%	26.29%	1.62
2003	\$75,793,067	\$5,186,133,750	\$897,438,810	\$6,083,572,560	85.25%	74.92%	14.75%	25.08%	1.70
2004	\$82,109,040	\$6,018,408,000	\$892,768,060	\$6,911,176,060	87.08%	76.75%	12.92%	23.25%	1.80
2005	\$91,165,834	\$6,275,351,000	\$870,816,360	\$7,146,167,360	87.81%	78.07%	12.19%	21.93%	1.80
2006	\$94,751,711	\$6,823,275,250	\$862,993,280	\$7,686,268,530	88.77%	80.01%	11.23%	19.99%	1.78
2007	\$101,074,790	\$7,135,277,500	\$923,957,080	\$8,059,234,580	88.54%	80.05%	11.46%	19.95%	1.74
2008	\$110,222,125	\$6,945,049,000	\$984,115,350	\$7,929,164,350	87.58%	78.90%	12.42%	21.10%	1.70
2009	\$116,338,164	\$6,991,353,500	\$1,042,254,630	\$8,033,608,130	87.03%	77.95%	12.97%	22.05%	1.70
2010	\$121,725,000	\$6,896,447,750	\$995,142,860	\$7,891,590,610	87.39%	77.72%	12.61%	22.28%	1.70
2011	\$127,955,723	\$6,953,985,750	\$1,019,733,440	\$7,973,719,190	87.21%	77.59%	12.79%	22.41%	1.70
2012	\$134,384,498	\$6,974,904,000	\$1,051,783,320	\$8,026,687,320	86.90%	TBD	13.10%	TBD	TBD



## EXHIBIT C: HISTORY OF AVERAGE SINGLE FAMILY HOME AND TAX BURDEN - FY1992 TO PRESENT

Fiscal Year	SINGLE FAMILY VALUATION	# OF HOMES	AVERAGE A / V	% Incr A / V	TAX RATE	AVERAGE TAXES	% INCR TAXES	CIP FACTOR	TOTAL AV	CIP Factor
1992	\$2,268,576,000	8,682	\$261,296	N/A	\$12.23	\$3,195.66	N/A	1.67	\$3,051,398,800	1.67
1993	\$2,324,384,000	8,715	\$266,711	2.07%	\$13.64	\$3,637.93	13.84%	1.70	\$3,035,261,900	1.70
1994	\$2,386,608,000	8,734	\$273,255	2.45%	\$14.16	\$3,869.29	6.36%	1.70	\$3,053,724,200	1.70
1995	\$2,535,745,000	8,752	\$289,733	6.03%	\$14.00	\$4,056.26	4.83%	1.70	\$3,217,037,200	1.70
1996	\$2,681,040,000	8,758	\$306,125	5.66%	\$14.01	\$4,288.81	5.73%	1.70	\$3,408,865,800	1.70
1997	\$2,791,978,000	8,775	\$318,174	3.94%	\$13.88	\$4,416.26	2.97%	1.70	\$3,544,837,150	1.70
1998	\$2,975,012,000	8,798	\$338,146	6.28%	\$13.43	\$4,541.31	2.83%	1.70	\$3,795,097,460	1.70
1999	\$3,171,199,000	8,810	\$359,954	6.45%	\$12.79	\$4,603.82	1.38%	1.70	\$4,089,714,160	1.70
2000	\$3,376,143,000	8,821	\$382,739	6.33%	\$12.25	\$4,688.56	1.84%	1.50	\$4,506,277,290	1.50
2001	\$3,777,857,000	8,840	\$427,359	11.66%	\$12.11	\$5,175.32	10.38%	1.60	\$5,015,313,290	1.60
2002	\$4,225,339,000	8,845	\$477,709	11.78%	\$11.28	\$5,388.56	4.12%	1.62	\$5,618,141,550	1.62
2003	\$4,693,071,000	8,898	\$527,430	10.41%	\$10.95	\$5,775.36	7.18%	1.70	\$6,083,572,560	1.70
2004	\$5,456,206,000	8,887	\$613,954	16.40%	\$10.47	\$6,428.09	11.30%	1.80	\$6,911,176,060	1.80
2005	\$5,687,532,000	8,899	\$639,120	4.10%	\$11.34	\$7,247.62	12.75%	1.80	\$7,146,167,360	1.80
2006	\$6,206,172,000	8,910	\$696,540	8.98%	\$11.11	\$7,738.56	6.77%	1.78	\$7,686,268,530	1.78
2007	\$6,499,630,000	8,917	\$728,903	4.65%	\$11.34	\$8,265.76	6.81%	1.74	\$8,059,234,580	1.74
2008	\$6,262,572,000	8,922	\$701,925	-3.70%	\$12.52	\$8,788.10	6.32%	1.70	\$7,929,164,350	1.70
2009	\$6,274,760,000	8,934	\$702,346	0.06%	\$12.97	\$9,109.43	3.66%	1.70	\$8,033,608,130	1.70
2010	\$6,184,505,000	8,944	\$691,470	-1.55%	\$13.86	\$9,583.77	5.21%	1.70	\$7,891,590,610	1.70
2011	\$6,234,563,000	8,949	\$696,677	0.75%	\$14.40	\$10,032.15	4.68%	1.70	\$7,973,719,190	1.70
2012 <sup>1</sup>	\$6,251,243,000	8,963	\$697,450	0.86%	TBD	TBD	TBD	TBD	8,026,687,320	TBD

<sup>1</sup> FY2012 value is inclusive of new growth

# EXHIBIT D: TOWN OF LEXINGTON - Tax Rate Shift Options & Property Comparisons

(FY2012 Values are net of new growth)

## RESIDENTIAL

(Does not include condos, apts, 2/3 farm, etc)

	FY 2011	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012
<b>SINGLE FAMILY HOME (# = 8963)</b>	\$697,000	\$689,000	\$689,000	\$689,000	\$689,000	\$689,000	\$689,000	\$689,000	\$689,000	\$689,000	\$689,000	\$689,000
FY12-Estim. Average Dwelling Assessed	1.70	1.65	1.67	1.69	1.69	1.70	1.71	1.72	1.73	1.74	1.75	1.75
Tax Burden Shift Factor	\$14.40	\$15.10	\$15.08	\$16.03	\$16.00	\$17.07	\$17.95	\$18.92	\$19.90	\$20.87	\$21.85	\$22.83
Average Tax Rate (per \$1,000 of Ass'd value)	\$10,037	\$10,405	\$10,387	\$10,353	\$10,335	\$10,318	\$10,300	\$10,283	\$10,266	\$10,248	\$10,231	\$10,214
\$ Tax differential between FY11-FY12	N/A	\$368	\$350	\$316	\$298	\$281	\$263	\$246	\$229	\$211	\$194	\$177
% Tax differential between FY11-FY12	N/A	3.66%	3.49%	3.14%	2.97%	2.80%	2.62%	2.45%	2.28%	2.10%	1.93%	1.75%

## COMMERCIAL

(Office (non-Lab/Med) > 30,000 sqft GBA)

	FY 2011	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012
<b>LARGE OFFICE BLDG (# = 24)</b>	\$11,895,000	\$12,070,000	\$12,070,000	\$12,070,000	\$12,070,000	\$12,070,000	\$12,070,000	\$12,070,000	\$12,070,000	\$12,070,000	\$12,070,000	\$12,070,000
FY12-Estim. @ \$120/sf, Avg Prpty Ass'd	1.70	1.66	1.67	1.68	1.69	1.70	1.71	1.72	1.73	1.74	1.75	1.75
Tax Burden Shift Factor	\$27.28	\$27.62	\$27.59	\$28.13	\$28.09	\$28.63	\$28.59	\$29.13	\$29.09	\$29.63	\$29.59	\$30.13
Average Tax Rate (per \$1,000 of Ass'd value)	\$324,486	\$333,430	\$335,450	\$339,492	\$341,513	\$343,533	\$345,554	\$347,575	\$349,596	\$351,617	\$353,637	\$355,657
\$ Tax differential between FY11-FY12	N/A	\$8,934	\$10,955	\$14,996	\$17,017	\$19,038	\$21,059	\$23,079	\$25,100	\$27,121	\$29,142	\$31,163
% Tax differential between FY11-FY12	N/A	2.75%	3.38%	4.62%	5.24%	5.87%	6.49%	7.11%	7.74%	8.36%	8.98%	9.60%

(Office (non-Lab/Med) 10,000-30,000 sqft GBA)

	FY 2011	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012
<b>MEDIUM OFFICE BLDG (# = 10)</b>	\$1,767,000	\$1,822,000	\$1,822,000	\$1,822,000	\$1,822,000	\$1,822,000	\$1,822,000	\$1,822,000	\$1,822,000	\$1,822,000	\$1,822,000	\$1,822,000
FY12-Estim. @ \$125/sf, Avg Prpty Ass'd	1.70	1.66	1.67	1.68	1.69	1.70	1.71	1.72	1.73	1.74	1.75	1.75
Tax Burden Shift Factor	\$27.28	\$27.62	\$27.59	\$28.13	\$28.09	\$28.63	\$28.59	\$29.13	\$29.09	\$29.63	\$29.59	\$30.13
Average Tax Rate (per \$1,000 of Ass'd value)	\$48,204	\$50,332	\$50,637	\$51,247	\$51,552	\$51,857	\$52,162	\$52,467	\$52,772	\$53,077	\$53,383	\$53,688
\$ Tax differential between FY11-FY12	N/A	\$2,128	\$2,433	\$3,043	\$3,349	\$3,654	\$3,959	\$4,264	\$4,569	\$4,874	\$5,179	\$5,484
% Tax differential between FY11-FY12	N/A	4.42%	5.05%	6.31%	6.95%	7.58%	8.21%	8.85%	9.48%	10.11%	10.74%	11.37%

(Retail, Restaurants, & Banks, w/office upstairs)

	FY 2011	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012
<b>DOWNTOWN RETAIL (# = 29)</b>	\$1,945,000	\$1,965,000	\$1,965,000	\$1,965,000	\$1,965,000	\$1,965,000	\$1,965,000	\$1,965,000	\$1,965,000	\$1,965,000	\$1,965,000	\$1,965,000
FY12-Estim. @ \$215/sf, Avg Prpty Ass'd	1.70	1.65	1.67	1.68	1.69	1.70	1.71	1.72	1.73	1.74	1.75	1.75
Tax Burden Shift Factor	\$27.28	\$27.62	\$27.59	\$28.13	\$28.09	\$28.63	\$28.59	\$29.13	\$29.09	\$29.63	\$29.59	\$30.13
Average Tax Rate (per \$1,000 of Ass'd value)	\$53,060	\$54,282	\$54,611	\$55,269	\$55,598	\$55,927	\$56,256	\$56,585	\$56,914	\$57,243	\$57,572	\$57,901
\$ Tax differential between FY11-FY12	N/A	\$1,223	\$1,552	\$2,210	\$2,539	\$2,868	\$3,197	\$3,526	\$3,855	\$4,184	\$4,513	\$4,842
% Tax differential between FY11-FY12	N/A	2.30%	2.92%	4.16%	4.78%	5.40%	6.02%	6.64%	7.26%	7.88%	8.50%	9.12%

(Retail Condos are not included)

	FY 2011	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012
<b>OFFICE CONDO (# = 198)</b>	\$150,000	\$151,000	\$151,000	\$151,000	\$151,000	\$151,000	\$151,000	\$151,000	\$151,000	\$151,000	\$151,000	\$151,000
FY12-Estim. @ \$200/sf, Avg Prpty Ass'd	1.70	1.65	1.67	1.68	1.69	1.70	1.71	1.72	1.73	1.74	1.75	1.75
Tax Burden Shift Factor	\$27.28	\$27.62	\$27.59	\$28.13	\$28.09	\$28.63	\$28.59	\$29.13	\$29.09	\$29.63	\$29.59	\$30.13
Average Tax Rate (per \$1,000 of Ass'd value)	\$4,092	\$4,171	\$4,197	\$4,222	\$4,247	\$4,272	\$4,297	\$4,322	\$4,347	\$4,372	\$4,397	\$4,422
\$ Tax differential between FY11-FY12	N/A	\$79	\$105	\$155	\$180	\$206	\$231	\$256	\$282	\$307	\$332	\$357
% Tax differential between FY10-FY11	N/A	1.94%	2.56%	3.79%	4.41%	5.03%	5.65%	6.26%	6.88%	7.50%	8.12%	8.74%

## INDUSTRIAL

(Lab/Med Use is Primary)

	FY 2011	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012	FY 2012
<b>LAB/OFFICE COMBO (# = 9)</b>	\$18,807,000	\$19,237,000	\$19,237,000	\$19,237,000	\$19,237,000	\$19,237,000	\$19,237,000	\$19,237,000	\$19,237,000	\$19,237,000	\$19,237,000	\$19,237,000
FY12-Estim. @ \$230/sf, Avg Prpty Ass'd	1.70	1.65	1.67	1.68	1.69	1.70	1.71	1.72	1.73	1.74	1.75	1.75
Tax Burden Shift Factor	\$27.28	\$27.62	\$27.59	\$28.13	\$28.09	\$28.63	\$28.59	\$29.13	\$29.09	\$29.63	\$29.59	\$30.13
Average Tax Rate (per \$1,000 of Ass'd value)	\$513,055	\$531,415	\$534,638	\$541,077	\$547,519	\$553,960	\$560,402	\$566,844	\$573,286	\$579,728	\$586,170	\$592,612
\$ Tax differential between FY11-FY12	N/A	\$18,360	\$21,581	\$24,802	\$28,023	\$31,243	\$34,464	\$37,685	\$40,905	\$44,126	\$47,347	\$50,567
% Tax differential between FY11-FY12	N/A	3.58%	4.21%	5.46%	6.09%	6.72%	7.35%	7.97%	8.60%	9.23%	9.86%	10.49%

## EXHIBIT D-1: CHANGES IN ASSESSED VALUES BY CLASS: FY2011 TO FY2012

This chart is intended to show the change in assessed value by class. FY12 values are shown with and without new growth. The change in assessed values between FY11 and FY12 without new growth is a more accurate depiction of the change in market conditions.

	Residential	Commercial (C)	Industrial (I)	Personal Property (P)	C-I-P Subtotal	Total Assessed
FY 11	\$6,953,985,750	\$622,260,250	\$213,424,000	\$184,049,190	\$1,019,733,440	\$7,973,719,190
FY 12	<b>\$6,974,904,000</b>	<b>\$631,283,000</b>	<b>\$235,063,000</b>	<b>\$185,437,320</b>	<b>\$1,051,783,320</b>	<b>\$8,026,687,320</b>
\$ increase	\$20,918,250	\$9,022,750	\$21,639,000	\$1,388,130	\$32,049,880	\$52,968,130
% increase	0.30%	1.45%	10.14%	0.75%	3.14%	0.66%
<b>FY 12 New Growth</b> (from LA 13)	<b>\$84,871,000</b>	<b>\$2,656,000</b>	<b>\$32,541,000</b>	<b>\$42,676,670</b>	<b>\$77,873,670</b>	<b>\$162,744,670</b>
<b>Assessed Value without New Growth</b>	\$6,890,033,000	\$628,627,000	\$202,522,000	\$142,760,650	\$973,909,650	\$7,863,942,650
\$ inc./decr. over FY 11	-\$63,952,750	\$6,366,750	-\$10,902,000	-\$41,288,540	-\$45,823,790	-\$109,776,540
% inc./decr. over FY 11	-0.93%	1.01%	-5.38%	-28.92%	-4.71%	-1.40%
FY 11 share of total value	87.21%	7.80%	2.68%	2.31%	12.79%	
FY 12 share of total value w/o growth	87.62%	7.99%	2.58%	1.82%	12.38%	
Change	<b>0.40%</b>	0.19%	-0.10%	-0.49%	<b>-0.40%</b>	

**EXHIBIT E: TAX FACTORS AND TAX RATES -  
COMPARABLE COMMERCIAL COMMUNITIES AND  
CONTIGUOUS COMMUNITIES**

<u>COMPARABLE COMMERCIAL COMMUNITIES</u>						
MUNICIPALITY	FY2010			FY2011		
	<u>RESID RATE</u>	<u>C-I-P RATE</u>	<u>C-I-P SHIFT</u>	<u>RESID RATE</u>	<u>C-I-P RATE</u>	<u>C-I-P SHIFT</u>
Bedford	\$ 13.08	\$ 29.51	1.75	\$ 14.33	\$ 31.76	1.75
Burlington	\$ 10.90	\$ 29.70	1.70	\$ 11.50	\$ 30.80	1.70
Lexington	\$ 13.86	\$ 26.21	1.70	\$ 14.40	\$ 27.28	1.70
Newton	\$ 10.41	\$ 19.93	1.75	\$ 10.90	\$ 20.89	1.75
Waltham	\$ 12.54	\$ 28.67	1.75	\$ 13.09	\$ 30.43	1.75
Woburn	\$ 10.32	\$ 26.10	1.75	\$ 10.30	\$ 26.34	1.75

<u>COMMUNITIES CONTIGUOUS TO LEXINGTON</u>						
	<u>RESID FY2010 RATE</u>	<u>C-I-P FY2010 RATE</u>	<u>FY2010 C-I-P Shift</u>	<u>RESID FY2011 RATE</u>	<u>C-I-P FY2011 RATE</u>	<u>FY2011 C-I-P Shift</u>
	Arlington	\$ 12.11	\$ 12.11	1.00	\$ 12.41	\$ 12.41
Belmont	\$ 12.16	\$ 12.16	1.00	\$ 13.24	\$ 13.24	1.00
Concord	\$ 13.09	\$ 13.09	1.00	\$ 13.19	\$ 13.19	1.00
Lincoln	\$ 12.37	\$ 16.27	1.30	\$ 12.37	\$ 16.27	1.30
Winchester	\$ 11.51	\$ 10.82	N/A	\$ 12.10	\$ 11.35	N/A

N/A = not applicable



# EXHIBIT F: TOP 25 COMMUNITIES BY TOTAL ASSESSED VALUE

Massachusetts Department of Revenue  
 Division of Local Services  
 Municipal Databank/Local Aid Section

Fiscal Year 2011 Assessed Values by Class

DOR Code	Municipality	Residential	Open Space	Commercial	Industrial	Personal Property	Total	(1 - 2) % of Total	Column # (3 - 5) % of Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
035	BOSTON	\$ 56,563,231,063	\$ -	\$ 25,171,149,717	\$ 679,520,552	\$ 4,386,681,530	\$ 86,800,582,862	65.2	34.8
049	CAMBRIDGE	\$ 14,823,583,710	\$ -	\$ 5,528,883,160	\$ 2,849,991,288	\$ 959,619,440	\$ 24,162,077,598	61.4	38.6
207	NEWTON	\$ 18,113,668,363	\$ -	\$ 1,683,339,437	\$ 146,706,500	\$ 289,095,700	\$ 20,232,810,000	89.5	10.5
197	NANTUCKET	\$ 15,812,302,942	\$ 12,152,700	\$ 1,118,103,719	\$ 56,154,439	\$ 209,716,105	\$ 17,208,429,905	92.0	8.0
046	BROOKLINE	\$ 13,550,832,800	\$ -	\$ 1,216,769,000	\$ 13,417,000	\$ 145,418,280	\$ 14,926,437,080	90.8	9.2
020	BARNSTABLE	\$ 11,474,497,625	\$ -	\$ 1,235,696,120	\$ 82,267,300	\$ 194,882,820	\$ 12,987,343,865	88.4	11.6
096	FALMOUTH	\$ 10,196,026,282	\$ 3,504,000	\$ 590,585,981	\$ 72,056,800	\$ 183,094,344	\$ 11,045,267,377	92.3	7.7
348	WORCESTER	\$ 8,495,190,076	\$ -	\$ 1,493,686,290	\$ 442,722,823	\$ 425,262,900	\$ 10,856,862,089	78.2	21.8
243	QUINCY	\$ 8,781,544,744	\$ -	\$ 1,477,135,956	\$ 91,703,500	\$ 265,926,780	\$ 10,616,310,980	82.7	17.3
239	PLYMOUTH	\$ 6,805,067,659	\$ -	\$ 791,275,743	\$ 945,927,400	\$ 287,277,359	\$ 8,829,548,161	77.1	22.9
317	WELLESLEY	\$ 7,753,180,000	\$ -	\$ 904,740,000	\$ 6,622,000	\$ 97,082,100	\$ 8,761,624,100	88.5	11.5
308	WALTHAM	\$ 5,635,369,835	\$ -	\$ 2,045,047,523	\$ 440,775,576	\$ 271,782,840	\$ 8,392,975,774	67.1	32.9
274	SOMERVILLE	\$ 7,027,712,955	\$ -	\$ 831,013,262	\$ 273,718,283	\$ 165,431,820	\$ 8,297,876,320	84.7	15.3
155	LEXINGTON	\$ 6,953,985,750	\$ -	\$ 622,260,250	\$ 213,424,000	\$ 184,049,190	\$ 7,973,719,190	87.2	12.8
199	NEEDHAM	\$ 6,586,585,192	\$ -	\$ 695,180,246	\$ 127,667,300	\$ 166,825,350	\$ 7,576,258,088	86.9	13.1
100	FRAMINGHAM	\$ 5,628,822,015	\$ -	\$ 1,313,175,863	\$ 251,056,800	\$ 266,559,086	\$ 7,459,613,764	75.5	24.5
010	ARLINGTON	\$ 6,510,546,607	\$ -	\$ 296,363,250	\$ 20,969,800	\$ 98,709,740	\$ 6,926,589,397	94.0	6.0
281	SPRINGFIELD	\$ 5,155,722,500	\$ -	\$ 1,045,580,000	\$ 184,851,100	\$ 463,175,130	\$ 6,849,328,730	75.3	24.7
009	ANDOVER	\$ 5,259,023,861	\$ 10,694,100	\$ 552,946,894	\$ 592,561,900	\$ 201,324,807	\$ 6,616,551,562	79.6	20.4
089	EDGARTOWN	\$ 6,063,889,789	\$ -	\$ 398,314,931	\$ 3,882,200	\$ 97,872,820	\$ 6,563,959,740	92.4	7.6
176	MEDFORD	\$ 5,565,550,955	\$ -	\$ 650,747,645	\$ 93,272,000	\$ 114,487,520	\$ 6,424,058,120	86.6	13.4
198	NATICK	\$ 4,833,540,545	\$ -	\$ 1,316,668,162	\$ 58,702,900	\$ 112,135,720	\$ 6,321,047,327	76.5	23.5
160	LOWELL	\$ 5,069,084,160	\$ -	\$ 520,069,815	\$ 369,338,140	\$ 191,369,010	\$ 6,149,861,125	82.4	17.6
229	PEABODY	\$ 4,641,507,615	\$ -	\$ 1,020,731,385	\$ 293,251,200	\$ 118,927,120	\$ 6,074,417,320	76.4	23.6
075	DENNIS	\$ 5,590,054,555	\$ 618,100	\$ 369,666,405	\$ 23,750,200	\$ 77,341,010	\$ 6,061,430,270	92.2	7.8

# EXHIBIT G: TAX FACTORS and TAX RATES FOR Aaa RATED COMMUNITIES

MASSACHUSETTS MUNICIPALITY	BOND RATING	FY11 TAX RATE		FY11 SHIFT FACTOR	RESID % OF TOTAL VALUE	C-I-P % OF TOTAL VALUE	RESID VALUE ADOPTED	POP	2007		2009		1999 PER CAPITA INCOME
		RESID RATE	C-I-P RATE						AREA SQ MILES	DENSITY PER SQ MILE	ULA	TION	
LEXINGTON	Aaa	14.40	27.28	1.70	87.21%	12.79%	NO	31,394	16.4	1,886		\$46,119	
ACTON	Aaa	18.08	18.08	1.00	87.20%	12.80%	NO	21,924	20.3	1,063		\$41,901	
BEDFORD	Aaa	14.33	31.76	1.75	78.06%	21.94%	NO	13,320	13.9	1,005		\$39,212	
BELMONT	Aaa	13.24	13.24	1.00	93.88%	6.12%	NO	24,729	4.7	5,080		\$42,485	
BOSTON	Aaa	12.79	31.04	1.75	65.16%	34.84%	YES	617,594	45.4	13,322		\$23,353	
BROOKLINE	Aaa	11.30	18.30	1.73	90.78%	9.22%	YES	58,732	6.8	8,307		\$44,327	
CAMBRIDGE	Aaa	8.16	19.90	1.69	61.35%	38.65%	YES	105,162	6.4	16,917		\$31,156	
CONCORD	Aaa	13.19	1.19	1.00	90.58%	9.42%	NO	17,668	25.8	705		\$51,477	
DOVER	Aaa	11.70	11.70	1.00	97.37%	2.63%	NO	5,589	15.3	373		\$64,899	
HINGHAM	Aaa	11.08	11.08	1.00	86.42%	13.58%	NO	22,157	25.0	1,036		\$41,703	
NEWTON	Aaa	10.90	20.89	1.75	89.53%	10.47%	NO	85,146	18.1	4,687		\$45,708	
WAYLAND	Aaa	19.35	19.35	1.00	94.88%	5.12%	NO	12,994	15.9	887		\$52,717	
WELLESLEY	Aaa	11.43	11.43	1.00	88.50%	11.50%	NO	27,982	10.5	2,693		\$52,866	
WESTON	Aaa	11.39	11.39	1.00	95.40%	4.60%	NO	11,261	17.3	702		\$79,640	
WINCHESTER	Aaa	12.10	11.35	NA	94.49%	5.51%	NO	21,374	6.3	3,559		\$50,414	

# EXHIBIT H: RESIDENTIAL EXEMPTION: FY2012 PROPERTY IMPACT ANALYSIS

ASSESSED VALUE	ACTUAL TAX RATE	ACTUAL TAXES	EXEMPTION	NEW A/V	NEW TAX RATE	NEW TAXES	\$ Change	% Change
\$5,000	\$0.01440	\$72	\$0	\$5,000	\$0.01819	\$91	\$19	26.33%
\$25,000	\$0.01440	\$360	\$0	\$25,000	\$0.01819	\$455	\$95	26.33%
\$50,000	\$0.01440	\$720	\$0	\$50,000	\$0.01819	\$910	\$190	26.33%
\$100,000	\$0.01440	\$1,440	\$0	\$100,000	\$0.01819	\$1,819	\$379	26.33%
\$300,000	\$0.01440	\$4,320	\$130,000	\$170,000	\$0.01819	\$3,092	-\$1,228	-28.42%
\$400,000	\$0.01440	\$5,760	\$130,000	\$270,000	\$0.01819	\$4,912	-\$848	-14.73%
\$500,000	\$0.01440	\$7,200	\$130,000	\$370,000	\$0.01819	\$6,731	-\$469	-6.52%
\$600,000	\$0.01440	\$8,640	\$130,000	\$470,000	\$0.01819	\$8,550	-\$90	-1.04%
\$623,807	\$0.01440	\$8,983	\$130,000	\$493,807	\$0.01819	\$8,983	\$0	0.00%
\$650,000	\$0.01440	\$9,360	\$130,000	\$520,000	\$0.01819	\$9,459	\$99	1.06%
\$700,000	\$0.01440	\$10,080	\$130,000	\$570,000	\$0.01819	\$10,369	\$289	2.87%
\$800,000	\$0.01440	\$11,520	\$130,000	\$670,000	\$0.01819	\$12,188	\$668	5.80%
\$900,000	\$0.01440	\$12,960	\$130,000	\$770,000	\$0.01819	\$14,007	\$1,047	8.08%
\$1,000,000	\$0.01440	\$14,400	\$130,000	\$870,000	\$0.01819	\$15,826	\$1,426	9.90%
\$1,100,000	\$0.01440	\$15,840	\$130,000	\$970,000	\$0.01819	\$17,645	\$1,805	11.40%
\$1,250,000	\$0.01440	\$18,000	\$130,000	\$1,120,000	\$0.01819	\$20,374	\$2,374	13.19%
\$1,500,000	\$0.01440	\$21,600	\$130,000	\$1,370,000	\$0.01819	\$24,922	\$3,322	15.38%
\$1,750,000	\$0.01440	\$25,200	\$130,000	\$1,620,000	\$0.01819	\$29,469	\$4,269	16.94%
\$2,000,000	\$0.01440	\$28,800	\$130,000	\$1,870,000	\$0.01819	\$34,017	\$5,217	18.11%
\$2,500,000	\$0.01440	\$36,000	\$130,000	\$2,370,000	\$0.01819	\$43,113	\$7,113	19.76%
\$3,000,000	\$0.01440	\$43,200	\$130,000	\$2,870,000	\$0.01819	\$52,208	\$9,008	20.85%
\$5,000,000	\$0.01440	\$72,000	\$130,000	\$4,870,000	\$0.01819	\$88,590	\$16,590	23.04%
\$10,000,000	\$0.01440	\$144,000	\$0	\$10,000,000	\$0.01819	\$181,910	\$37,910	26.33%
\$20,000,000	\$0.01440	\$288,000	\$0	\$20,000,000	\$0.01819	\$363,819	\$75,819	26.33%
\$30,000,000	\$0.01440	\$432,000	\$0	\$30,000,000	\$0.01819	\$545,729	\$113,729	26.33%

RESIDENTIAL EXEMPTION WORKSHEET	
FISCAL YEAR 2012 INFORMATION	
TOTAL RESIDENTIAL VALUE	\$6,974,904,000
TOTAL # RESID. PARCELS	10,731
AVG. RESIDENTIAL PARCEL EXEMPTION @ 20%	\$649,977
EXEMPTION \$ AMOUNT	\$129,995
\$\$ AMOUNT ROUNDED	\$130,000
ESTIMATED # EXEMPTIONS	9,500
TOTAL RESID. EXEMPT VALUE	\$1,235,000,000
POTENTIAL RESID. RATE (FY2012)	\$14.97
TOTAL RESID. REVENUE	\$104,414,313
NEW RESID. ASSESSED VALUE	\$5,739,904,000
NEW RESID. RATE	\$18.19

NON-OWNER OCCUPIED PROPERTIES WILL HAVE A 26.33% INCREASE IN TAXES

\* BREAKEVEN ASSESSED VALUE, NO TAX IMPACT.