

## CITY COUNCIL RESOLUTION

WHEREAS, Shelby County Commission Chairman Deidre Malone appointed an ad hoc Reappraisal Committee to study the 2009 Countywide Reappraisal and make recommendations for improvements for future appraisals; and

WHEREAS, it has been reported by Chandler Reports that there were 3,999 foreclosures in Shelby County during 2005, 5,390 in 2006, 5,965 in 2007 and 7,317 in 2008 while the total Shelby County home sales for those same years were 24,739, 25,284, 20,706 and 16,418 respectively; and

WHEREAS, it has also been reported by Chandler Reports that the 10 largest sellers of homes in Shelby County during 2008 were financial institutions, loan servicers and/or loan insurers/guarantors and the 3,998 home sales of those financial institutions totaled \$237,942,966; and

WHEREAS, the 2008 home sales by these 10 financial institutions constituted 24% of all home sales in Shelby County during 2008 and considering sales of other financial institutions in 2008 might carry the percentage of 2008 home sales by financial institutions to over 35%; and

WHEREAS, an official of the Tennessee State Department of Property Assessment has advised ad hoc committee Chairman Mike Carpenter that while the County Assessor is obligated to follow the guidelines promulgated by the State Department of Property Assessment to not consider home foreclosures, bank REO sales and deeds-in-lieu in their reappraisal process, the Shelby County Board of Equalization may consider the effect of these foreclosures, bank REO sales and/or deeds-in-lieu in considering and deciding appeals by individual homeowners of the County Assessor's individual reappraisals; and

WHEREAS, three members of the County Board of Equalization are appointed by the Shelby County Board of Commissioners, three members are appointed by the City of Memphis, and one each are appointed by the cities of Bartlett, Germantown and Collierville; and

WHEREAS, the Board of Equalization is not obligated to follow the guidelines that the State Division of Property Assessments establishes for the County Assessor and may consider bank foreclosures, bank REO sales and/or deals in-lieu-of-foreclosure when they consider and decide appeals by homeowners; and

WHEREAS, commercial, industrial and agricultural property owners generally appeal their appraisals through professional services knowledgeable in the law and methods of appraisal including the effects of an adverse economic climate, but residential homeowners generally appeal without the assistance of such tax professionals.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMPHIS CITY COUNCIL that due to this year's unusual economic climate as described above, the members of the Council of the City of Memphis encourage the Shelby County Board of Equalization to consider the effect of bank foreclosures, bank REO sales and/or deeds-in-lieu-of-foreclosure on home values in their decisions concerning appeals by the City of Memphis homeowners for the reappraisals done for the Tax Year 2009.

KEMP CONRAD  
Council Member

MYRON LOWERY  
Chairman