



Board of Assessors  
Town of Medfield  
459 Main Street  
Medfield, MA 02052  
Date: 2/1/2023

Parcel Information:

**All information supplied is confidential and protected from public disclosure. [CH 59 §52B] Return this form within sixty (60) days.**

Dear Property Owner:

The Board of Assessors is requesting INCOME AND EXPENSE information on COMMERCIAL, INDUSTRIAL, and APARTMENT (residential) properties to help us determine equitable values for assessment purposes. This request is for income and expense information relative to the operation of **real estate** and not the business use with the real estate.

We appreciate the cooperation shown to the Board in the past.

When determining income producing property values, the Board must weigh financial as well as physical attributes. By completing and returning the enclosed form, you help ensure the development of a sound basis to estimate the income approach to value. Please be aware that this information will be used only to determine 'market' income and expense levels for commercial and industrial properties and apartments. In accordance with State Law, all information listed on the forms is **not** available to the public for inspection. [CH 59 §52B]

While it is in the best interest of property owners to contribute to the establishment of fair assessments, Massachusetts Law also requires such disclosure:

Section 38D of Chapter 59

**Written Return of Information to Determine Valuation of Real Property**

A board of assessors may request the owner or lessee of any real property to make a written return under oath within *sixty days* containing such information as may reasonably be required by it to determine the actual fair cash valuation of such property.

Failure of an owner or lessee of real property to comply with such request within 60 days after it has been made by the board of assessors shall be automatic grounds for dismissal of a filing at the appellate tax board. The appellate tax board and the county commissioners shall not grant extensions for the purposes of extending the filing requirements unless the applicant was unable to comply with such request for reasons beyond his control or unless he attempted to comply in good faith. If any owner or lessee of real property in a return made under this section makes any statement which he knows to be false in a material particular, such false statement shall bar him from any statutory appeal under this chapter.

**If an owner or lessee of Class one, residential (e.g. apartment) property** fails to submit the information within the time and in the form prescribed, the owner shall be assessed an additional penalty for the next ensuing tax year in the amount of **\$50** but only if the board of assessors informed the owner or lessee that failure to submit such information would result in the penalty.

**If an owner or lessee of Class three, commercial or Class four, industrial property** fails to submit the information within the time and in the form prescribed, the owner or lessee shall be assessed an additional penalty for the next ensuing tax year in the amount of **\$250** but only if the board of assessors informed the owner or lessee that failure to so submit such information would result in the penalty.

**Please note: Massachusetts General Law provides that failure to respond timely and accurately to this information request within sixty (60) days of the postmarked date shall cause you to lose your right to appeal your assessment.**

The Board of Assessors thanks you for your cooperation.

I certify under the pains and penalties of perjury that the information supplied herewith is true and correct:

Submitted by: \_\_\_\_\_ Title: \_\_\_\_\_ Phone: \_\_\_\_\_

Signature: \_\_\_\_\_ Date : \_\_\_\_/\_\_\_\_/\_\_\_\_

## Income and Expense Instructions

**Property for which a report must be filed:** All property which is rented or leased, including but not limited to, apartment, office, retail, industrial, warehouse, commercial or mixed-use property. If a property is partially rented and partially owner occupied this report must be filed. Each summary page should reflect information for a single property based on the **calendar year of 2022**. If you own more than one rental property, you must file a separate report for each property. If the property is owner-occupied and there is no rent of any type received for the property, or if the rental is between related parties, one should complete the owner and address information on the top of the "Annual Income and Expense Summary Report", and check the appropriate reason at the bottom of the page.

**How to file:** Information is filed on an annual basis. This filing is for income and expense information for the period from **01/01/2022 through 12/31/2022**. An "Annual Income and Expense Summary Report" and the appropriate Schedule (s) must be completed for all real property that produces rental income.

1. **Schedule A:** Apartment Rental Income
2. **Schedule AF:** Affordable Housing Rental Income
3. **Schedule B:** Commercial and Industrial Income
4. **Schedule C:** Mixed Use Income
5. **Annual Income and Expense Summary Report:** Under Annual Income and Expenses, list the total amounts of income and operating expenses on the lines provided.

**THIS INFORMATION WILL BE HELD CONFIDENTIAL. ANY INFORMATION RELATED TO THE ACTUAL RENTAL AND RENTAL- RELATED INCOME AND OPERATING EXPENSES SHALL NOT BE PUBLIC RECORD.**

### **SCHEDULE INSTRUCTIONS**

Use **Schedule A** for apartment rentals only. List the total number of units whether rented or vacant. The total units listed on Schedule A should match the total number of units listed on the front page of the Annual Income and Expense Report.

Use **Schedule AF** for rent-restricted housing. Affordable units must have a restriction held by a governmental body or charitable corporation or trust which has a term of more than 1 year remaining. <sup>1</sup> Provide a copy of the affordable housing restriction (s) on the property.

Use **Schedule B** for office, retail, industrial, warehouse, commercial and any non-apartment use of a mixed use property. If a portion of the building is vacant, indicate the portion of the building that is vacant. The total units listed on Schedule B should match the total number of units listed on the front page of the Annual Income and Expense Report. For "Property Expenses and Utilities Paid by Tenant" indicate the property expenses and utilities the tenant is responsible for.

Use **Schedule C** for Mixed Use Property: The total units of a mixed use property should include both apartment and non-apartment units.

<sup>1</sup> See MGL 184, § 26, § 31 for definition of governmental body and affordable housing restriction.

# Income and Expense Instructions

## ANNUAL INCOME AND EXPENSE SUMMARY REPORT

<b>Parcel ID:</b>		<b>Calendar Year:</b>	
<b>Property Address:</b>		<b>Mailing Address:</b>	
<b>Owner:</b>		<b>City/State/Zip:</b>	
1. Primary Property Use: Apartment___ Office:___ Retail___ Industrial___ Mixed Use___ Other___			
2. Gross Building Area (SF)		6. Number of Residential Units	
3. Net Leasable Area (SF)		7. Number of Onsite Parking	
4. Owner Occupied Area (SF)		8. Actual Year Built	
5. Common Area (SF)		9. Most Recent Year Remodeled	

ANNUAL INCOME		ANNUAL EXPENSES	
10. Apartment Rentals (Sched. A)	\$	22. Advertising	\$
11. Office Rentals (Sched. B)	\$	23. Cleaning and Maintenance (Includes Snow Removal and Trash Removal)	\$
12. Retail Rentals (Sched. B)	\$	24. Commissions/Leasing Fees	\$
13. Industrial Rentals (Sched. B)	\$	25. Insurance (Building Only)	\$
14. Mixed Use Rentals (Sched. C)	\$	26. Professional & Legal Fees	\$
15. Other Rentals	\$	27. Management Fees	\$
16. Parking Rentals	\$	28. Repairs and Maintenance	\$
17. Common Area Maint. (CAM)	\$	29. Supplies	\$
18. Other Property Income (billboard, rooftop cell tower, etc.)	\$	30. Utilities (all utilities paid by owner)	\$
19. Total Potential Gross Income	\$	31. Other	\$
20. Vacancy and Collection Loss	\$	32. Reserves for Replacement	\$
<b>21. Effective Gross Annual Income</b> <i>(Subtract Line 20 from Line 19)</i>	\$	<b>33. Total Expenses</b> <i>Add lines 22 to 32</i>	\$

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name/Title \_\_\_\_\_ Email \_\_\_\_\_

*The above identified property is owner occupied* \_\_\_\_\_  
*The above identified property is leased to a related person, corporation, or business entity* \_\_\_\_\_

## Income and Expense Instructions

### Annual Income and Expense Summary Report

#### INCOME INSTRUCTIONS

- Item 10-17: Enter total of potential annual rents for all rental units as if 100% occupied and collected. You must complete and attach Schedule A and/or Schedule B & C.
- Item 18: Enter additional income received from items such as, billboard rental income, rooftop cell tower rental income, laundry, etc.
- Item 19: Enter sum of items 10 through 18.
- Item 20: Enter amount of income loss due to vacancy and collection & concession loss.
- Item 21: Subtract line 20 from line 19. Enter result on line 21.

#### EXPENSE INSTRUCTIONS

- Item 22: Enter amount paid by owner for advertising costs incurred in obtaining tenants and building occupants.
- Item 23: Enter expenses for cleaning and maintenance. This includes snow removal, trash removal, parking lot maintenance, and all expenses for janitorial services. (Remodeling and renovation expenses are not to be entered on this line.)
- Item 24: Enter leasing fees, commissions, etc. incurred in obtaining tenants and building occupants.
- Item 25: Enter annual insurance premium for fire, flood, etc. (real property only, do not include liability).
- Item 26: Enter fees of legal and/or accounting services related to the real property.
- Item 27: Enter the cost of services for management; either by a professional management agency, or the owner.
- Item 28: Enter costs related to general building repair to keep the property operating, e.g. repair of water heaters, cooling systems, glass, etc. (remodeling and renovation expenses are not to be entered on this line.)
- Item 29: Enter the cost of supplies provided by the owner necessary to the operation of the building.
- Item 30: Enter amount paid by owner for utilities; electric heat, lights, for heating and cooling, for gas, water, sewer charges, and any other utility paid for by the owner.
- Item 31: Enter amount paid by owner for other or miscellaneous expenses, such as security services, etc.
- Item 32: Enter amount for reserves for replacement, such as roof, heating system, etc.
- Item 33: Add lines 22-32. Enter amount.

# Income and Expense Instructions

## Income and Expense Form Glossary

**Area Median Income (“AMI”)** – 100% of the gross median household income for a specific Metropolitan Statistical Area, county or non-metropolitan area established annually by HUD

**Base Rent:** The amount of rent before escalation, common area maintenance fees, utilities or any other pass through expenses you received from the tenant. Excludes percentage rent or overage rent.

**Common Area Maintenance (CAM):** Common Area Maintenance expenses on the property that you are reimbursed for by the tenant.

**Debt Coverage Ratio:** DCR is the ratio of cash available for debt service to interest, principal and lease payments.

**Effective Gross Annual Income:** Is the amount of revenue the property generates after vacancy and collection expenses are reduced from the potential gross income.

**Equity Funding:** Money contribute to a project as an investment, including through the LIHTC,

**Esc/Escalation:** Is there an escalation of rent as part of the terms of the leases?

**Gross Building Area (GBA):** The sum of the areas of each floor of a building measured to the outer perimeter of external construction features.(IPMS-1)

**HUD Section 8 Program:** Federal program that provides project based and mobile voucher rental assistance. Under the program HUD contracts directly with the owners for the payment of the difference between the contract rent and a specified percentage of tenants’ adjusted income.

**Low Income Housing Tax Credit: (LIHTC):** A program to generate equity investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code, as amended. The program requires that a certain percentage of units built be income restricted and rents in these units be restricted accordingly.

**MRVP: Massachusetts Rental Voucher Program**

**Net Leasable Area (NLA):** The floor area available on an exclusive basis to an occupier, but excluding Standard Facilities. (IPMS-3)

**Net Operating Income:** The amount of revenue generated by the property after vacancy, collection loss and expenses are deducted from the potential gross income.

**Other Income:** Any other income you receive from the property such as the rental of parking spaces, air space, cellular towers, billboards etc.

**Owner Occupied Area:** Area occupied by owner not including common area

**Owner:** Title holder of property, to include closely related entity such as corporation, LLC, LP, or other entity closely related to property owner.

**Potential Gross Income:** The amount of revenue the property has the ability to generate prior to any vacancy or loss due to collection.

**Reserves for Replacement:** Reserves are funds set aside that provide for the periodic replacement of building components that wear out more rapidly than the building itself and therefore must be replaced during the building’s economic life (short lived items).These components typically include the replacement of the roof, heating, ventilation, and air conditioning (HVAC) systems, etc.

**Subordinate Mortgage:** In the affordable housing industry, a subordinate mortgage is debt where payments are deferred or forgivable if the property remains affordable for a certain period of time.

**Type of Lease:** Net lease, Gross lease, Percentage lease, Ground Lease, etc. The terms that are stated in the lease with a tenant to receive rent and reimbursement for property expenses.

**Type of space:** Apartment, office, retail, industrial, mixed use.

**Vacancy & Collection Loss:** The amount of revenue lost due to lack of occupancy or payment by a tenant.

## SCHEDULE A: Apartment Rental Income

<b>Property Location:</b>	<b>Apartment Property</b>	<b>Calendar Year: 2022</b>
<b>Assessing Parcel ID:</b>	<b>Rental Income Statement</b>	<b>Submitted By:</b>

Residential Rental Information: Please provide the following rental information.

Unit Type	No. of Units		Room Count		Monthly Rent		Typical Lease Term	Includes the following: W: Water Sewer E: Electricity Heat: Oil/Gas/Elec Other: Explain
	Total	Rooms	Bath-room	Per Unit	Total			
<i>Single Room Occupancy(SRO)</i>								
Studio								
1 Bedroom								
2 Bedroom								
3 Bedroom								
4 Bedroom								
Other Rentable Units (Furnished Units)								
Owner/Manager/Janitor Occupied								
<b>SUBTOTAL</b>								
Garage Parking Space								
Outdoor Parking Space								
Other Income (Specify)								
<b>TOTAL</b>								

Property Location:	Affordable Units: _____ Market Units: _____ Total Units: _____	Year Built: _____
Assessing Parcel ID:	Submitted By: _____ Date: ____/____/_____20	

**Affordable Housing Rental Income - Actuals**

AMI Type	Studio Units	Monthly Rent	1 Bedroom Units	Monthly Rent	2 Bedroom Units	Monthly Rent	3 Bedroom Units	Monthly Rent	4 Bedroom Units	Monthly Rent
30%										
50%										
60%										
80%										
110%										
Market										
Other AMI %										
(Plus Sect 8 /MRVP Subsidy)										
(Less Utility Allowances)										

**Other Income**

Parking	Laundry	Other Income:	Specify Source
---------	---------	---------------	----------------

**Property Financing**

Total Development Cost:	Land:
1 <sup>st</sup> Mortgage Amount; (Rate/Term):	Building
Debt Coverage Ratio:	
Subordinate Mortgage(s) Grants (i.e. DHCD)	
Equity incl. Tax Credit Equity	

**Operating Expenses**

Vacancy & Collection Loss	Janitorial Service
Management Fees / Admin	Resident Services
Utilities (Landlord)	Professional & Legal Fees
Repairs and Maintenance	Advertising, Telephone, Supplies
Insurance	DHCD Monitoring
Reserves for Replacement	Other

## SCHEDULE B: Commercial & Industrial Rental Income

<b>Property Location:</b>	<b>COMMERCIAL &amp; INDUSTRIAL PROPERTY</b>	<b>Income for Calendar Year: 2022</b>
<b>Assessing Parcel ID:</b>	<b>Lease / Rental Terms</b>	<b>Submitted By:</b>

Tenant Name	Use	Floor Level	Leased Area (Sq. Ft.)	Gross, Net Or NNN	Lease Start Date (Month/Yr)	Lease End Date (Month/Yr)	Renewal Options	Overage or Percentage	Escalation Clause	Monthly Rent	Annual Rent

### OTHER INCOME: Cell Towers, Billboards, Vending, Parking, Other

Source	Monthly Amount	Annual Collected	Comments:
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	



<b>Property Location:</b>	<b>Calendar Year: 2022</b>
<b>Assessing Parcel ID:</b>	<b>Submitted By:</b>
<b>Rental Income Statement</b>	

Commercial Lease : Please provide information on current leases as of January 1st.					Lease Terms			
Floor Level	Tenant Name	Type of Space	Leased Area (Sq. ft.)	Rent per SF on Jan. 1st	Annual Rent	Start Date (Mo/Yr)	Term in years	Basis Gross, Net, NNN
				\$	\$			
				\$	\$			
				\$	\$			
				\$	\$			
				\$	\$			

**Residential Rental Information: Please provide the following rental information:**

Unit Type	No. of Units		Room Count		Monthly Rent		Typical Lease Term	Includes the following: W: Water Sewer E: Electricity Heat: Oil/Gas/Elec Other: Explain
	Total	Rooms	Bath-room	Per Unit	Total	Lease or Tenant at Will (TAW)		
Studio								
1 Bedroom								
2 Bedroom								
3 Bedroom								
4 Bedroom								
Garage Parking Space								
Outdoor Parking Space								