

# Commercial property assessed values climb in Pierce County

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Image: Shawna De La Rosa | PSBJ

Shawna De La Rosa | PSBJ

Owners of office and retail properties in Pierce County can expect to see a property assessment bump of around 5% this year on average.

Assessed values for commercial properties in Pierce County increased by an average of 5% to 10% in 2023, according to the county assessor's office.

The office said in a news release Friday that retail and office assessed values were up about 5% on average. Motels and

industrial warehouse assessed values were up 10%.

The change in values represents the period from January 2022 to January 2023 and will be used to calculate 2024 taxes, the office said.

Residential property assessed values — including for multifamily developments — fell moderately.

Countywide, multifamily property values fell by about 1%, according to county data.

Single-family home values dropped by an average of 3% countywide, with the median home assessment falling to \$554,500 in 2023 from \$572,000 in 2022.

“Home values in all parts of our county have leveled off from the high-water mark of last year, and in most cases decreased slightly,” Mike Lonergan, Pierce County assessor-treasurer, said in the release.

He cautioned homeowners not to expect much in the way of tax relief.

State law allows each taxing district to increase property tax revenue by 1% per year without approval from voters. Assessed values are used to determine each property owner’s share of the total taxes collected.

“Your property tax in 2024 will be the new 2023 value multiplied by the combined tax rates of your school district, city, fire district and other local districts, plus the statewide school levy that everyone pays,” Lonergan said. “So a lot depends on public votes such as levy lid lifts and bond issues.”

All cities in Pierce County saw slight assessed value drops in the residential sector except for Milton, where assessments went up by 3%, as well as South Prairie and Gig Harbor’s Peninsula area. The city of Ruston saw the largest property assessment drop, about 6%.

In 2022, residential assessments grew by a countrywide average of \$80,000, which was an increase of about 19% year over year. That followed a 16% year-over-year increase in 2021.

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Commercial property assessments saw an annual increase of about 5% in 2022, however apartment property and industrial warehouse year-over-year increases were in the double digits last year.