

# Property Tax Comparison Report

Covering the Townships and School Districts of  
Downingtown, Coatesville, West Chester, Great Valley and Octorara

Compiled by the



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## **Purpose:**

To gain a more accurate understand of how property taxes compare across townships and school districts. This report considers factors such as total millage rate, percentage of a monthly payment that goes towards taxes, average cost of a home, etc. This is a holistic look at the issue of taxes being high in one area versus another.

## **Source of Data:**

Facts and figures relating to average cost of real estate have been gathered TrendMLS.com, which is the main real estate information service for the area's covered in the study. The Millage rates were taken from Suburban Realtors Alliance website.

## **Assumptions:**

- “Average home” is defined as a
- o Sold between May 2009 and May 2010
  - o Single/Detached
  - o 3 bedrooms
  - o 2 baths
  - o Square footage between 1800 - 2200
  - o Not in a 55+ community
  - o Not new construction
  - o In “Average +” condition

Financing for the Home is:

- o Conventional loan
- o 30 years,
- o Annual rate of 5%
- o Assuming 20% down, loan-to-value ration of 80/20
- o PMI is not figured in.

Debt to income ratio for just housing was 30%. Meaning a max of 30% is allowed to go towards housing. This was used to determine income limits.

<b>Downingtown Schools</b>		<b>Cost of Average Home</b>	<b>Est Annual Tax</b>	<b>Avg Principle &amp; Interest</b>	<b>Total Monthly PITI</b>	<b>Have to make about</b>	<b>\$70,000</b>
<b>Township</b>	<b>Millage Rate</b>			<b>% of MP</b>			
Downingtown Boro	36.14	\$5,765	\$301,000	27.08%	\$1,834	Have to make about	
E. Brandywine	36.19	\$5,773		27.10%	\$1,835		
E Caln	30.69	\$4,896		23.97%	\$1,762		
Wallace	29.44	\$4,697		23.22%	\$1,745		
Upper Uwchlan	30.474	\$4,862		23.84%	\$1,759		
Uwchlan	29.56	\$4,716		23.29%	\$1,747		
W Bradford	29.44	\$4,697		23.22%	\$1,745		
W Pikeland	29.565	\$4,717		23.30%	\$1,747		
<b>Average Rate:</b>	<b>31.44</b>	<b>\$5,015</b>		<b>24.38%</b>	<b>\$1,772</b>		
<b>Coatesville Schools</b>		<b>Cost of Average Home</b>	<b>Est Annual Tax</b>	<b>Avg Principle &amp; Interest</b>	<b>Total Monthly PITI</b>	<b>Have to make about</b>	<b>\$60,000</b>
<b>Township</b>	<b>Millage Rate</b>			<b>% of MP</b>			
Coatesville City	41.37	\$5,503	\$251,000	29.83%	\$1,598	Have to make about	
Caln Twp	34.273	\$4,559		26.04%	\$1,519		
E. Fallowfield	31.465	\$4,186		24.43%	\$1,488		
Modena Boro	34.865	\$4,638		26.37%	\$1,526		
S Coatesville	39.065	\$5,197		28.64%	\$1,572		
Sadsbury	31.715	\$4,219		24.58%	\$1,491		
Valley	32.965	\$4,385		25.30%	\$1,504		
W Caln	31.465	\$4,186		24.43%	\$1,488		
<b>Average Rate</b>	<b>34.65</b>	<b>\$4,609</b>		<b>26.20%</b>	<b>\$1,523</b>		
<b>West Chester Schools</b>		<b>Cost of Average Home</b>	<b>Est Annual Tax</b>	<b>Avg Principle &amp; Interest</b>	<b>Total Monthly PITI</b>	<b>Have to make about</b>	<b>\$75,000</b>
<b>Township</b>	<b>Millage Rate</b>			<b>% of MP</b>			
E Bradford	21.886	\$3,944	\$340,000	18.37%	\$1,849	Have to make about	
E Goshen	23.065	\$4,156		19.17%	\$1,866		
Thornbury Twp	22.655	\$4,082		18.90%	\$1,860		
West Chester boro	27.415	\$4,940		23.64%	\$1,932		
W Goshen	23.315	\$4,201		19.34%	\$1,870		
W Whiteland	22.415	\$4,039		18.74%	\$1,857		
Westtown	23.815	\$4,291		19.68%	\$1,878		
<b>Average Rate</b>	<b>23.51</b>	<b>\$4,236</b>		<b>19.69%</b>	<b>\$1,873</b>		

<b>Great Valley Schools</b>		<b>Cost of Average Home</b>		<b>\$371,000</b>		<b>\$1,594</b>		<b>Have to make about</b>	<b>\$85,000</b>
<b>Township</b>	<b>Millage Rate</b>	<b>Est Annual Tax</b>	<b>% of MIP</b>	<b>Total Monthly PITI</b>					
Charlestown	22.935	\$4,510	19.08%	\$2,030					
E White land	22.63	\$4,450	18.87%	\$2,025					
Malvern Boro	25.9047	\$5,094	21.03%	\$2,078					
Willistown	22.465	\$4,417	18.76%	\$2,022					
<b>Average Rate</b>	<b>23.48</b>	<b>\$4,618</b>	<b>19.44%</b>	<b>\$2,039</b>					
<b>Octorara Schools</b>		<b>Cost of Average Home</b>		<b>\$226,000</b>		<b>\$972</b>		<b>Have to make about</b>	<b>\$55,000</b>
<b>Township</b>	<b>Millage Rate</b>	<b>Est Annual Tax</b>	<b>% of MIP</b>	<b>Total Monthly PITI</b>					
Atglen	40.295	\$4,827	29.27%	\$1,434					
Christiana	35.596	\$4,264	26.77%	\$1,387					
Highland	36.695	\$4,395	27.37%	\$1,398					
Londonderry	36.195	\$4,335	27.10%	\$1,393					
Parke sburg	43.195	\$5,174	30.73%	\$1,463					
Sadsbury	31.715	\$3,799	24.57%	\$1,349					
W Fallowfield	37.116	\$4,446	27.60%	\$1,402					
W Sadsbury	37.205	\$4,456	27.64%	\$1,403					
<b>Averages</b>	<b>37.2515</b>	<b>\$4,462</b>	<b>27.63%</b>	<b>\$1,404</b>					

## **CONCLUSIONS:**

The first criteria you have to consider is “How much annual income do you have?” Income is the overriding factor that really determines what you have to choose from. If you can’t afford the average home in the Great Valley School district of \$371,000, then it is even silly to consider looking there. And at that point, it really is irrelevant whether the taxes are high there or not.

After the income question, you have to ask yourself “What type of monthly payment am I comfortable with?” Again, this is another question that basically makes the tax question irrelevant. If you are only comfortable with a maximum monthly payment of \$1400, then you really only have one choice. On the other hand, if you are comfortable with \$2000 or more as a monthly payment, then you can pick and choose from any of the 5 districts included in this study.

Once you understand what you can and are willing to afford with a house, then one can look at each individual townships within each district. Each township has it’s own millage rate and can vary as much as 12 mills, which is a big difference. If you determine you can generally afford a home in a certain district, and are concerned with the amount of taxes you want to pay, then you will want to look into each specific township. Of course, there are many, many factors that go into choosing which home to buy. This is not meant to be a guide on how to choose a home, only a commentary on the cost of owning a home, in relation to taxes.

Which School District had the “highest taxes”? Let’s look at that from several perspectives:

Total millage rate:

- o Octorara - 37.2m/ 27.63% of your monthly payment
- o Coatesville - 34.65m/ 26.2% of your monthly payment
- o Downingtown - 31.44m/ 24.38% of your monthly payment
- o West Chester - 23.51/ 19.69% your monthly payment
- o Great Valley - 23.48/ 19.44% your monthly payment

Pure Dollar figure (which depends on average cost of home)

- o Downingtown - \$5015
- o Great Valley - \$4618
- o Coatesville - \$4609
- o Octorara - \$4462
- o West Chester - \$4236

Rank of Schools based on Average price of the home

- o Great Valley - \$371,000/ +24% over “median”
- o West Chester - \$340,000/ +13% over “median”
- o Downingtown - \$301,000/ “Median”
- o Coatesville - \$251,000 / -17% over “median”
- o Octorara - \$226,000/ -25% over “median”