EDGECOMBE COUNTY SCHEDULE OF VALUES 2024

EDGECOMBE COUNTY
BOARD OF COMMISSIONERS
2024

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INTRODUCTION

Reasons for a Revaluation

Edgecombe County (like all other counties in the state of North Carolina), faces the continuous and challenging task of determining equitable assessments of properties which are subject to ad valorem tax within its jurisdictions. Those properties, subject to the ad valorem (at value) tax, may be generally considered in two categories, namely, Real Property and Personal Property. The applicable statutes of our State generally require the assessment of real property in accordance with an "Octennial Plan" for revaluation.

The obvious necessity for the periodic reassessment of taxable property is the practical and legal requirements for taxation at a fair basis. Article Five of our State's Constitution prohibits unfair taxation by local jurisdictions, while providing authority for the locally administered ad valorem tax.

The economic principle of change has constant effects (although not identical), upon the properties which are subject to ad valorem taxation. These effects of change such as inflation, appreciation, depreciation, deterioration, destruction, improvement, and so forth, must be frequently recognized in order to facilitate equitable assessments. While numerous examples of such change may come to mind, a sufficient illustration might involve two residential properties, purchased by different Taxpayers on the same day and year, at the same purchase price. A subsequent sale of both properties at a significant margin above the other (because of change), which if not properly recognized could result in an unfair assessment of both properties.

The General Statutes of North Carolina pertaining to the assessment and administration of the property tax ("The Machinery Act of North Carolina", Subchapter II of Chapter 105 of the General Statutes of North Carolina), govern the manner in which the effects of change may be noted. The annual value determination for personal property and the "Octennial Plan" requires revaluation at least once every eight years, but also permits more frequent general reappraisal when deemed necessary to maintain equitable assessments.

Purpose of the Manual:

In accordance with the provisions of N.C. G.S. 105-317, there is herein developed and compiled uniform schedules of values, standards, and rules to be used in appraising real property in Edgecombe County.

In development of the schedules reflected herein, the greatest reliance was upon value determinants evident in the Edgecombe County real estate market. Among the many factors considered were recent transfers of properties (both improved

and vacant parcels) cost information from local contractors, builders, material suppliers, etc.: market indicators from local farmers, appraisers, brokers, bankers, and savings and loan representatives, and other informed sources.

With the manual thus developed and compiled, it is intended to be used basically for a twofold purpose: (1) by the County Tax Administrator and/or their staff in the appraisal of real property in the County: (2) to enable taxpayers to determine and understand the methods, rules, and standards by which their property is appraised.

It is emphasized that the schedules of values reflected in this manual are intended to serve only as guidelines for the appraisals thereby determined, with the statutory requirement of "true value" as identified in N.C. G.S. 105-283 being the objective of each appraisal.

Scope of Manual:

This manual, together with the schedules of values reflected herein, is to serve as the basis for appraisal of all types of real property in Edgecombe County, during the current revaluation. The different types of real property to be appraised herewith include, but are not limited to, the following:

Vacant Lots: Residential, Commercial, Rural, etc.

Vacant Land (Acreage Tracts): Commercial, Industrial, Agricultural, Forestland, and other vacant tracts.

Improved Land: All Types.

Residential Improvements: All Types.

Farm Buildings and Improvements: All Types

Commercial Improvements:

> Multi-Family Residential Buildings, Motels, Hotels, Retail Business Improvements, Office Building, Banks, Stores, Service Established Facilities, and all other improvements generally associated with commercial uses.

Industrial Properties:

> Manufacturing Plants, Storage and Warehouse Facilities, and all other improvements including yard improvements generally associated with industrial uses.

Uniform Standards of Professional Appraisal Practice

This revaluation was performed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

By law all real estate appraisers must comply with USPAP regulations in accordance with the Financial Institutions Reform, Recovery and Enforcement Act of 1989. State Appraiser Certification and Licensing Boards; federal, state, and local agencies; appraisal services; and appraisal trade associations require compliance with USPAP.

The Appraisal Standards Board (ASB) of the Appraisal Foundation develops, publishes, interprets and amends the Uniform Standards of Professional Appraisal Practice on the behalf of appraisers and users of appraisal services.

These standards are based on the original Uniform Standards of Professional Appraisal Practice developed in 1986-87 by the Ad Hoc Committee on Uniform Standards and copyrighted in 1987 by The Appraisal Foundation. Prior to the establishment of the ASB in 1989, USPAP had been adopted by major appraisal organizations in North America and had become recognized as the generally accepted standards of appraisal practice.

Standards and Standards Rules

STANDARD 1
Real Property Appraisal, Development

STANDARD 2
Real Property Appraisal, Reporting

STANDARD 3
Real Property Appraisal Review, Development, and Reporting

STANDARD 4- Retired
Real Property/Real Estate Consulting, Development

STANDARD 5- Retired
Real Property/Real Estate Consulting, Reporting

STANDARD 6
Mass Appraisal, Development and Reporting

STANDARD 7
Personal Property Appraisal, Development

STANDARD 8
Personal Property Appraisal, Reporting

STANDARD 9
Business Appraisal Development

STANDARD 10
Business Appraisal, Reporting

Due to its obvious relevance, Standard 6 “Mass Appraisal, Development and Reporting” has been reproduced in its entirety and is included in section XIII (see Table of Contents).

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CHARACTERISTICS OF VALUE, STATISTICS AND THE APPRAISAL PROCESS

CHARACTERISTICS OF VALUE, STATISTICS AND THE APPRAISAL PROCESS

PREFACE

Like many of the technical aspects of appraising, such as income valuation, you have to work with and use statistics before you can begin to understand what they tell you about your data. The Point is that just because you are not familiar with these tools, do not be hesitant in trying a few simple ones as you will soon gain a mastery thereof and seek out new and better tools.

STATISTICS AND THE APPRAISAL PROCESS

INTRODUCTION

Statistics offer a way for the appraiser to qualify many of the heretofore qualitative decisions which he has been forced to use in assigning values. In the process, he can learn more about how the data he uses behaves as well as how it related to the property valuation at fair market value.

This brings us to the definition of the word "STATISTICS". A statistical measure or "statistic" is a tool that helps you better describe the characteristics of a set of data, such as the relationship of sale price to appraised value.

While useful a far more technical and comprehensive definition is appropriate rather than the simplistic one given above, namely, "statistics is the theory and method of analyzing quantitative data obtained from samples of observation in order to study and compare sources of variance of phenomena, to help make decisions to accept or reject hypothesized relations between the phenomena, and to aid in making reliable inferences from empirical observation." The preceding, from FOUNDATIONS OF BEHAVIORAL RESEARCH by Fred N. Kerlinger very well states what statistics are, their usefulness and implications for our work. His book is highly recommended to all who wish to gain an understanding of many statistical tools and the requisite knowledge of the "scientific method" of constructing cases for analysis. A somewhat less advanced test for the beginner is AN INTRODUCTION TO BUSINESS AND ECOMOMIC STATISTICS by John R. Stockton.

It is not our intent to try and present a programmed test to teach statistics but hopefully to indicate which are useful where and what they tell the property appraiser about his value.

Sales offer the only real set of data which can be established as indication market value for properties. Appraisals which are done to supplement sales as parcels to which one may relate for purposes of comparison are merely attempts to predict what the sales price would be should that parcel actually sell. It is our feeling that only in the case of parcels which show, for a class, only a statistically insignificant number of sales are surrogates for an actual sale either necessary or desirable.

Particularly for single family residential properties sales are usually always available and are in most cases legitimate arm's length transactions.

The most frequently asked question is usually "Where am I in relation to market?" There are ways of describing this relationship each of which will help you understand "where" you are in relation to the market.

Level of assessment in relation to market is one part of the answer. It is usually expressed as a ratio of appraised values to sale values. Common measures of this ratio, overall, for a county are called "MEANS", "MEASURES OF CENTRAL TENDENCY", or "AVERAGE".

SIMPLE OR UNWEIGHTED MEAN

This measure is found by dividing the sum of all individual sales by the number of sales. That is, given the following hypothetical list of sales, compute the means:

OBSERVATION NUMBER	SALE PRICE	APPRIASED VALUE	SALES RATIO
1	$22,600.	$21,500.	95%
2	31,000.	28,600.	92
3	37,800.	34,000.	90
4	38,400.	33,000.	86
5	34,300.	29,500.	86
6	20,000.	16,000.	80
7	13,000.	9,800.	75
8	18,700.	13,500.	72
9	26,900.	17,200.	64
10	40,800.	24,500.	60
	$283,500.	$227,600.	800%

Mean Sale Ratio = 800 / 10 = 80%.
Mean Appraised Value = $227600 / 10 = $22,760.
Mean Sales Price = $283500 / 10 = $28,350.

As you can see there are several "MEANS" which may be computed, each of which is an expression of central tendency.

There is another type of mean called WEIGHTED MEAN which reflects the impact of the dollar magnitude of the values in the calculation of the mean. It is obtained by dividing the total of all appraised (or assessed) values by the total of all sales prices. For example:

$ 227,600 / $ 283,500 = 80.2%

Or in the previous example:

TOTAL ASSESSED VALUE / TOTAL SALES PRICE = weighted mean

This measure is affected by large values which have a proportionately greater impact on the ratio than smaller values. As a general rule, this measure is, therefore, somewhat less useful for sales ratio work than the unweighted mean.

A highly useful statistic is the MEDIAN. It is a measure which is least influenced by extreme values as it is based upon position rather than on level. That is, it is the value half-way from either end of a list of values when the list is arranged in ascending (or descending) order. If the list contains an odd number of sales then the median is the middle value in the list. However, if there are an even number of sales in the list then it is the average of the two values on either side of the theoretical mid-point in the list. Using our example it is:

Median = (TOTAL NUMBER OF SALES + 1) / 2 + (10 + 1) / 2 + 5.5TH item in the list

That is in our list:	Sales	Sales Ratio
	1	95%
	2	92
	3	90
	4	86
	5	86
Median 5.5 Sales-→		
	6	80
	7	75
	8	72
	9	64
	10	60

The median is therefore halfway between the ratio 86 and 80 or:

MEDIAN = (86 + 80)/2 = 166/2 = 83%

This statistic is not usable in more advanced mathematical manipulations as a general rule, however, it is useful as it does enter into the total concept of data and is useful to you in judging your uniformity and level of assessment.
(Note: you may also calculate a median sales value as well as a median appraised value).

MODE

The mode is a measure of central tendency that is easy to understand, it is the value in the set of observations, which occurs most frequently. In our example the mode of sales ratios would be 86% (occurs 2 times).

MEASURE OF VARIABILITY

A classic example of reliance on the use of the mean only as a method of description may be rather graphically illustrated by the following:

If you were fired upon one time and were missed by 100 yards and were fired upon a second time and were hit, you could conclude that you were missed by an average of 50 yards.

The point is, the mean does not tell the whole story about the data hence you need some other tools to better describe the data. These tools are measures of how much you miss the mean (in general) or in more technical terms, measures of dispersion.

RANGE

The range is simply the lowest and highest value in your set observations subtracted from one another, although it may be reported as the minimum and maximum values themselves. In our example you could say the range is (for the sales ratios):

35% or from 60% to 95%

As a general statement it is not too useful in analysis due to its obvious dependence on extreme values.

MEAN DEVIATION AND MEDIAN DEVIATION

This measure is the average of the differences between the mean (and median) and the individual observations.

MD = Σ[d] / n or Σ[x] / n

That is, the mean or median deviation is the sum of the absolute value of the differences between the mean (and median) and each observation divided by the number of observations. (Absolute value means the signs are ignored, that is assumed to be positive, when accumulating [x] or [d].)

For our example:

SALES RATIO	**-**	**MEAN**	**=**	**[X]** ([d] is used for the median)
95	-	80	=	15
92	-	80	=	12
90	-	80	=	10
86	-	80	=	6
86	-	80	=	6
80	-	80	=	0
75	-	80	=	5
72	-	80	=	8
64	-	80	=	16
60	-	80	=	20
				98

Hence: MD = 98 / 10 = 9.8%

This ratio expresses the average amount by which the data varies from the mean (or median) in a particular set of data. It is influenced by extremes as is the mean and even when computed about the median it is likewise influenced. It also is not useful in making further statistical analysis of the data.

STANDARD DEVIATION

To overcome the handicaps of the mean deviation, the standard deviation is used. It is a numerical measure of the degree of dispersion, variability, or non-homogeneity of the data to which it is applied.

In calculation, it is similar to the average deviation but differs in its method of averaging differences from the mean. It does this by squaring each difference and eventually summing all squared differences averaging them and taking the square root thereof giving an “average deviation” from the mean.

In a practice it is quite easy to compute using a handy "working formula" to make the task easier. First the formal formula:

STANDARD DEVIATION = $\sqrt{\Sigma(X-u)^2 / N}$ **Where u = "mu" (Arithmetic mean)**

$$\sqrt{\frac{\text{Sum of the individual differences square}}{\text{Number of observations}}}$$

If you are computing, it is easier to use this formula:

STANDARD DEVIATION = $\sqrt{\frac{\Sigma x^2}{N} - \frac{\Sigma x^2}{N}}$

OR

$\sqrt{}$ Sum of the squared individual observations/Number of observations
- (Sum of the observations/Number of observations)^2

The sum of the observations divided by the number of observations is the mean. Therefore the 2nd term of the formula:

$\frac{\Sigma x^2}{N}$ **= the mean squared**

In our example, using ratios it would be:

Observation	X	X^2
1	95%	9025
2	92	8464
3	90	8100
4	86	7396
5	86	7396
6	80	6400
7	75	5625
8	72	5184
9	64	4096
10	60	3600

X = 800% X^2 = 65286

Arithmetic Mean (u) Sales Ratio = 800/10 = 80%

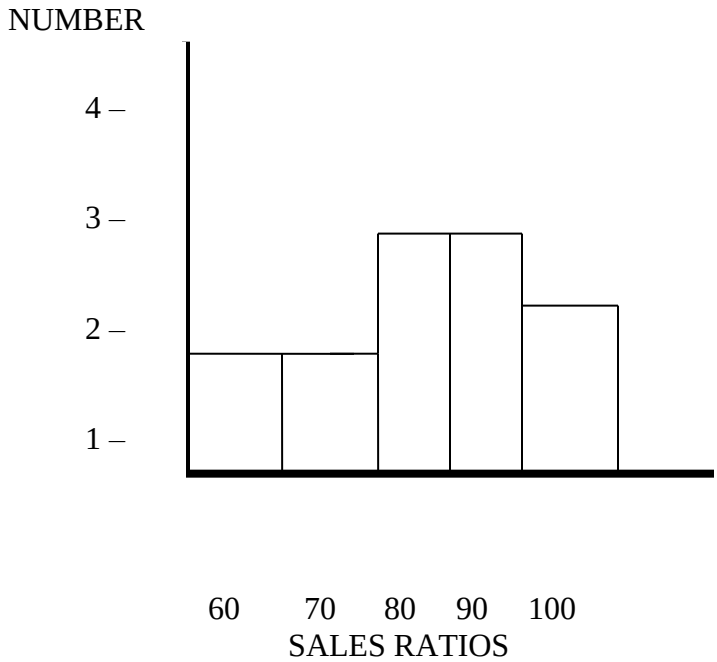
Hence: $SD = \sqrt{65285/10 - (80)^2}$
$= \sqrt{6528.6 - 6400}$
$= \sqrt{128.6}$
$= 11.34$

The standard deviation is useful in that it is logical mathematically and may hence be used satisfactorily in further calculations. This is its outstanding superiority over the other measures of dispersion.

FREQUENCY DISTRIBUTIONS

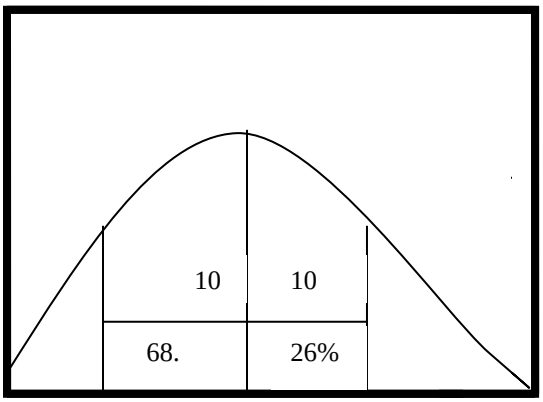
This is a good time to discuss distributions. All frequency distributions are an arrangement of numerical data according to size or magnitude. Distributions are normally presented as tables or graphs. The following table and graph is taken from our example.

SALES RATIO CLASS INTERVAL	NUMBER OF OCCURANCES
91 – 100	2
81 – 90	3
71 – 80	3
61 – 70	1
51 – 60	1
	10



When describing our observations, we use numbers (mean, median, mode, standard deviation, average deviation, etc.) to give a mental picture of what our frequency distribution will look like if we draw it on a graph.

A particularly shaped distribution is the one from which we depart when trying to visualize the shape of a distribution when given such statistics as the mean, median and mode for information. The reference point is what is called the "NORMAL DISTRIBUTION". It has some features by which it is characterized and referred to. This is what it looks like:



"Normal" Distribution Showing the Percentage of the Area Included Within One Standard Deviation Measured Both Plus and Minus About the Arithmetic Mean.

The MEAN, MEDIAN, and MODE are all equal. It also possesses some traits which make it statistically useful in making decisions about differences in distributions.

One of these properties is that one may determine what percent of the observations lie within – one, two or three times the calculated standard deviation by using pre-computed tables. (In fact any fractional part of the standard deviation may also be used.)

The way it would likely be useful to you is in making some statement about the uniformity of your values which is in part what it measures. For instance, if you have a set of axles with a mean of 87% and a Standard Deviation of say 10% then you could conclude that 95.46% of all sales would fall between the limits of 75.46% and 115.46%. Extrapolating that sales represent the rest of the parcels in your county (we leave the question of the validity of this assumption up to you), you could then have some mental picture of how your county roll values would distribute themselves in relation to the market values of the parcels.

For all the statistically astute, we do include two things: (1) remember that the distribution must be normal or approximately so for this to be true and (2) if there is ever a source of disagreement, sales ratio studies are surely prime material. We will let the relative merits of the case go untouched in this text, however.

One final word on the description of a distribution. When you first begin to work with these tools, please get a simple straight forward text such as one of the "Cram Course" texts on statistics available in any college bookstore with an appealing title such as STATISTICS MADE SIMPLE, etc., you will find it most useful in attacking problems. One we recommend is available from the Barnes & Noble in their college outline series titled "STATISTICAL METHODS".

RELATIVELY MEASURE OF VARIATION

Very handy statistical tools are the relative measures. They are ways of relating back to the mean or median in discussing the degree of variance in a set of observations.

Three common ones are:

$$\frac{\text{AVERAGE DEVIATION ABOUT THE MEAN}}{\text{MEAN}} \times 100 = \text{Coefficient of dispersion of the average deviation}$$

$$\frac{\text{STANDARD DEVIATION}}{\text{MEAN}} \times 100 = \text{Coefficient of dispersion of the standard deviation}$$

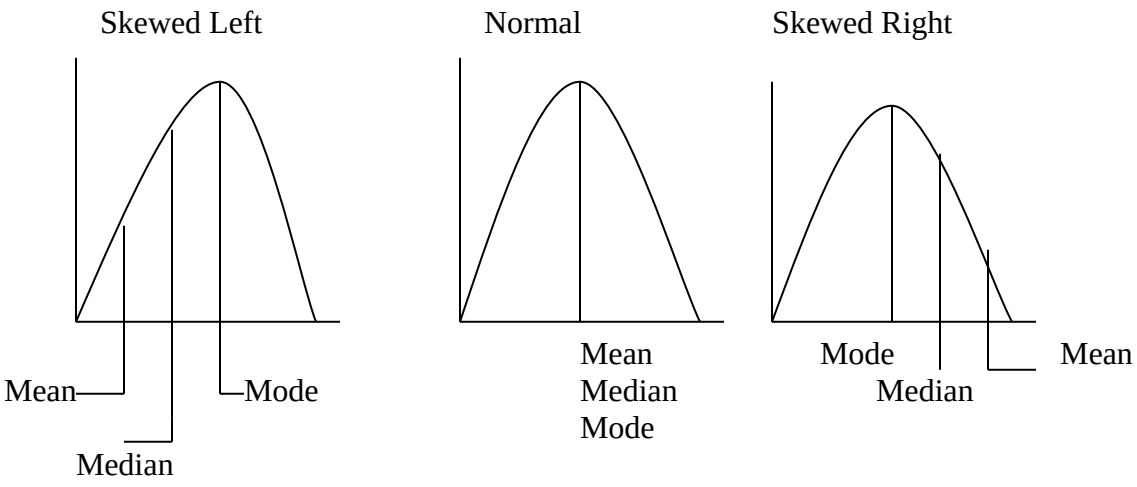
$$\frac{\text{STANDARD DEVIATION ABOUT THE MEDIAN}}{} \times 100 = \text{Coefficient of dispersion of the median deviation}$$

The last two yield the most useful statistic in that the standard deviation is significant in appraising in relationship to the level as there are few who would want a ratio to go consistently over 100% (which is one use of the standard deviation you see) or whom would want a mean of 70% with a relative error or 35% on 68% of all parcels.

SHAPE

How do you describe the shape of a distribution? Well, we have used the mean, median, mode, average and standard deviation. We also would like to be able to tell the extent to which our values were consistently biased either high or low. The statistics measuring this are the coefficient of skewness. That is, a measure of the degree to which the distribution departs from the normal distribution.

There are three more or less classic shapes a distribution may take (although it may look like anything!). That is:



Skewness is a term for the degree of distortion from symmetry exhibited by a frequency distribution. What this means to you is that if you were to graph the sales ratios you would expect that all errors should be random and hence symmetrical and not biased either low or high for certain properties. You can check this by using the common measures of degree of skewness.

$$SK = 3\,\frac{(MEAN - MODE)}{STANDARD\ DEVIATION}$$

And

$$SK = \frac{(Q3 - MEDIAN) - (MEDIAN - Q1)}{(Q3 - Q1)}$$

The second measure uses a “QUARTILE” which is something like the median (in fact the median is the Q2 or second quartile or quarter, EG 50% of the way through the list, item) but is the item 25% (Q1) down the list and the 75% (Q3) item down the list of ordered observations and may be determined much as is the median.

NON-PARAMETRIC STATISTICS

This class of statistics is useful in that unlike many statistical tools, they do not depend on having normally distributed values to be meaningful.

The most useable is the chi-squared statistic. It is simple and is very useful in testing a number of common questions or hypotheses which you pose formally or informally in appraising.

Suppose, for instance, you have collected a set of observations of the sale parcels in an area with the distribution of all parcels for the area to see if the distributions match up and hence give you some assurance that the sales are comparable to the universe of all parcels.

To do this let us assume you use a single method of classification, age, and restrict the discussion to only a single exterior wall type (a good discriminator).

How do you proceed? First, classify the sale parcels into groups of 5 years, although the greater of lesser intervals could have been selected depending on our data.

For example:

TABLE OF ACTUAL FREQUENCIES FOR SALE PARCELS

AGE (in years) INTERVAL	FREQUENCY IN NUMBER	PERCENT OF TOTAL
1-5	10	13.2
6-10	22	28.8
11-15	17	22.4
16-20	10	13.2
21-25	7	9.2
26-30	10	13.2
	76	100.0%

Then classify all parcels for the area into groups of a like interval used with the sale parcels.

For example:

TABLE OF ACTUAL FREQUENCIES
FOR ALL PARCELS IN AREA

Age (in years) Interval	Frequency in Number	Percent of Total
1 – 5	128	12.2
6 – 10	234	22.4
11 – 15	355	33.9
16 – 20	139	13.3
21 – 25	87	8.3
26 – 30	104	9.9
	1047	100%

The questions we want to ask is are the two distributions the same (in the sense that the distribution of parcels by age makes them equal for purposes of judging similarities) or are the distributions different? To answer this we must consider the element of chance. It is possible that the sales are distributed like the total area but show difference in cell frequencies due to chance alone, for as you may observe, the percentages of the total by age are indeed different.

We would expect the sales to be distributed in like frequencies as the total area was distributed unless the sales do not represent the area under study.

The use of a very handy tool, the statistic known as the CHI-SQUARE (X^2) test is worth learning. It is useful in that it does not require that one have normally distributed data to be valid, hence it is non parametric. It is used by taking an expected frequency and comparing it to the actual or observed frequency. In our case it is the area parameters projected upon the sales data.

We would expect the number of sale parcels per age group to be the same as the frequencies observed for the total of all parcels in the hypothetical area under consideration. Therefore, we use the percentages for the total to generate the expected number of sales for each age interval.

The CHI-SQUARE statistic expressed as a formula is:

$$X = \Sigma\ [(fo - fe)^2 / fe]$$

Where fo = frequency observed fe = frequency expected

For example

% of Total Parcels	X	Total Sales	=	Expected Number of Sales in Each Interval
12.2		76		9.3
22.4		76		17.0
33.9		76		25.8
13.3		76		10.1
8.3		76		6.3
9.9		76		7.5
100%				76

The actual number of sales in each interval is set down. One then subtracts the estimated number from the observed number of sales, interval by interval squaring the result and dividing by the expected number.

For example:

Group	**Observed Frequency**	**Expected Frequency**	**Observed Minus Expected**	**Squared Result**	**Divided By Expected**
1	10	09.3	0.70	00.49	0.053
2	22	17.0	5.00	25.00	1.471
3	17	25.8	8.80	77.44	3.002
4	10	10.1	0.10	00.10	0.010
5	07	06.3	0.70	00.49	0.053
6	10	07.5	2.50	06.25	0.833
				X^2 =	5.422

The number 5.422 is the chi-square for this comparison. It is evaluated based upon what is known as DEGREES OF FREEDOM of the problem and the use of a table of chi-square values common to most statistics texts. We may say here that "degrees of freedom" means that latitude of variation a statistical problem has. It is the number of groups (Nk) minus 3 or V = (Nk – 3). In this case V=3.

Consulting our table we found that the probability of having a chi-square due to chance of 5.42 is approximately .75 or sufficiently different from .95 for us to state that the sales do differ significantly from the actual distribution of all parcels. Hence, we would conclude that we should be careful in the extrapolation of sale parcel statistics to the entire distribution of all parcels.

CHARACTERISTICS OF VALUE

Value is an abstract word with many acceptable definitions. In a broad sense, value may be defined as the relationship between covenant owner and the desire of a potential purchaser. It is the power of a good or service to command other goods or services in exchange. In terms of appraisal, value may be described as the present worth of future benefits arising from the ownership of real property.

For a property to have value in the real estate market, it must have four characteristics:

1. UTILITY: The capacity to satisfy human needs and desires.

2. SCARCITY: A demand that is greater than the supply.

3. EFFECTIVE DEMAND: The need or desire for possession of ownership backed up by the financial means to satisfy that need.

4. TRANSFERABILITY: The Transfer of rights of ownership from one person to another with relative ease.

KINDS OF VALUE

A given piece of real estate may have different values at the same time, some of which are listed below:

Market Value	Salvage Value
Insured Value	Book Value
Assessed Value	Depreciated Value
Mortgage Value	Condemnation

FOR ASSESSMENT

The goal of an appraiser is market value. The market value of real estate is the highest price, in terms of money, allowing a reasonable time to find a purchaser, who buys the property with knowledge of all the uses to which it is adapted and for which it is capable of being used.

Included in this definition are the following key points:

1. – Market value is the highest price a property will bring – not the average price or the lowest price.

2. – Payment must be made in cash or its equivalent.

3. – Both buyer and seller must act without undue pressure.

4. – A reasonable length of time must be well allowed for the property to be exposed in the open market.

5. – Both buyer and seller must be well informed or well advised.

6. – The potential use of the property as well as its present use must be recognized.

MARKET VALUE VERSUS MARKET PRICE

Market value is an estimated price based on an analysis of comparable sales and other pertinent market data. Market price, on the other hand, is what a property actually sells for – it's selling price. Theoretically, the ideal market price would be the same as the market value; however, there are circumstances under which a property may be sold at below or above market value, such as when a seller is forced to sell quickly or when a sale is arranged between relatives. Thus, a market price can be taken as accurate evidence of market value only after considering the relationship of the buyer and the seller, the terms and conditions of the market, and the effect of the passage of the time since the sale was made.

MARKET VALUE VERSUS COST

It is also important to distinguish between market value and cost. One of the most common errors made valuating property is the assumption that cost represents market value. Cost and market value may be equal, and often are, when the improvements on a property are new and represent the highest and best use of the land.

However, more often, cost does not equal market value. For example, two homes are identical in every respect except that one is located on a street with heavy traffic and the other is on a quiet, residential street. The value of the former may be less than the latter, although the improvement cost of teach may be the same. Another example would be a situation in which the demand for homes greatly exceeds the available supply to such an extent that buyers pay more than the improvement cost of such homes in order to secure housing without long delay. In this instance, market value could easily exceed cost.

VALUE IN USE VERSUS VALUE IN EXCHANGE

We have defined market value as a justifiable price which buyers, in general will pay in the market. The question arises then as to the value of property which by nature of its special and highly unique design is useful to the present owner but relatively less useful to buyers in the market. One can readily see that such a property's utility value may differ greatly from its potential sales price. It is even possible that no market for such a property exists. Such a property is said to have value, referring to the dollar – value of a commodity to buyers in general.

BASIC VLAUE PRINCIPLES

Whether an appraisal specifically mentions them or not, there are always a number of economic principles at work which affect the value of real estate. The more important of these principles are defined below:

HIGHEST AND BEST USE: The highest and best use for a property is that use which will produce the highest net return to the land for a given period within the limits of those uses which are economically feasible, probable and legally permissible.

In appraising a residential location, the determination of highest and best use may not involve just the income available in money. Amenities or owner satisfaction, such as an unusual view of the mountains, may be a key factor, and highest and best use today is not necessarily the highest and best use tomorrow. The highest and best use of the land often lies in a succession of uses. A declining single – family residential neighborhood may be ripe for multi – family, commercial or industrial development. Whether it is or not depends upon the relationship of present or anticipated future demand with existing supply.

In estimating value, the appraiser is obligated to reasonably anticipate the future benefits, as well as the present benefits derived from ownership and to evaluate the property in light of the quality, quantity, and duration of these benefits. It should be noted here that the benefits referred to are likely benefits based on actual data as opposed to highly speculative or potential benefits which are unlikely to occur.

SUBSTITUTION – This appraisal principle states that the maximum value of property trends to be set by the cost of purchasing an equally desirable a valuable substitute property, assuming that no costly delay is encountered in making the substitution. For example, if there are two similar houses for sale in an area, the one with the lowest asking price would normally be purchased first.

SUPPLY AND DEMAND – This principle states that the value of a property will increase if the supply decreased and the demand either increases or remains constant and vice versa. For example, the last lot to be sold in a residential area where the demand for homes is high would probably be worth more than the first lot that was sold in the area.

CONFORMITY – This principle holds that a stable and uniform value is realized if the use of land conforms to existing neighborhood standards. There should also be a reasonable degree of conformity along **social** and economic lines. In residential areas of single – family houses, for example, buildings should be similar in construction, quality, size, and age to other buildings in the neighborhood, and they should house families of similar social and economic status.

ANTICIPATION – This principle holds that value can increase or decrease in anticipation of some future benefit or detriment affecting the property. For example, the value of a house may be affected if there are rumors that the block on which the house is located may be converted to commercial use soon.

INCREASING AND DECREASING RETURNS – This principle holds that improvements to land and structures will eventually reach a point at which they will have no effect on property values. If money spent on such improvement's procedures an increase in income or value, the law of increasing returns is applicable. But at the point where additional improvements will not produce a proportionate increase in income or value, the law of decreasing returns applies.

CONTRIBUTION - This principle holds that the value of any component of a property consists of what its addition contributes to the value of the whole or what its absence detracts from that value. For example, the cost of installing an air conditioning system and remodeling an older office building may be greater than is justified by the rental increase that may result from the improvement to the property.

COMPETITION – This principle holds that excess profits attract competition, and that competition often destroys profits. For example, the success of a retail store may attract investors to open similar stores in the area. This tends to mean less profit for all stores concerned unless the purchasing power in the area increases substantially.

THE PRINCIPLE OF CHANGE – The impact of change on the value of real property manifests itself in the life cycle of a neighborhood. The cycle is characterized by three stages of evolution; the development and growth evidenced by improving values; the leveling off stage evidenced by static values; and finally, the stage of infiltration and decay evidenced by declining values.

CONTRIBUTORY VALUE

In the appraisal of an improved property, it is common practice to speak of older outbuildings and yard items as having "sound" value, example; salvage value or utility value. Salvage value implies worth – something which can be saved. Utility value implies usefulness, thus worth. However, when addressing the question of market value of an improved property, the appraiser also should consider the contribution to a probable sales price beyond the land and primary building(s) that any present outbuildings or yard items make. Does their presence add or deduct from the market value?

Often, the market can help establish this answer. For example, if houses and lots in a subdivision with detached garages sell for "X" dollars more than those without garages then one can presume the presume the presence of the garage "contributes" to the market value some percent of difference. Another example is driveways. In an area where most properties do not have a paved drive, the presence of one may be a "drawing card' to a property that is for sale.

The appraiser should analyze all the components before assigning value, and generally, only if it contributes to price.

DATA COLLECTION PROCEDURES

DATA COLLECTION PROCEDURES IN THE FIELD

PREFACE

The application of standardized method in the appraisal of a structure requires work to be performed in three areas: fieldwork, calculation and valuation. The purpose of this chapter is to supply basic definitions and depict common situations that must be contended within the field.

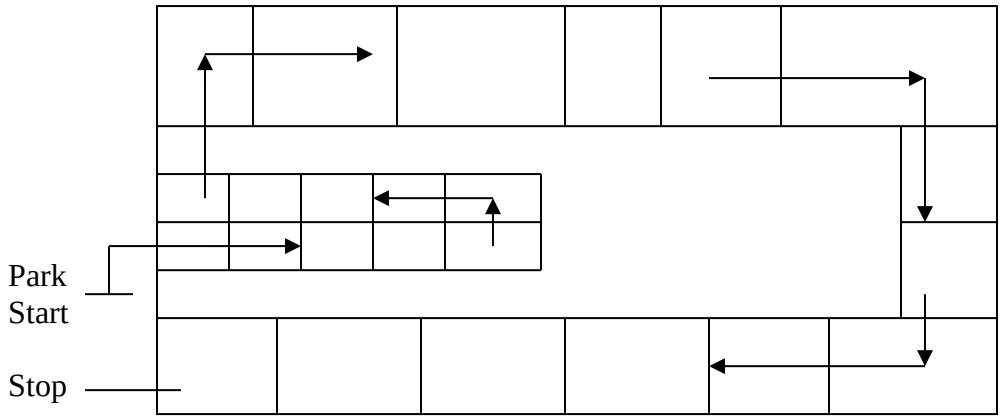
INTRODUCTION

Fieldwork should be approached with three basic components in mind: Collection or verification of measurements of any improvements including correction of any such measurements and recording information correctly on the field data collection instrument. The first two topics are dealt within this chapter; the third is dealt within the next chapter.

COLLECTION OR VERIFICATION OF CONSTRUCTION DATA

This involves two basic techniques. Most of the data is confirmed by a visual inspection and can be done while walking up to the front door. It is helpful to give the area you are covering a "windshield" preview while looking for a parking spot. This gives a good indication of the typical exterior components – roofs, exterior walls, and develops a "feel" for the neighborhood.

In order to work at maximum efficiency, plan your route ahead of time, check your map and arrange cards in the order you will want to walk, ideally stopping and starting at the same point. For example:



As you approach each house check your exterior walls, roof structure, roof cover; look for indications of heating type, i.e., fireplace, compressors, oil drums etc.

Identify yourself and your purpose, always remembering to be polite and respectful.

One approach goes as follows:

"Good morning. My name is John Doe, and I am with the Edgecombe County Revaluation Office verifying data for the County Tax Revaluation. I need to ask you a few questions and walk around the outside of the house."

Usually, most people are cooperative. Remember your job is solely to collect or verify data, not come up with the assessment value. While you are introducing yourself glance inside checking for interior wall construction and flooring, also indications of heating and cooling system.

Your three questions can be asked as follows:

"What sort of floors do you have?" (Don't confuse rugs with carpet. The latter is physically secured to the floor while rugs are not). "How do you heat and cool your house?" (If they don't know, and that happens, you can almost always see physical indications from the outside, i.e., chimney, oil drum, etc.) "How many bathrooms and bedrooms do you have?" Then "Thank you very much. Now all I need to do is take a quick look around the outside, okay?"

Sometimes you will have to take measurements to appraise improvements. If you have to measure the whole house, just explain to the owner you are collecting and verifying the building measurements.

There are a few aids to measuring that make it a little quicker and easier. A screwdriver or a long nail serves as a good anchor for the tape end when you cannot get to the wall because of fences, shrubs, etc. Despite logic, sometimes measurements will not produce a square or an even sided house. Be sure to check for this before turning in the appraisal card.

It is also essential that the measurements produce an even sided structure. A simple method of checking for closure is to add the front measurements (bottom horizontal) and add all the back measurements (top horizontal) and check to see that they are equal. The same should be done for the sides of the house, (the left and right vertical measurements.) This is known as "checking for closure". Another way to ensure the proper length is to measure the length without any offsets to get the overall length. The same can be done for the width.

There are three basic steps to this process:

1 – Measure each side of structure accurately.

2 – Make a diagram placing dimensions (rounded to the nearest foot) beside each line they represent.

3 - Label structural variations with appropriate abbreviations (FEP, FSP, FCP, etc.). Lettering and numbers are to be neatly made with measurements written so as to read from the bottom of the card looking up.

TO CHECK FOR CLOSURE:

The basic rule is the sums of the lengths of the opposite sides must equal as follows:

The sum of the top horizontal lines, (the back of the house) should equal the sum of the bottom horizontal lines, (the front of the house). The sum of the left vertical lines, (the left side of the house) should equal the sum of the right vertical lines, (the right side of the house), in the same manner.

The following are examples depicting various types of improvements and how they should be drawn, labeled, and checked for closure.

STANDARDIZED METHOD OF DRAWING STRUCTURES

A uniform method of drawing and labeling structures must be adopted. The following method is to be employed in preparing documents for use by the system.

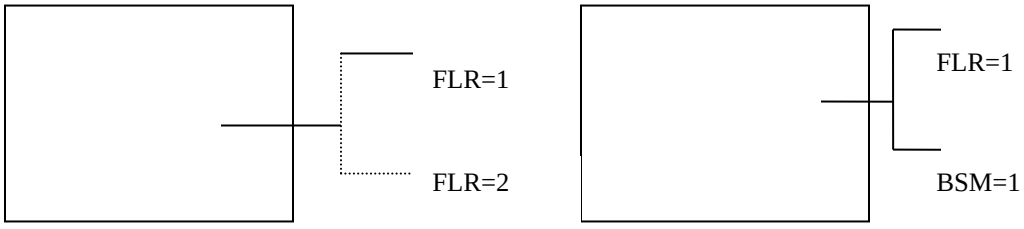
Orient your drawing so that the front of the structure is towards the bottom of the card. All labeling should be oriented in this same direction.

It is essential in drawing the structures to delineate the auxiliary areas properly in order that they can easily be distinguished from the base area.

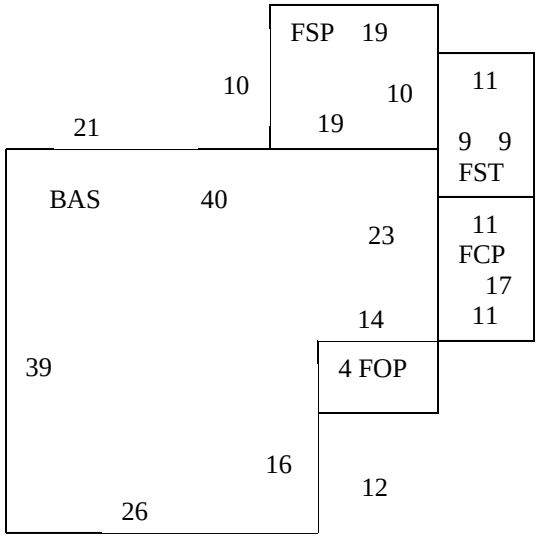
Familiarity with auxiliary area abbreviations is essential along with an understanding of the visual indications of these areas. For example: an enclosed porch which may have windows different from the base, a lower foundation than the base, or different roof cover.

If you are confronted with an exceptionally large property with many sides, a piece of graph paper used in drawing the sketch can be valuable in preventing errors.

Special attention needs to be given to multi-story buildings. A notation to denote upper stories and/or basements should be as follows:



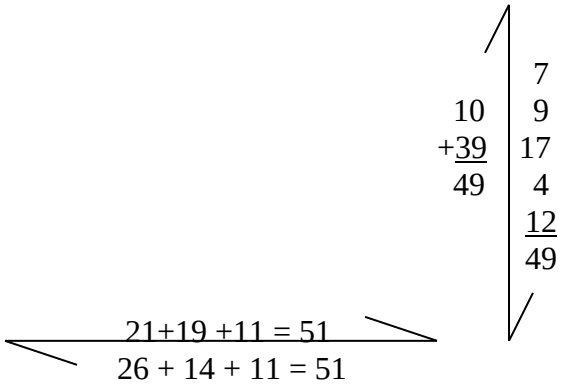
Further refinements of this situation are necessary to contend with many older, odd shaped homes often with 2 or more stories. Careful attention must be paid to auxiliary areas and whether they extend to all floors.



TOP HORIZONTAL LINES
(Left to right)

WEST
21 + 19 + 11 = 51

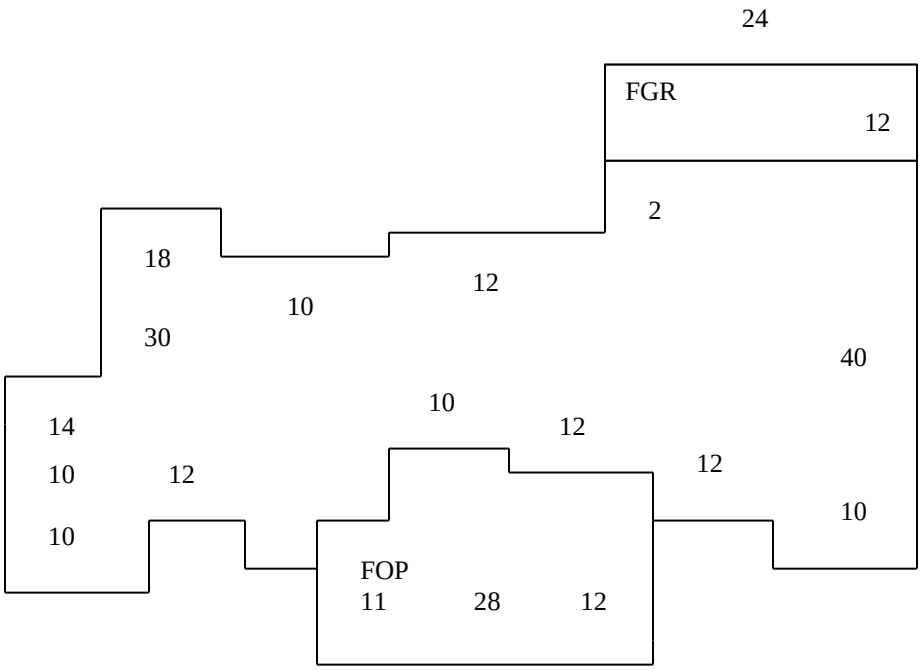
BOTTOM HORIZONTAL LINES EAST
26 + 14 + 11 = 51



LEFT VERTICAL LINES SOUTH
(top to bottom)
10 + 39 = 49

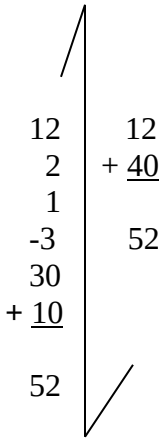
RIGHT VERITICAL LINES NORTH
7 + 9 + 17 + 4 + 12 = 49

In the above example the auxiliary areas, such as the screened porch (FSP) will prevent actual measurement of some of the walls of the base. This is overcome by recording the actual measurements of the perimeter and deriving some of the base wall measurements from them. In this example, the length of the rear wall of the base is determined by adding the length of the real wall of the screen porch (19) to that of the accessible real wall of the base (21).

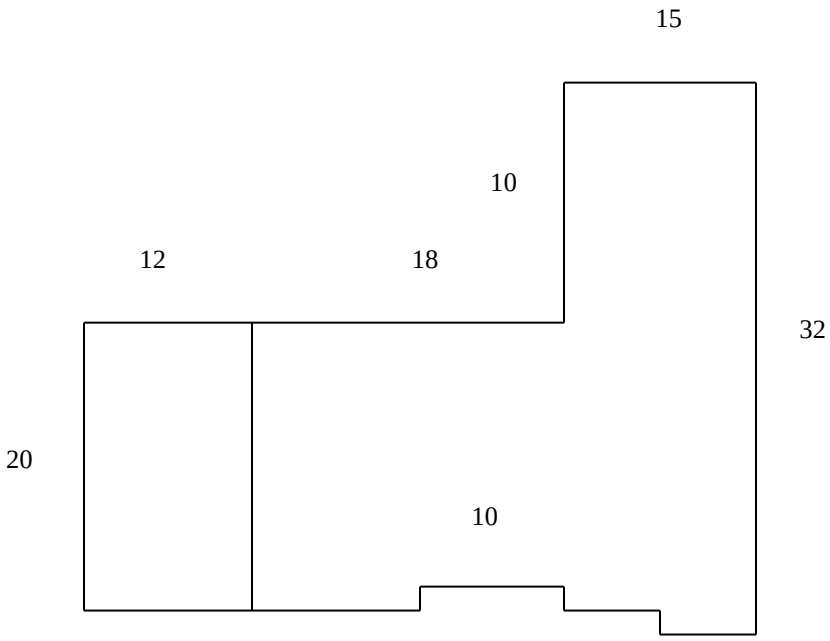


14 + 18 + 10 + 12 + 24 = 78

10 + 12 + 6 + 10 + 12 + 12 + 10 = 78



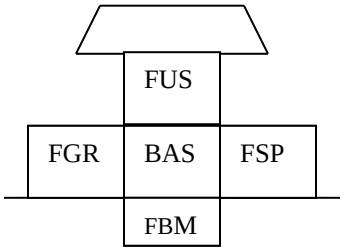
***BE SURE TO GET ALL SMALL MEASUREMENTS**

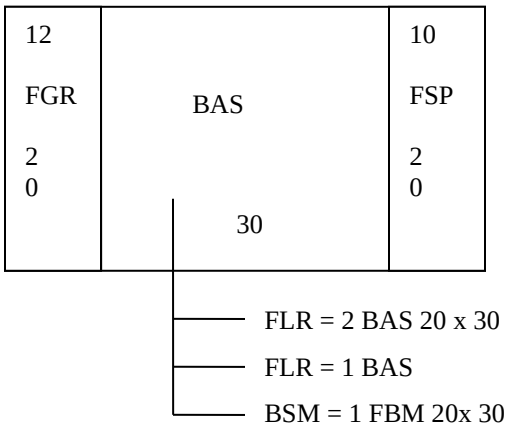


12 + 18 + 15 + = 45

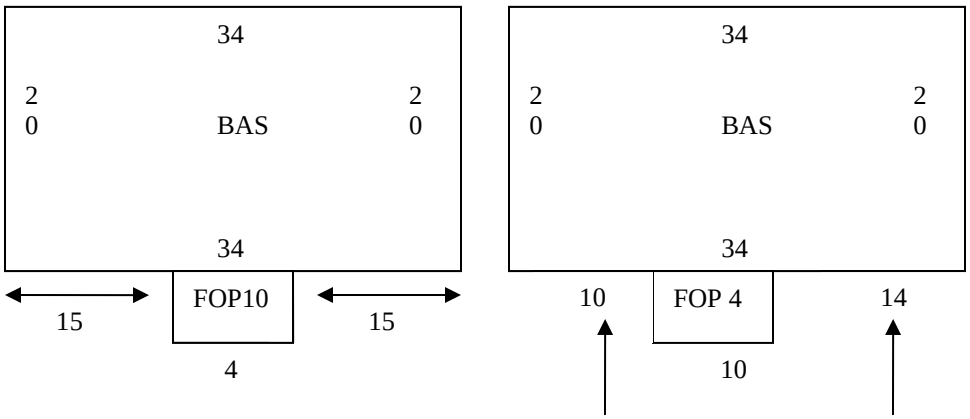
12 + 8 + 10 + 6 + 9 = 45

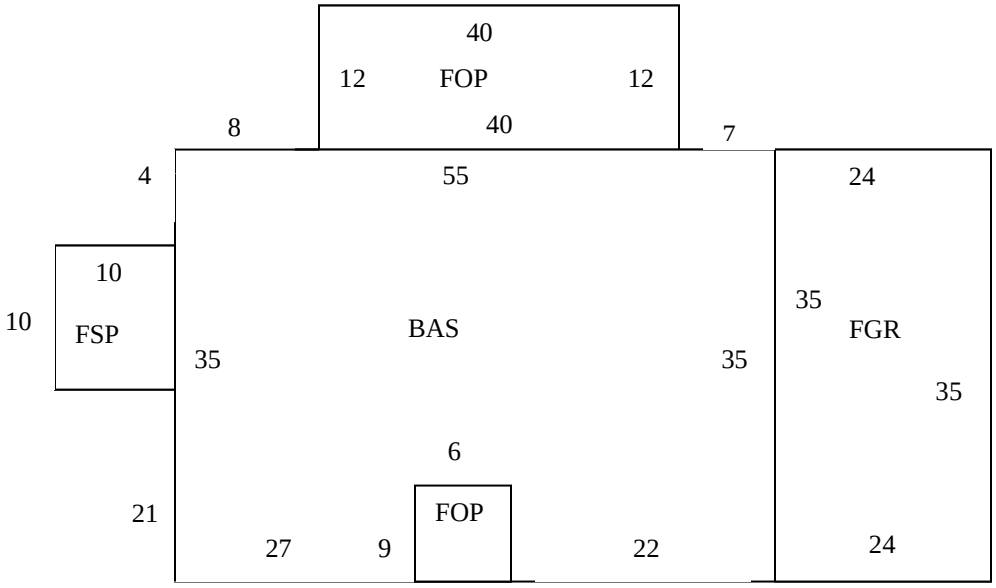
10
20 32
+2 32
32





Be sure to label each side of the property placing these dimensions to the inside which show ACTUAL length. Whereas those measurements used to determine the position of auxiliary areas along the perimeter of the base should be placed on the outside of the sketch if they are not included with an auxiliary area. This is illustrated as follows:





It is critical to the proper coding of structures to supply adequate measurements of the perimeter and auxiliary areas to determine the correct location of the auxiliary areas with respect to the base.

BILDINGS OVER ONE STORY

GARAGE APARTMENT

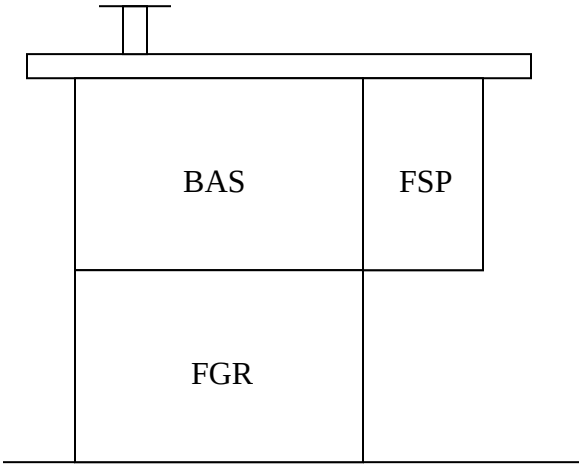
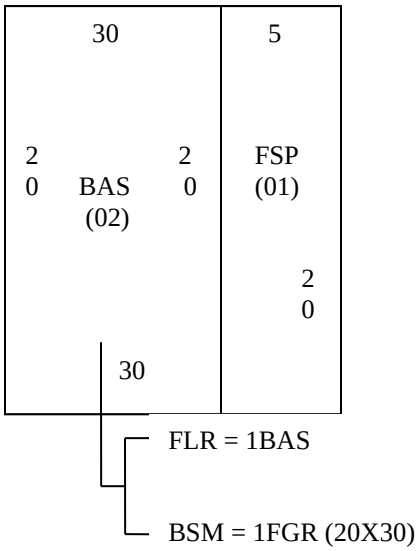


DIAGRAM AS FOLLOWS



TWO STORY RESIDENCE

TWO STORY

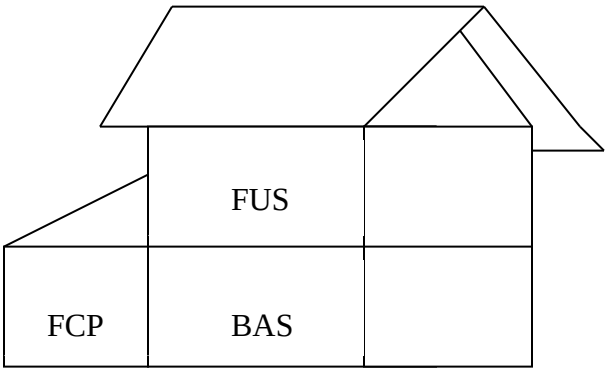
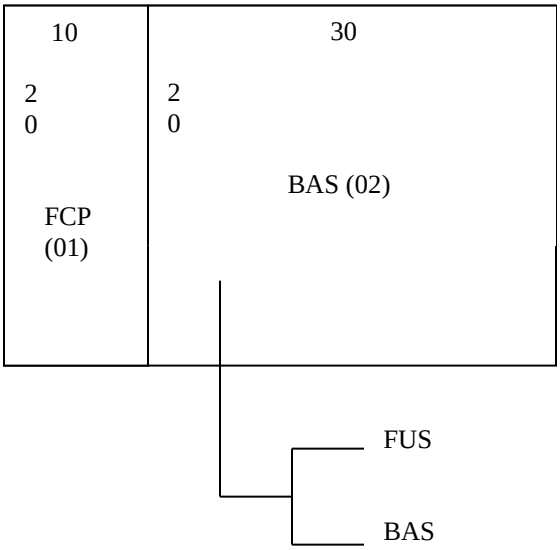


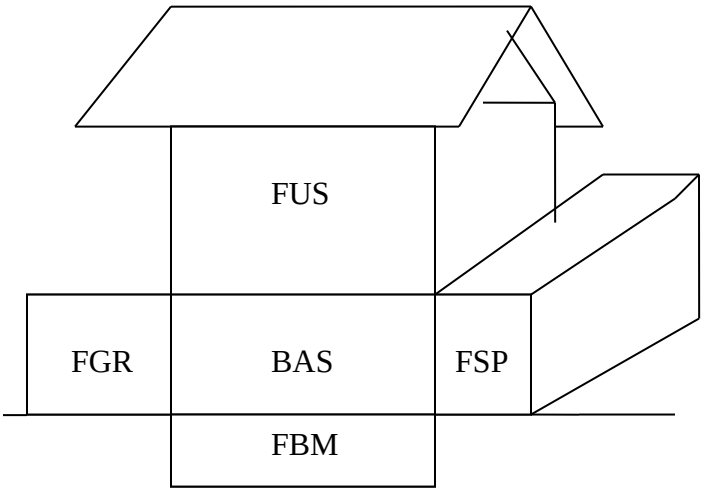
DIAGRAM AS FOLLOWS

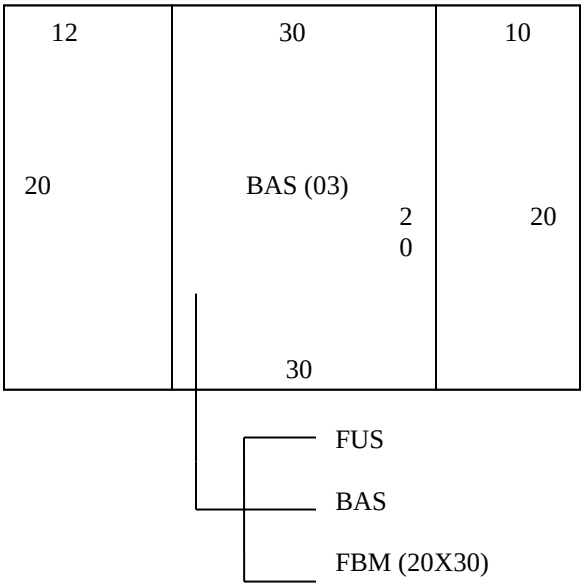


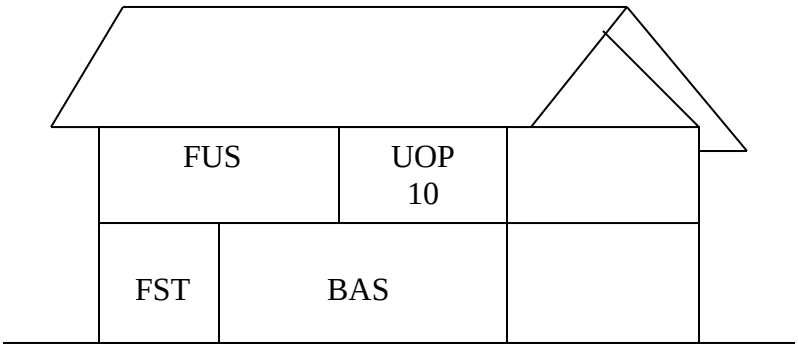
(since the base measurements are shown on the diagram they are not repeated.)

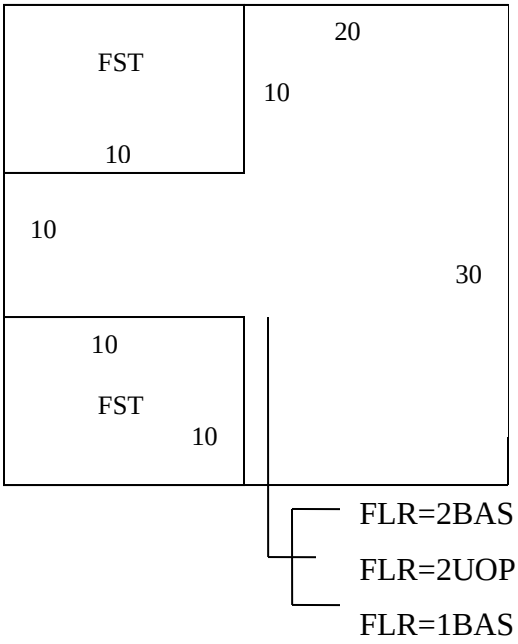
Draw 1st level plan and denote upper story dimensions as shown.

TWO STORY CONTINUED






FUS
UOP
10
FST
BAS


FST
20
10
10
10
30
10
FST
10
FLR=2BAS
FLR=2UOP
FLR=1BAS

PERCENT OF COMPLETION

The following is a guideline for estimating percent of completion for a typical Average Quality single family detached residence.

G.S. 105-285(d) states that the value of real property shall be determined as of January 1.

		Percent of total	Cumulative percent of total
1.	Plans, permits and survey	2	2
2.	Excavation, forms, water/sewage hookup	4	6
3.	Concrete	8	14
4.	Rough framing	21	35
5.	Windows and exterior doors	2	37
6.	Roof cover	3	40
7.	Rough-in plumbing	4	44
8.	Insulation	1	45
9.	Rough-in electrical and mechanical	11	56
10.	Exterior cover	6	62
11.	Interior drywall and ceiling finish	8	70
12.	Built-in cabinets, interior doors, trim, etc	13	83
13.	Plumbing fixtures	5	88
14.	Floor covers	3	91
15.	Built-in appliances	3	94
16.	Light fixtures and finish hardware	2	96
17.	Painting and decorating	4	100

TOTAL……100%

INCOME PROPERTY

VALUATION PROCEDURES

INCOME PROPERTY VALUATION

PREFACE

It should be noted that this chapter is not designed to be a comprehensive text on income properties but only a summary and outline of the income approaches to value which can be applied. This capability enables mass property appraisers to apply techniques which heretofore proved to be too time consuming for mass appraisal. However, we would like to recommend further study with such text as that by Dr. William N. Kinnard, INCOME PROPERTY VALUATION, to familiarize the property appraiser with some of the more subtle but important points of income property appraising.

INCOME PROPERTY VALUATION

BASIC STEPS IN INCOME APPRAISING

To simplify the understanding of the basic steps of income appraising we have outlined them here briefly before taking a more in depth look at each step.

STEP I. Estimate Gross Annual Income

- A. Determine type of rental unit (i.e. per apt., per s.f., etc.)
- B. Calculate other income (i.e. parking fees, etc.)
- C. Identify vacancy and collection loss

STEP II. Identify Operating Expenses

- A. Fixed Expenses (Taxes and Insurance)
- B. Variable Expenses
- C. Repairs and Replacements
- D. Sources of Operating Expense Data

STEP III. Net Operating Income

STEP IV. Determine Income Projection Period

- A. Remaining Economic Life
- B. Investment Holding Period

STEP V. Determine Discount Rate; Select Methods of Rate Estimation

- A. Band of Investment
- B. Built-up

STEP VI. Identify Method of Depreciation

- A. Straight Line
- B. Level Annuity

STEP VII. Identify Method of Capitalization to use

- A. Land Residual Straight Line
- B. Land Residual Level Annuity
- C. Building Residual Straight Line
- D. Building Residual Level Annuity
- E. Property Residual Level Annuity
- F. Equity – Ellwood
- G. Gross Income Multiplier

ESTIMATED GROSS ANNUAL INCOME

The primary measure of a commercial property's worth is the amount of income, which a property can earn or command in the local market. Therefore, it is important to derive a good understanding of the rental income that the space would command on the open market.

The basic question, which needs to be answered, is "What is the current market rent of the subject properties." The gross income is what the property will produce over a period of one year or a term of a lease. It is defined as the total amount of revenue a property can produce prior to the deduction for expenses.

ESTIMATED GROSS ANNUAL MARKET RENTS BY IMPROVEMENT TYPES

Improvement types 03, 08, and 09 Apartments – Generally the market rent for apartment complexes is determined by their monthly rent on a square foot basis. The total square feet of a unit included into the monthly rent gives you a monthly square foot rate. For the County area a typical monthly rent for apartments will be established. To determine the annual rent of the entire complex you simply add up the yearly rent of each unit type.

COMMERICAL STORES

Improvement types 10 and 11 – Generally your commercial, retail outlets will rent from $3.00 to $20.00 per square foot depending on the location, age and use of the retail outlet. These rates will be developed further throughout the revaluation project and established for the County. The commercial rates are also for shopping centers.

Improvement types 17, 18 and 19 are office buildings and vary from a minimum of $3.50 to $22.50 per square foot per year. Generally high rise office buildings demand a higher rent per square foot, due to the annual expenses running close to $25.00 per square foot per year.

Improvement types 40 – 49 include industrial and manufacturing. The market rent for buildings of this nature which have 10% office space run from $1.50 to $4.00 per square foot for typical good warehouse construction; however, the range can vary from $1.00 for mostly storage up to $5.00 for a warehouse that has more than 50% office space in a good location.

IDENTIFY VACANCY AND COLLECTION LOSS

The amount of income which can be produced is determined not only by the size of the property but also the degree to which the property is utilized. Commonly, most properties experience some vacancies throughout the year along with collection losses. This amount is usually expressed as a percentage of the possible gross.

These measures of losses from vacancies and collections are particularly applicable to multi-tenant properties. There are basically three sources of such information; past experience of the subject, market experience of similar properties, and published studies such as that done by the United States Postal Service, the Institute of Real Estate Management's INCOME/EXPENSE ANALYSIS (published yearly) and others.

IDENTIFY OPERATING EXPENSES

In order to estimate a net annual income, it is necessary to calculate the amount that goes to the purchaser-investor after deduction for the actual operation of the property are made. These deductions are called operating expenses; however, these deductions DO NOT include mortgage payments and depreciation. There are three basic categories of operating expenses.

FIXED EXPENSES

These are expenses which vary very little, if at all, with occupancy from year to year and have to be paid whether the property is occupied or vacant. Property Taxes and Property Insurance are the two major items in this category. It must be remembered that these expenses need to be deducted only in so far as they are an expense incurred by the owner.

VARIABLE EXPENSES

Included in this category are such expenditures as management fees, payroll and personnel, supplies and materials, utilities, grounds care, etc. These tend to vary, at least in part, with the percentage of occupancy. Much depends on the type of property, the climate, and the landlord – tenant relationship as to expenses incurred.

REPAIRS AND REPLACEMENTS

These items vary from year to year and tend to be concentrated in some years. For valuation purposes it is necessary to spread the cost of certain major repairs and/or replacements over their useful life. Dividing the replacement cost for each category by the forecast useful life yields an annual payment to cover replacement. Some typical items would be air conditioners, heating systems and roof covers.

SOURCE OF OPERATING EXPENSE DATA

The institute of Real Estate Management has an annual report, APARTMENT BUILDING EXPERIENCE EXCHANGE which details expense estimates for apartments. For operating expense data and comparative performance statistics of hotels and motor courts, informative reports are published by Laventhol, Krackstein, Horwath and Horwath, and Harris, Kerr, Forster and Company.

Office building operations are analyzed by the National Association of Building Owners and Managers, and in SKYSCRAPER MANAGEMENT and the NATIONAL REAL ESTATE INVESTOR. Shopping centers and retail stores operating data can be found in periodic publication by the Urban Land Institute, the Supermarket Institute of America and Dun and Bradstreet.

NET OPERATING INCOME

Net Operating income (NOI) is the annual dollar amount that a property can produce under typical conditions and is equal to the gross income less vacancy and collection losses and operating expenses.

Example:	Gross Income (20 apt. @ $1200/year)	$24,000
	Less 5% Vacancy & Collection	1,200
		$22,800
	Less 35% Operating Expenses	$ 7,980
	Net Operating Income (NOI)	$14,820

The net operating income takes into consideration the lease agreement presently in force to determine the dollar amount (income) to the investor and/or owner. The NOI should cover, at least, both a return on the owner's investment (i.e., compensation for giving up the use of and the liquidity of his money) and a proportional annual return of the invested capital which must be totally recovered by the end of the income projection period.

DETERMINE INCOME PROJECTION PERIOD

So far, the emphasis has been on computing what the net annual income for a property would be. However, what must not be overlooked is that this net annual income is assumed to generate over a period of years during which the investor earns interest on his capital and receives a proportionate return of his investment. To determine the duration of the income stream and/or the amount of time an investor must recover his capital; two things must be considered, the remaining economic life of the property or the typical holding or investment period depending on the valuation technique to be used.

REMAINING ECONOMIC LIFE

To apply any of the residual income techniques, it is necessary to estimate the remaining economic life of the improvements. By definition the economic life of improvements is the time period over which the improvements will be able to produce an income at a competitive rate of return on the portion of the investment represented by the improvements. Another term frequently used is capital recovery period, At the end of this period, the improvements will be used up or depreciated to the point that they will no longer make any contribution to total property value over and above the contribution made by the site.

Remaining economic life is directly related to the effective age of a given property. This is the difference between the total economic life less the remaining economic life. Remaining economic life and its complements, effective age, are dependent on tastes, standards – custom, and the effect of competition plus, perhaps most important to the property appraiser, the observed condition of the improvements.

Elsewhere, in the discussion on depreciation, we have shown some typical building lives for various commercial improvement types. Reference to this table will give some indication as to the expected economic life new; however, the appraiser should look for building within the area that no longer produces income. The age of these building should give you some idea of the economic life of a building.

INVESTMENT HOLDING PERIOD

The investment holding period is pertinent in the Ellwood or equity method, because of income tax considerations.

DETERMINE DISCOUNT RATE: SELECT METHODS OF RATE ESTIMATION

The Discount Rate, the basic building block in five of the income approaches, is also called a **RATE OF RETURN ON INVESTMENT**. It is determined by the forces of supply and demand for investment funds. A rate of return on an investment or “discount rate” is paid or offered to attract investment capital. This rate must compensate the investor for:

1) Overcoming time preference
2) Giving up liquidity
3) Assuming investment management burdens
4) Assuming the risks of investment and ownership

The Discount Rate is generally estimated from one of two methods – Band of Investment or Build-up

BAND OF INVESTMENT

The Band of Investment method recognized the Discount Rate as the weighted average of mortgage interest rate(s) based on typical financing; and the equity yield rate, derived from market data. It is based on the premise that investments in income-producing properties are usually financed with a mortgage at the best available terms. The weighting factor is the percentage of the total investment represented by each component contributing thereto. The procedure involved in the Band of Investment methods is illustrated as follows:

Assume a property is financed with an 80% mortgage at 8 ½ % interest. Equity investors are seeking a 15% return on this type of investment. The indicated Discount Rate would be developed as follows:

BAND OF INVESTMENT

METHOD FOR DISCOUNT RATE

	Rate		**Weight**		**Weighted Rate**
First Mortgage:	.085	x	.80	=	.068
Equity Investment:	.1500	x	.20	=	.030
Indicated Discount Rate:				=	.098 or (10%)

BUILT-UP METHOD

The built-up Method involves the "building" of a discount rate. The discount rate is "built" by taking the current "safe rate" or non-risk of ownership, the illiquidity of the investment, and the burden of management.

The SAFE RATE is that rate of return which can be earned annually on a risk free, highly liquid investment requiring virtually no rate which can be earned on a savings account or negotiable 1 year certificate of deposit to the prime lending rate corresponding to the size of the investment.

RISK arises from the possibility that the net income forecast will not be realized and refers to the investment's continued ability to earn income caused by uncertainties and instabilities in the marketplace.

The allowance for ILLIQUIDITY refers to the marketability or ease with which the investment can be converted to cash. This allowance can be considerable in large or valuable parcels because substantial negotiations may be required, and the number of potential local investors may be significantly reduced.

The MANAGEMENT allowance refers to the time and effort requiring to manage THE INVESTMENT, not the property itself. The cost of managing THE PROPERTY is an operating expense, which is reflected in the net income statement.

Generally, for assessment purposes, real estate taxes are removed from expenses and the applicable county mileages are added to the discount rate to arrive at the discount rate applicable to the subject property.

BUILT-UP METHOD OF

FINDING DISCOUNT RATE

For example**:**

Safe Rate	6.5%
Risk	1.0%
Illiquidity	1.0%
Management	0.5%
Ad Valorem Tax	1.0%
TOTAL DISCOUNT	10.0%

The idea of the built-up method is to load the safe rate with rates, which reflect the quality of the income stream. The higher the quality the lower the rate necessary to attract investors. Conversely, the poorer the quality, the higher the rate would be. In essence, the proper interest rate is that rate necessary to attract capital to the investment.

IDENTIFY METHOD OF DEPRECIATION

The wearing out and/or obsolescence of the improvements is reflected in the projected holding period or in the remaining economic life of which enables the investor to recoup or recapture his initial capital investment while also receiving a return on his capital.

Every method of providing for capital recovery can be expressed in the form of a sinking fund. A specific sum is to be recovered over a specific period. Periodic annual payments are made as part of NOI to cumulate to the full amount of capital to be recovered by the end of the capital recovered period.

There are basically two methods of providing for capital recovery each with specific assumptions as to the risk, timing, and stability of the net income stream.

STRAIGHT-LINE CAPITAL RECOVERY

This method consists of recovery by equal annual payments to a sinking fund which cumulate at zero compound interest. Each successive payment reduces the amount of investment remaining; each successive income payment also declines. A declining dollar return from the investment is therefore forecast. Capital recovery payments are the largest under this method.

The rate determined by dividing the amount of capital loss to be recovered (100%) by the number of years of remaining ECONOMIC LIFE.

For example: Remaining Economic Life of Improvement – 25 years.

100% / 25 = 1.00 / 25 = .04%

Value of Improvements: $100,000

Annual portion of NOI required.

To cover capital recovery: $100,000 x .04 = $4,000

The forecast loss of 100% of the improvements is fully recovered over the Remaining Economic Life of the improvements. Hence, straight-line capital recovery always results in a lower estimate of present worth or value than does any other method. Straight-line capital recovery is widely held applicable to nearly all income flows that are not based on a long-term lease with a highly rated tenant.

LEVEL ANNUITY CAPITAL RECOVERY

This method can be described as equal annual payments to a sinking fund which are reinvested by the investor to cumulate at compound interest at the Discount Rate. The amount of capital recovery payments is relatively small compared to the straight-line method. As a result, the portion of NOI available each year as a return on the investment is larger.

The sinking Fund Factor Formula is included here solely for reference purposes:

$1/SN = i/ (1 + i) n1$

Where:

1 = The number one

i = The discount rate (also the rate at which capital recovery payments are compounded).

N = The number of compounding periods (usually the remaining economic life).

1/SN = The Capital Recovery Rate

Annuity Capital Recovery can be applied to those properties that have a relatively stable income producing capability.

The preceding discussion has detailed how the net operating income is derived and also the various components of the Capitalization Rate. A Capitalization Rate can be derived arithmetically by adding together the discount rate and the capital recovery rate. It must be remembered that the central objective is the valuation of a finite income stream with the "infinite" value of the site.

IDENTIFY METHOD OF CAPITALIZATION TO USE

Capitalization is a process whereby an income stream of future payments is discounted to a figure which represents the present worth of the right to receive the income. The basic relationship between the income and value is expressed as follows:

Value = Net Operating Income/ Capitalization Rate

METHODS OF CAPITALIZATION

LAND RESIDUAL

When the building is fairly new, free of obsolescence, and the replacement cost accurately determined, a land residual technique may be used to estimate the value.

Land Residual Straight Line

If economic rent is applicable (short term lease or rental or less than first class tenants) the land residual, straight line technique should be used as follows:

Given: Building Value (based on replacement cost new) $100,000

Net Operating Income	$15,000
Discount Rate	10%
Remaining Economics Life	50 years
Straight Line Capital Recovery Rate	1/50 = 2%

Net Operating Income	$15,000
Less Annual Income allocated to building.	
($100,000 x .12)	-$12,000

Equals Income allocated to land $3,000

Present Value of the Land equals annual income allocated to land capitalized at the discount rate.

($3,000 divided by .10)	$30,000
Plus, current building value	$100,000

Estimated Value via Income
Capitalization Straight
Line Land Residual Technique $130,000

LAND RESIDUAL – LEVEL ANNUITY

If contract rent is applicable (long-term lease with prime tenants) the land residual, level annuity technique should be used as follows:

Net Operating Income		$ 15,000
Less annual income allocated to building.		
(Building value divided by PW of 1 per Annum @ 10% for 50 years)	100,000	
	9,915	- $ 10,086
Equals income allocated to land		$ 4,914

****

Present Value of Land equals
Annual Income allocated to land capitalized at the Discount Rate

($4,914 divided by .10)	$ 49,140
Plus, current building value	$ 100,000

Estimated Value via Income Capitalization Level
Annuity, Land Residual Technique $ 149,140

BUILDING RESIDUAL TECHNIQUE

When the land value can be accurately estimated using the market and the improvements are older buildings or other than the highest and best use, a Building Residual Technique can be employed.

Building Residual – Straight line

Given: Land Value (from Market or Sales Comparison)		$ 30,000
Net Operating Income	$15,000	
Discount Rate	10%	
Remaining Economic Life	50 years	
Straight Line Capital Recovery	1/50 = 2%	

(Straight Line Capital Recovery assumes a declining income stream and may be appropriate when short term leases or economic rent figures are utilized)

Net Operating Income	$15,000
Less annual income allocated to site capitalized at the DISCOUNT RATE ($30,000 X .10)	
Plus, CAPITAL RECOVERY RATE (.02) = .12)	
$12,000/12) =	$ 100,000
Plus, Current Land Value	$ 30,000
Straight Line Building Residual Technique	$ 130,000

BUILDING RESIDUAL TECHNIQUE – LEVEL ANNUITY

Again, when contract rent is applicable (long term lease with prime tenants) the level annuity technique should be used as follows:

Net Operating Income	$ 15,000
Less annual income allocated to land	- $ 3,000
Equals income allocated to improvements	$ 12,000

Present Worth of Improvements equals Annual Income allocated to building capitalized at the capitalization rate:

(i.e. $12,000/ .100857) =	$ 118,980
Plus, current land value	$ 30,000
Level Annuity Building Residual Technique	$ 148,980

PROPERTY RESIDUAL LEVEL ANNUITY

When total property income is difficult to allocate to either land or building, as in the case where building improvements are old, and where there is doubt about the land value because of location and specialized character, the property appraiser may want to use the property residual technique.

Net Annual Income is capitalized over the remaining economic life of the property. To this must be added the projected value of the land at the end of the property's expected economic life discounted at the appropriate rate.

Given:	NOI $15,000	
	Discount Rate 9%	
	REL 25 years	
	Estimated Reversionary Value of Land $2,000	
Net Operating Income	$15,000	
Present Worth of Income Stream:		
NOI/ (Discount Rate & Capital Recovery Rate)		
NOI/ (.09 + .0118)		
$15,000/ .10181 =		$147,333
Plus, Present Worth of Reversion		
$20,000 x .115968 =		$ 2,319
Present Worth of Property		$149,652
Estimated Value of Property Via Property Residual Technique		$149,652

ELLWOOD MORTGAGE EQUITY

Where applicable, this technique is the superior method as it most accurately simulates investor behavior. It is applicable when sufficient qualified data is available concerning the present, the future and behavior of typical investors in the market.

In addition to discounted cash flows, reversion and required yields by investors which can be accounted for in residual techniques, the Ellwood technique considers leverage, appreciation or depreciation of the property (based on the expectations of the investor) and the investment holding periods based on the behavior of typical investors in the local market.

The whole analysis focuses on the development of an overall rate as a weighted average of the several claims against Net Operating Income that must be met to make the investment competitively attractive. Market Value of Investment Value can be estimated through the Ellwood formula, depending upon the data used in the analysis.

In deriving an overall capitalization rate using the Ellwood Mortgage Equity there are several variables, which must be supplied by the appraiser. They are as follows:

Investment Holding Period
Mortgage Loan Term
Mortgage Loan Rate
Loan to Value Percentage
Equity Yield Rate
Plus, or Minus Appreciation or Depreciation at the end of the holding period

Given these methods, utilizes the necessary calculation to determine the overall rate, which is divided into the Net Operating Income. The result is the present worth estimate of value based on knowledge investment criteria.

GROSS INCOME MULTIPLIER

Because of the time and expense required to determine the correct net income for use in the capitalization of income technique, the gross multiplier has been developed into an effective mass appraisal income tool.

Since sales data is required to develop a gross income multiplier, care must be taken to use only qualified sale of COMPARABLE property types.

The key to good values using gross income multiplier is the same as any other appraisal technique, good data. Time spent qualifying the sales and determining the details of a commercial transaction is time well spent as the transaction may produce not only a useful income multiplier but also a useful sale comparable and data to derive a useful capitalization rate.

To apply a gross income multiplier, assemble the recent qualified, comparable sales and income data to determine the price at which properties comparable to the property being appraised sell and the typical sales price by the typical income, to obtain the gross income multiplier. This multiplier can then be applied to the rent being received or reasonably expected from the subject property to produce an estimate of the property value.

MONTHLY GROSS INCOME MULTIPLIER APPLICATION

Typical sale price for properties comparable to the subject parcel	$150,000
Typical gross monthly income for properties comparable to the subject parcel	$200
Gross Income Multiplier (GIM) (Sales/Income)	$750
Subject parcel gross monthly income	$225
Estimated Value (GIM x Income)	$168,750

ANNUAL GROSS INCOME MULTIPLIER APPLICATION

Typical comparable sale price	$150,000
Typical comparable gross annual income	$2,400
Gross Income Multiplier (GIM)	62.5
Subject parcel gross annual income	$2,700
Estimated Value	$168,750

Care must be exercised in the use of gross income multiplier. This method is only applicable where there is a high degree of comparability of properties sold in the market to the property being appraised. There must also be enough qualified sales of comparable properties since a sound multiplier cannot be determined from only one or two sales.

INCOME APPLICATION TABLE

APPLICATION DESCRIPTION		REQUIRED DATA	APPLICABILLITY
#1	Land Residual Straight Line	1-Net Annual Income 2-Current Bldg. Value 3-remaining Economic Life 4-Discount Rate	Short-term lease & rental properties. New or nearly new buildings. (Known bldg., value.)
#2	Land Residual Present Value Or Discounted Cash flow	1-Net Annual Income 2-Current Bldg. Value 3-Remaining Economic Life 4-Discount rate	Long-term lease & new or nearly new buildings. (Known bldg. value.)
#3	Building Residual, Straight Line	1-Net Annual Income 2-Current Land Value 3-Remaining Economic Life 4-Discount Rate	Short-term lease & rental properties. (Known land value.)
#4	Building Residual, Present Value	1-Net Annual Income 2-Current Land Value 3-Remaining Economic Life 4-Discount Rate	Long-term lease & good land comparables (Known land value.)
#5	Property Residual with land reversion at the end of period	1-Net Annual Income 2-Current Land Value 3-Expected Land Growth Rate 4-Discount Rate 5-Remaining Economic Life	Long-term lease, overall rate obtained from comparable sales.
#6	Ellwood Mortgage Equity	1-Net Annual Income 2-Investment Period 3-Mortgage Term 4-Annual Mortgage Rate 5-Loan to Total Ratio 6-Desired Yield 7-Expected Appreciation (+) or Depreciation (-).	Sophisticated, short-term (5-10 year), investors, recent refinancing and current dependable growth forecast.
#7	Annual Gross Income Multi-plier	1-Gross Annual Income 2-Annual Gross Income Multiplier	Sufficient sales with a high degree of com-parability to establish a reliable Annual Gross Income Multiplier

VALUATION OF COMMERCIAL

AND INDUSTRIAL PROPERTIES

COMMERCIAL PROPERTY

COMMERCIAL BUILDINGS

All commercial buildings shall be verified to ensure accuracy of measurements and other information shown on the field record card. A careful inspection of each building shall be made of all construction and fixed building improvements noted on the property record card. The basic cost data shall be applied to existing construction for the determination of accurate and consistent depreciation. In addition, income and expense data, and market data will be used where applicable to determine value by use of those approaches. All apartment houses of four or more dwelling units and other dwellings designed or redesigned for such occupancy, all groups of apartment buildings, are to be listed as multi-family properties and appraisal card for each building will be noted and their breakdowns as to bedroom and bath count with the rent for each type when available.

COMMERCIAL AND APARTMENT LAND

A study shall be made of both the central business districts and outlying business areas for all towns in Edgecombe County. Upon completion of this study, an outline block map is to be prepared, listing front foot and land values for each side of each of the specified business districts. Depth tables shall be developed for the pricing of commercial lots. These tables shall be in accordance with current sound practices of land valuations.

Upon determination of such final front foot values or square foot values for commercial properties, the value of each individual parcel of land shall be computed on the permanent record card. Commercial land values in rural areas of Edgecombe County shall be established usually on an acreage basis.

REVIEW OF COMMERCIAL PROPERTIES

Upon, completion of the appraisal of individual parcels of commercial land, each commercial property shall be carefully reviewed by experienced commercial appraisers for the careful consideration of the economic factors which enter into its valuation, such as location, and possibilities.

INDUSTRIAL PROPERTIES

A complete appraisal of each individual industrial plant in the County shall be described by their component parts, with replacement values being determined by a unit cost appraisal less any depreciation. The market and income approaches to value shall be utilized where applicable.

INDUSTRIAL LAND VALUATIONS

A study shall be made of each individual property and of the various industrial sections of the County. Upon completion of this study, appraisers are to prepare an outline block map (or sketch) indicating front foot, acreage, or square foot land values for each parcel of industrial property. Upon the determination of final land values for industrial property the Appraiser shall compute the value of each individual parcel of industrial land.

CONSERVATION EASEMENTS

A conservation easement is a voluntary restriction of one's real property rights in favor of a tax-exempt conservancy organization for the purpose of preserving land from development and for future benefit as scenic areas, wildlife habitat, and open space for a sustainable natural environment. Due to the uniqueness of both land and property owner, it is necessary to tailor a conservation easement equally as unique. Each conservation easement must be reviewed and analyzed to determine the relinquished rights as well as the allowable exemptions to equitably reflect the value for the property. The Edgecombe County Tax Office, with support of the North Carolina Department of Revenue-Property Tax Division, has decided to consider the issue of conservation easements on an individual case basis working through the appraisal process, notifying the property owner of the results of the assessment and allowing and adequate period of time for both discussion and appeal of the valuation.

All pertinent data that might be shared by either the conservation easement grantor or grantee will be considered by the Edgecombe County Tax Office in the appraisal of any property encumbered by a conservation easement.

G.S 105-317 – Appraisal of real: adoption of schedules; standards, and rules. (a) Whenever any real property is appraised it shall be the duty of the persons making the appraisal: (1) In determining the true value of land to consider as to each tract, parcel, or lot separately listed at least to its advantages and disadvantages as to location, zoning, quality of soil, waterpower, water privileges, dedication to nature preserve, conservation or preservation agreements, mineral, quarry, or other valuable deposits, fertility, adaptability for agricultural, timber-producing, commercial, industrial, or other uses; past income, probable future income, and any other factors that may affect its value except growing of crops of a sessional or annual nature.

SECTION 42 LOW-INCOME HOUSING

NORTH CAROLINA GENERAL STATUTE #105-277.16

In North Carolina low-income housing which has been allocated a Federal Tax Credit under section 42 of the Code is designated a special class of property under Article V, Section 2 (2) of the North Carolina Constitution and must be appraised, assessed, and taxed in accordance with this section. The assessor must use the income approach as the method of valuation for property classified under this section and must take rent restrictions that apply to the property into consideration in determining the income attributable to the property. The assessor may not consider income tax credits received under Section 42 of the Code or under G.S. 105-129.42 in determining the income attributable to the property. (2008-146, s. 3.1:2008-187, s. 47.6)

GENERAL APPLICATION

Identify the low-income housing property being appraised and request copies of the audited financial statements for the current year (revaluation year) and three prior years.

Analyze the actual income stream; apply expense ratios, capitalization rates, and gross rent multipliers (GRM) developed for use in the 2024 Edgecombe County Revaluation.

STANDARD OPERATING EXPENSES & VACANCY RATES

Operating Expenses

Based on analysis an expense ratio of 65% has been adopted for use by Edgecombe County.

Vacancy Rates

Analysis of vacancy rates indicated average vacancy rates of 0% to 5%, a rate of 3% has been adopted for use by Edgecombe County.

RESERVES FOR REPLACEMENTS

Analysis of typical reserves for replacement for traditional apartments properties in Edgecombe County indicates a range of 3% to 5%, a rate of 5% has been adopted for use in Section 42 low-income housing appraisal.

CAPTILAZAITION RATE

A range of capitalization rates from 4.5% to 7.5% have been adopted for Section 42 Housing, a rate of 6.5% has been adopted for use in Section 42 low-income housing in Edgecombe County.

SAMPLE INCOME APPROACH APPRAISAL

SECTION 42 LOW-INCOME HOUSING

(G.S. 105-277.16)

100 UNIT APARTMENT COMPLEX @ $450.00 PER MONTH BASE RENT

POTENTIAL GROSS INCOME	$540,000.00
(100 UNITS X $450.00 X 12 MONTHS)	
VACANCY (3%)	(-$16,200.00)
OTHER INCOME	(+$16,200.00)
EFFECTIVE INCOME	$540,000.00
OPERATING EXPENSES (65%)	(-$351,000.00)
RESERVES FOR REPLACEMENT (5%)	(-$27,000.00)
NET OPERATING INCOME	$162,000.00
CAPTILAZATION RATE (6.5%)	(.065)
APPRAISED VALUE	$2,492,308.00
VALUE PER UNIT (ROUNDED)	$24,925.00

LAND APPRAISAL PROCEDURES

LAND APPRAISAL PROCEDURES

INTRODUCTION

The market or sales comparison approach is the most applicable method for the valuation of land. The income approach should also be considered for properties for which sufficient income data are not available for vacant parcels, as often happens in the downtown area and the older subdivisions where no vacant parcels remain, value may be estimated using a land residual approach as detailed in the Income Property Valuation Chapter.

Land value is generally estimated by comparing the subject property to similar properties, which have recently sold, and adjusting the comparable for the different factors affecting land value.

Some of the factors which must be considered include: locations, size, shape, topography, accessibility, present use, highest and best use, zoning, utilities, income to the land, supply and demand for the particular type land, improvements to the land and improvements on the land, irrigation, drainage, sea walls, sidewalks, curbs, gutter etc. are examples of improvements to the land and are included in the value of the land. Building structures are improvements on the land and with few exceptions, (some condominium or cooperative buildings), are valued apart from the land.

LAND APPRAISAL PROCEDURES

All cutouts to the property ownership maps must be posted current to the appraisal.

All zoning and use should be shown on the property ownership maps.

Roads should be classified paved, dirt, nonexistent, etc. and the availability of public improvements indicated on the property ownership maps as necessary.

ROAD CLASSIFICATIONS	PUBLIC IMPROVEMENT CLASSIFICATIONS
PR - Paved Road	PW - Water
DR - Dirt Road	PS - Sewer
NR - No Road	G - Gas
	* May appear as PWSG

Classifications were entered in general remarks and will print out in notes on property record card.

Qualified recent sales should be posted to the property ownership maps. This data will consist of the year sold and sale price. The maps are then taken into the field by the land appraiser to field check; study and analyze the sales and their characteristics.

The appraiser should also note the characteristics of the area appraised for similarities, which may be encountered in other areas, which have insufficient sales.

Generally residential property is values by front foot (FF), or lot (LT), acreage (AC); commercial property by front foot (FF), or square foot (SF), acreage (AC); industrial property by square foot (SF), or acreage (AC), units (UT); and agricultural property by acreage (AC). (Some tracts may require two or more different land units.)

Likewise, these units of comparison may need condition adjustments. They are as follows:

L	Location	-.25/+50.
S	Size/Shape	-.25/+50.
T	Topography	-.25/+50.
VF	Vacant-Minimum	up to -25%
VMF	Vacant Major Fill	up to -50%
VNU	Vacant Not Usable	up to -75%
VOK	Vacant No Fill Required	100%

Unit Front Foot Prices Determined

The use of the Unit Front Foot as a measurement of land value is a common practice of most appraisers. A “unit front foot” is a strip of land one foot wide lying perpendicular to the street and having a depth equal to the standard established as normal for that locality. This “Standard Depth” should conform to the depth which predominates in a community through local custom and current methods of subdividing. Unit Front Foot prices or values may be established by the appraiser in each community for lots of a standard depth and with varying degrees of desirability. The values of lots longer or shorter than this standard may then be computed by reference to a Residential Land Depth Table, variations of the original Hoffman-Neill Tables, or by developing depth tables for a given neighborhood based upon sales of lots of known depth.

(Depth Factor) ^{2} = 2 x depth of lot x constant for lot of known value.

Example: $(1.00)^2$ = 2 (150) (constant)
1 = (300) (constant)
- = constant
300

.00333 = constant

VALUATION OF BUTT LOTS

The valuation of a "butt lot" is always a problem to the residential appraiser. We refer to any building site which has a side exposure facing the rear of adjacent lots. Butt lots are sometimes created by splitting corner lots, in which instances they are usually both narrow and short. Such lots are usually less desirable than normal lots due to the often-unsightly appearance of the rear walls of garages and backyards which face their side exposure. It is suggested that the Unit Front Foot prices developed for pricing standard lots be reduced in valuing butt lots to compensate for their undesirability.

ASSEMBLAGE, PLOTTAGE, AND EXCESS LAND

When sites vary significantly in size, they frequently are in different markets because they are adapted or suited for different uses. This is an element of comparison approach. Assemblage is the additional cost required to bring two or more smaller lots into common ownership for use. This cost may or may not be reflected in value, depending on the reactions of the market. Plottage involves combining two or more sites under one ownership in order to develop one site that may have greater utility than the two sites would have separately. Plottage value is an increment in market to the new, larger site. The usual indicator is a higher – than – market sales price per unit of area or size. Plottage may be negative as well as positive. A larger – than – average site, which is so developed or so shaped that it cannot be put to a higher and more valuable use, may result in a lower unit value for the site. The area or frontage (or both) in excess of a normal, standard site for the neighborhood or market is regarded as excess land. Frontage tables, as with depth, have been developed to adjust the value from "the normal" lot.

VALUATION OF LAND

The valuation of land is a comparatively simple and logical operation. As with many other phases of appraisal work, it is likely to require more hard work than brilliance of intellect. The factors, which contribute to value and those which detract, are there for everyone to see. It remains only for the critical eye of the appraiser to observe them.

The residential appraiser who possesses a thorough understanding of the basic theory of valuation experiences little difficulty in appraising residential lots. Here he has an excellent opportunity to exercise his inherent common sense and good judgment. To assist him in his appraisal, we review here several basic valuation rules which experience has indicated are acceptable, in that their use has given consistently reliable results in the past.

Residential lots differ as to desirability and advantages and thus have a varying capacity for use. It is upon the degree to which this capacity for use exists in a particular lot that competition between bidders is developed and the demand for ownership may be established.

LIKE LOTS HAVE LIKE VALUE

Intelligent buyers compare prices as well as the advantages and disadvantages of other available building sites. It is understandable, then, that the values of lots of Equal desirability and advantages in a district tend to seek a common level. An oversupply of lots of comparable desirability tends to diminish the value of them. Conversely, a shortage of building sites makes for premium prices paid for those which are available, and in this manner establishes the value of all similar lots at the same higher level.

Thus, the appraisal of residential land, and for land given to any other use, for that matter, is not primarily a process of determining its USE VALUE as with structures, but rather one of comparing the desirability and prices of other available building sites. One needs only to compare the advantages and disadvantages of a site of UNKNOWN value with those offered by a lot of KNOWN value. The appraiser simply cuts and tries and fits until he has narrowed the bracket of valuation to a figure, which completely satisfies him as representing the JUSTIFIABLE PRICE ON THE CURRENT MARKET for such real estate in the community.

THE USE OF “BRACKETING”

The method of cutting and trying, referred to above, is known as “bracketing” and may be used to excellent advantages in all appraisal work. The appraiser simply determines

maximum and minimum limits to value, and by narrowing the zone between these limits, finally establishes a "bracket" within which it is reasonable to assume the actual value will fall. Bracketing is very useful in sorting and correlating sale prices in a district, both for vacant and improved properties. Recent actual selling prices for vacant lots in a locality, when such information is obtained from reliable sources; represent a splendid "starting point" for land valuating. Such sale prices, however, must be carefully investigated to determine their reliability as criteria of value. The circumstances which actuated both the buyer and the seller should be considered in each case to determine if the actual sale price represents a fair value for the property. The date of each sale should be obtained in order that the effect of general economic conditions and special conditions of environment at the time of the sale may be considered.

The appraiser should never lose sight of the fact that he is seeking a present and future value rather than an expression of values in the past. He should remember that he is determining the value of a lot for future benefits and not simply a record of "past prices paid". Values of all property, vacant or improved, are correct only to the extent that the appraiser is able to predict the future. The trends of a particular district, of an entire town, and even the nation, all have their effect upon real estate values.

REASONS FOR LAND ADJUSTMENTS

Topography:

Rough topography increases the development and building cost required to gain the optimum use from a parcel of land. The usable land on each parcel must be looked at as a whole and adjustments applied as indicated by site development costs and sales.

Percolation Problem:

Certain tracts of land in the county have problems with percolation. Adjustments will be made only when a rejection certificate from the Health Department accompanies the property owner's request.

EFFECT OF TOPOGRAPHICAL FEATURES UPON VALUE

Unusual topographical features invariably require special treatment in residential land valuations. Ravines, gullies, ledges, hillsides, and hilltops do not necessarily detract from value. Often the presence of such out of the ordinary topographical features may be of considerable value to builders with the vision and enterprise to take advantage of them. So called "problem lots" usually represent a difficult design problem. When building is visualized, however, taking full advantage of unusual topography, the problem lot often turns out to be exceptionally desirable and valuable.

There are many instances in which unusual topography will detract from the desirability and value of a lot as a building site. Ravines and gullies may require filling before the lot is made usable. Unusually high lots may have to be graded and the excess material hauled away in preparing the site for building. Open ditches may be required to be converted to underground sewers. Outcroppings of rock or buried rock ledges in some localities represent another costly hazard of building. All of these require special depreciation allowances, approximating the cost of eliminating the hazard. It should be remembered that the added investment required to eliminate such obnoxious features will only bring the lot to the value it would possess as a normal building site.

MINERALS

Any substance obtained by mining or fracking that occurs in nature, usually comprising inorganic substances, such as quartz, feldspar, etc. as well as certain natural products of organic origin such as asphalt, coal, gas, natural gas and oil. Mining refers to the excavation made in the earth for the purpose of extraction ores, coal, and precious stones, etc. either by excavation or washing the soil. Fracking refers to the procedure of using naturally created fractures or by creating fractures in rocks or rock formations by injecting fluid into cracks to force openings to allow flow out of the formations. Theses natural substances of commercial value, such as iron, ore, coal, quartz, feldspar, asphalt, gas, natural gas and oil, etc. that is obtained by mining, quarrying, drilling or fracking shall be valued at market value and applied to the owner for Ad-Valorem taxation by this schedule. Market value as far as practicable is appraised or valued at its true value in money by using at least one of the three common appraisal methods, cost approach, market approach or income approach.

All rights and interest in minerals associated in underlying land, whether owned by the landowner or created by or arising under deed, lease, reservation of rights, or otherwise, which rights or interest are owned by a person other than the owner of the land, shall be assessed and taxes separately to the owner of such rights or interest in the same manner as other real estate. The taxes on separate rights or interest in real property owned by one other than the owner of the land, whether listed separately from the land shall be a lien on both the separate rights and on the land.

When land is owned by one party and improvements thereon or special rights (such as mineral, timber, quarry, waterpower, or similar rights) therein are owned by another party, the parties shall list their interest separately unless, in accordance with contractual relations between them, both the land and the improvements and special rights are listed in the name of the owner of the land.

NORTH CAROLINA STATE

PRESENT USE MANUAL

See Page 204

EDGECOMBE COUNTY PRESENT USE SCHEDUEL AND MAJOR LAND CLASSIFICATION/VALUATION

133A Soil Class	Classifications	Values	153A Soil Class	Classifications	Values
Agri					
I	Excellent and Good	1200	I	Excellent and Good	1200
II	Average and Fair	895	II	Average and Fair	895
III	Poor and Very Poor	640	III	Poor and Very Poor	670
IV	Non-Productive	40	IV	Non-Productive	40
Hort					
I	Excellent and Good	1520	I	Excellent and Good	1520
II	Average and Fair	1050	II	Average and Fair	1050
III	Poor and Very Poor	800	III	Poor and Very Poor	800
IV	Non-Productive	40	IV	Non-Productive	40
Forestry					
I	Excellent	375	I	Excellent	375
II	Good	250	II	Good	250
III	Average	245	III	Average	245
IV	Fair	95	IV	Fair	95
V	Poor	65	V	Poor	65
VI	Very Poor	40	VI	Very Poor	40

NOTE: All Non-Productive Land will be appraised at $40.00/Acre. All land farmed or leased will be appraised with soil class I, II or III. This includes governmental programs.

Edgecombe County adopted MLRA 133A for the entire County for Present Use schedule Values

SOIL TYPES - CLASSIFICATIONS- VALUATIONS										
133A						**153A**				
SOIL TYPE	AGRI/ HORT CLASS UA	USE VALUE UA AGRI	USE VALUE UA HORT	WOODS CLASS UA	USE VALUE UA WOODS	AGRI/ HORT CLASS UB	USE VALUE UB AGRI	USE VALUE UB HORT	WOODS CLASS UB	USE VALUE UB WOODS
AaA	I	1200.00	$1,520.00	I	$375.00	I	$1,200.00	$1,520.00	I	$375.00
AuB	IV	$670.00	$800.00	II	$250.00	III	$6 70.00	$800.00	II	$250.00
AyA	I	$1,200.00	$1,520.00	II	$250.00	I	$1,200.00	$1,520.00	II	$250.00
AyB	I	$1,200.00	$1,520.00	II	$250.00	I	$1,200.00	$1,520.00	II	$250.00
Ba	I	$1,200.00	$1,520.00	I	$375.00	I	$1,200.00	$1,520.00	I	$375.00
BB	IV	$670.00	$800.00	III	$245.00	IV	$670.00	$800.00	III	$245.00
BnB	IV	$670.00	$800.00	V	$65.00	IV	$670.00	$800.00	V	$65.00
Ca	I	$1,200.00	$1,520.00	I	$375.00	I	$1,200.00	$1,520.00	I	$375.00
Cc	II	$895.00	$1050.00	III	$260.00	IV	$670.00	$800.00	III	$245.00
CeB	III	$670.00	$800.00	II	$250.00	III	$670.00	$800.00	II	$250.00
Cn	I	$1,200.00	$1,520.00	III	$245.00	I	$1,200.00	$1,520.00	III	$245.00
Co	II	$895.00	$1050.00	I	$375.00	II	$895.00	$1050.00	I	$375.00
DgA	II	$895.00	$1050.00	I	$375.00	II	$895.00	$1050.00	I	$375.00
DpA	II	$895.00	$1050.00	I	$375.00					
DpB	II	$895.00	$1050.00	I	$375.00					
DuB	IV	$670.00	$800.00	I	$375.00					
ExA	I	$1,200.00	$1,520.00	II	$250.00	I	$1,200.00	$1,520.00	II	$250.00
Fo	II	$895.00	$1050.00	II	$250.00	II	$855.00	$1050.00	II	$250.00
GoA	I	$1,200.00	$1,520.00	I	$375.00	I	$1,200.00	$1,520.00	I	$375.00
GpA	I	$1,200.00	$1,520.00	I	$375.00	IV	$670.00	$800.00	I	$375.00
Gr	I	$1,200.00	$1,520.00	I	$375.00	I	$1,200.00	$1,520.00	I	$375.00
Gt	I	$1,200.00	$1,520.00	I	$375.00	I	$1,200.00	$1,520.00	I	$375.00
GyC	III	$670.00	$800.00	II	$250.00					
GyD	IV	$670.00	$800.00	II	$250.00					
Jo	II	$895.00	$1050.00	I	$375.00	II	$895.00	$1050.00	I	$375.00
Js	IV	$670.00	$800.00	III	$245.00	IV	$670.00	$800.00	III	$245.00
KeB	III	$670.00	$800.00	II	$250.00	III	$670.00	$800.00	II	$250.00
Lu	II	$815.00	$1050.00	I	$375.00	II	$895.00	$1050.00	I	$375.00
Ly	I	$1,200.00	$1,520.00	I	$375.00	II	$895.00	$1050.00	I	$375.00
MaA	II	$895.00	$1050.00	II	$250.00					
MaB	II	$895.00	$1050.00	I	$375.00					
Me	IV	$670.00	$800.00	I	$375.00	III	$670.00	$800.00	I	$375.00
Na	I	$1,200.00	$1,520.00	I	$375.00	I	$1,200.00	$1,520.00	I	$375.00
NoA	I	$1,200.00	$1,520.00	II	$250.00	II	$895.00	$1050.00	II	$250.00
NoB	I	$1,200.00	$1,520.00	II	$250.00	II	$895.00	$1050.00	II	$250.00
NoC	I	$1,200.00	$1,520.00	II	$250.00	II	$895.00	$1050.00	II	$250.00
NuB	IV	$670.00	$800.00	II	$250.00	IV	$670.00	$800.00	II	$250.00
Pa	IV	$670.00	$800.00	II	$250.00	IV	$670.00	$800.00	II	$250.00
Pt	IV	$670.00	$800.00	VI	$65.00	IV	$670.00	$800.00	VI	$65.00
Pu	I	$1,200.00	$1,520.00	I	$375.00					
Ra	I	$1,200.00	$1,520.00	I	$375.00	I	$1,200.00	$1,520.00	I	$260.00
Ro	II	$895.00	$1050.00	III	$245.00	II	$895.00	$955.00	III	$245.00
StB	I	$1,200.00	$1,520.00	I	$375.00	I	$1,200.00	$1,52.00	I	$375.00

TaB	IV	$670.00	$800.00	II	$250.00	IV	$670.00	$800.00	II	$250.00
Ur	IV	$670.00	$800.00	VI	$65.00	IV	$670.00	$800.00	VI	$65.00
WaB	II	$895.00	$1050.00	II	$250.00	II	$895.00	$1050.00	II	$250.00
WaC	III	$670.00	$800.00	II	$250.00	III	$670.00	$800.00	II	$250.00
WaD	III	$670.00	$800.00	II	$250.00	IV	$670.00	$800.00	II	$250.00
We	I	$1,200.00	$1,520.00	I	$375.00	II	$895.00	$1050.00	I	$375.00
Wh	IV	$670.00	$800.00	III	$245.00	IV	$670.00	$800.00	III	$245.00
WkB	I	$1,200.00	$1,520.00	I	$375.00	I	$1,200.00	$1,520.00	I	$375.00

RESIDENTIAL VALUATION

NEIGHBORHOOD FACTORING

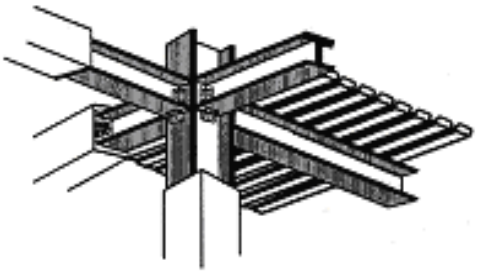
The utilization of computers to assist in county revaluations has given appraisers many new tools or methods to use in helping establish a fair and equitable assessment of property. One of the most significant of these tools is Neighborhood Factoring.

What the neighborhood factors do is to break the county down by specific areas. These may be defined as a certain geographic area or a certain economic area. Once the area is defined it is assigned a neighborhood code. This neighborhood code is a series of numbers or name that is assigned to each parcel within the identified area. This code is then assigned a factor that may be either a plus factor or a minus factor. The way this works in the field is as follows:

> The appraiser identifies a subdivision in a certain section of the county. There are approximately 250 parcels within this subdivision. All the dwellings are approximately the same in quality and age. The appraiser assigns a neighborhood code to all 250 of these parcels. At this point he does not assign a factor to these codes. What he then does is to appraise all the parcels using the schedule of values adopted by the Board of Commissioners. When he finishes his assessment, he checks his sales and finds every house that has sold in this subdivision in the last three years has sold for more than 7 to 12 percent more that he has appraised the property.
>
> Why? He knows that his schedule of values is accurate because in other areas where these same schedules have been used his appraisals are within an acceptable range of his sales. He also knows that his land values are accurate because he was able to verify enough raw land sales to support his land values. Why then is he consistently low in this subdivision? After further research such as talking to property owners and realtors he finds that this particular subdivision is in a newly zoned area that restricts certain types of buildings and mobile or modular homes. This, then to the residents or prospective buyers in this subdivision represents a situation to them that is more desirable than other areas in the county without these restrictions; therefore, they are willing to pay more for the privilege of living here. The appraiser then sees that this indeed has inflated the market for this subdivision by an approximate average of 10 percent.

FRAMES

FIREPROOF STEEL

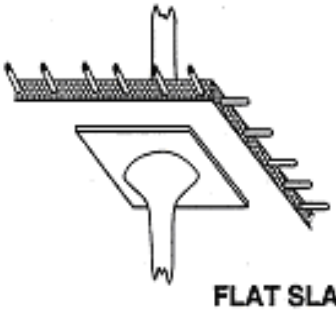


NON-FIREPROOF STEEL

COLUMNS, BEAMS AND TIES INCLUDED IN FRAME COST

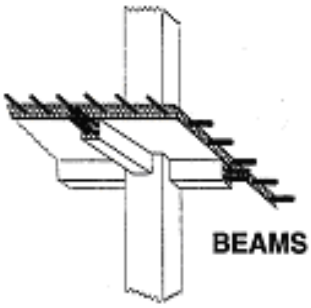
WALL COVER, GIRTS, AND WINDOWS INCLUDED IN WALL COST

REINFORCED CONCRETE



FLAT SLAB

REINFORCED CONCRETE

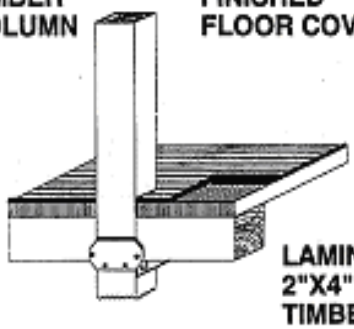


BEAMS AND SLAB

WOOD MILL

TIMBER COLUMN

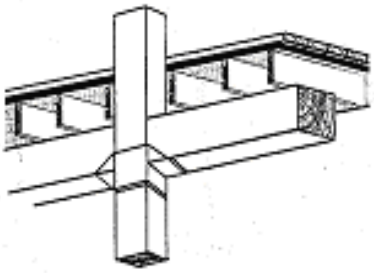
FINISHED FLOOR COVER



LAMINATED 2"X4" TIMBER BEAM

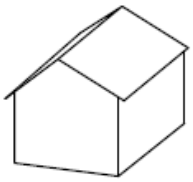
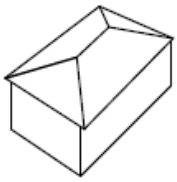
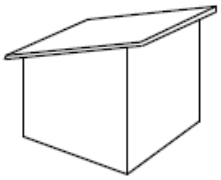
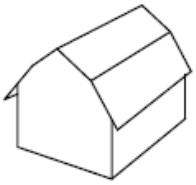
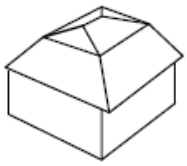
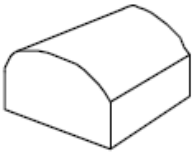
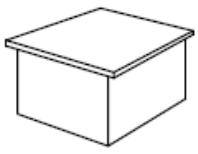
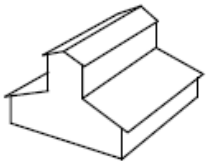
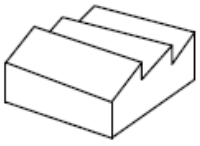
WOOD MILL

FINISHED FLOOR



TIMBER COLUMN

Roof Types

Gable 	Hip 	Shed 
Gambrel 	Mansard 	Arched 
Flat 	Monitor 	Sawtooth 

Modern Height Designs

Modern Story Height Designs

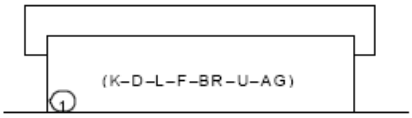
Parenthetical symbols indicate the most typcial uses at that particular level.

K–Kitchen	U–Utility Area
D–Dining Area	R–Recreation Room
L–Living Area	AG–Attached Garage
F–Family Room	IG–Integral Garage
BR–Bedrooms	BG–Basement Garage

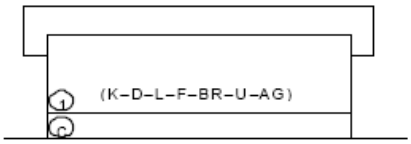
Circled symbols indicate pricing levels:

B–Basement	1–First Floor
C–Crawl Space	2–Upper Floor

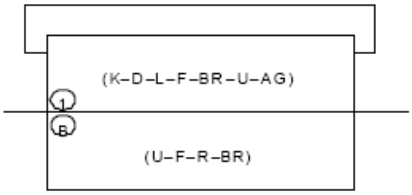
Ranch (on slab)



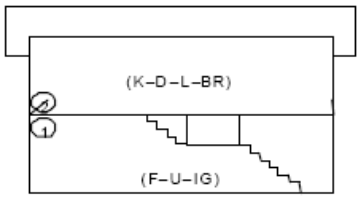
Ranch (over crawl space)



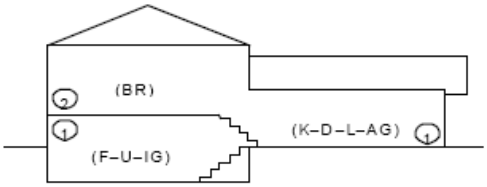
Ranch with Basement



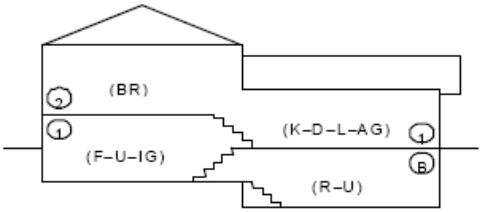
Bi–Level (raised ranch)



Tri–Level

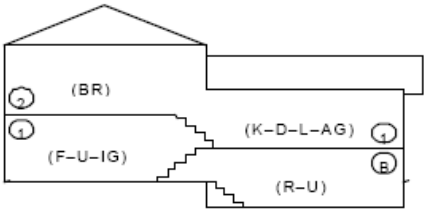


Tri–Level with Basement *



*totally below grade

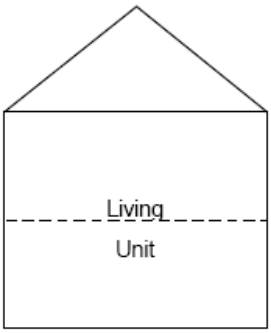
Tri–Level with Basement *



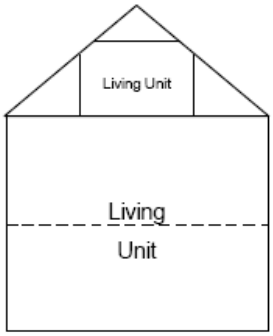
*partially below grade

Occupancy Types

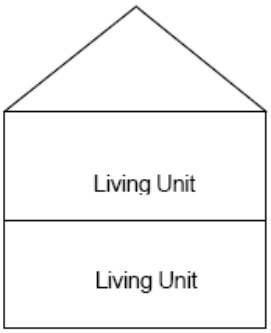
Single Family



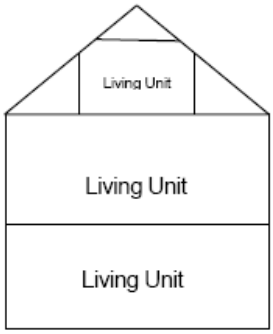
Single Family Conversion
(2 families)



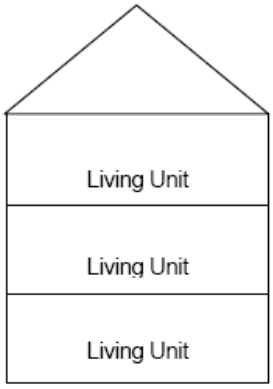
Duplex



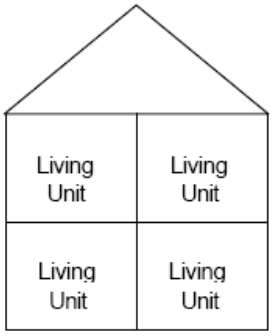
Duplex Conversion
(3 families)



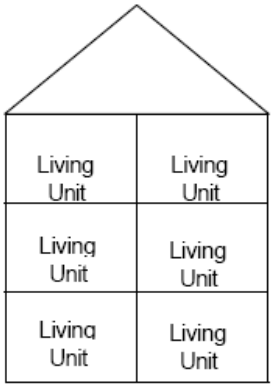
Triplex



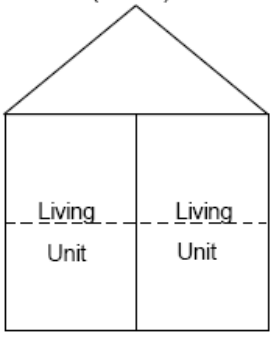
4-Family



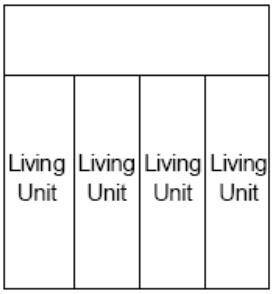
4-Family



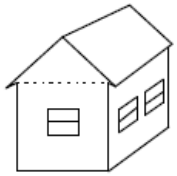
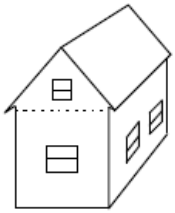
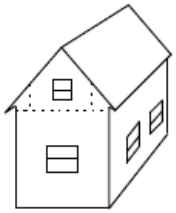
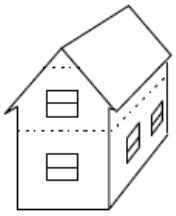
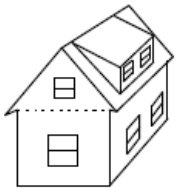
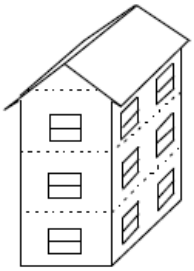
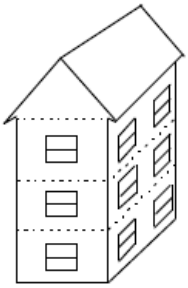
2-Family Row Type
(double)



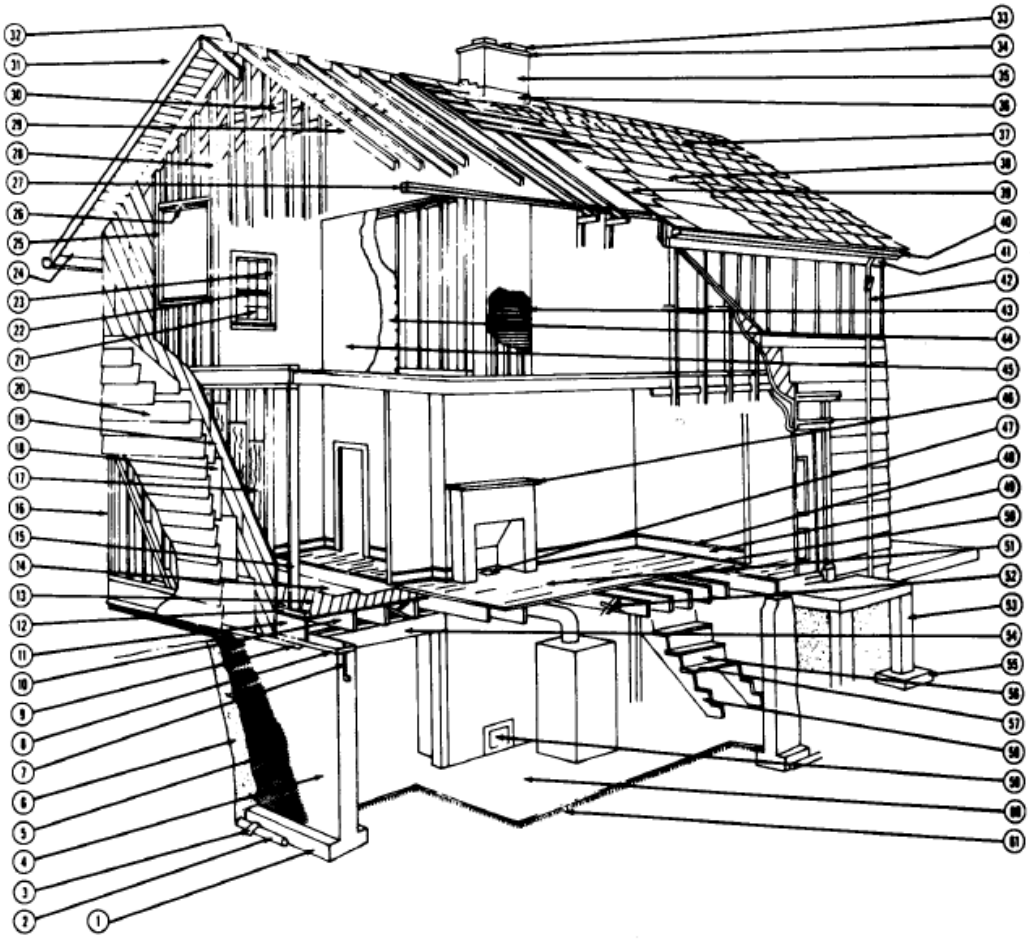
Multi-Family Row Type
or apartment
(depending on ownership)



Story Height

1 Story 	1 Story and Attic 	1 Story and Finished Attic 
1 ½ Story 	1½ Story 	1 ½ Story 
2 Story 	2½ Story 	3 Story 

Architecture Nomenclature



1. Footing
2. Foundation drain tile
3. Felt joint cover
4. Foundation wall
5. Dampproofing or weatherproofing
6. Backfill
7. Anchor bolt
8. Sill
9. Termite shield
10. Floor joist
11. Band or box sill
12. Plate
13. Subflooring
14. Building paper
15. Wall stud
16. Double corner stud
17. Insulation
18. Building paper
19. Wall sheathing
20. Siding
21. Mullion
22. Muntin
23. Window sash
24. Eave (roof projection)
25. Window jamb trim
26. Double window header
27. Double plate
28. Stud
29. Rafters
30. Collar beam
31. Gable end of roof
32. Ridge board
33. Chimney pots
34. Chimney cap
35. Chimney
36. Chimney flashing
37. Roofing shingles
38. Roofing felts
39. Roof boards
40. Eave trough or gutter
41. Frieze board
42. Downspout
43. Laths
44. Wallboard
45. Plaster finish
46. Mantel
47. Ash dump
48. Base top moulding
49. Baseboard
50. Shoe moulding
51. Finish flooring
52. Bridging
53. Pier
54. Girder
55. Footing
56. Riser
57. Tread
58. Stringer
59. Cleanout door
60. Concrete basement floor
61. Cinder fill

CLASS SPECIFICATIONS

MINIMUM QUALITY DWELLINGS

Dwellings constructed with a very cheap grade of materials, usually "culls" and "seconds" and very poor-quality workmanship resulting from unskilled, inexperienced, "do-it-yourself" type labor. Minimal code, low grade mechanical features and fixtures.

FOUNDATION – 8" concrete block walls or piers, concrete footings.

Exterior Walls – Drop siding or beveled wood siding without sheathing, or asphalt siding or composition roll siding on ½" insulation board sheathing, 2" x 4" studs 24" O.C., 1-3/8" wood doors and windows, painted exterior.

GROUND SLAB – 2" to 3" concrete on compact earth.

STRUCTURAL FLOORS – 2" x 6" wood joists 16" O.C. to 2" x 8" wood joists 20" O.C., wood beam and column support.

ROOF – Low gable or shed type; roll roofing or cheap asphalt shingles or metal; plywood sheathing; 2" x 4" wood rafters 24" O.C., on cornice, gutters, or conductors.

INTERIOR FINISH - Softwood or asphalt tile flooring; painted plaster board finish; cheap pine doors and trim, and cheap kitchen cabinets.

ELECTRIC – Poor service, non-metallic wiring, scant outlets, and cheap fixtures.

***HEATING –** Warm air system (or equal)

***PLUMBING –** Cheap fixtures, poor quality piping, kitchen sink and water heater.

*In modern homes today, standard features are used in a variety of types, it is necessary to add for each at a rate representative of its value.

CLASS SPECIFICATIONS

FAIR QUALITY DWELLINGS

Dwellings constructed with economy quality materials and fair workmanship throughout; void or architectural treatment; cheap quality interior finish with minimal built-in features; minimum code, fair grade mechanical features and fixtures. Typical low-cost tract-type housing characterized by homogeneous styling and designed to meet minimal building codes generally fall into this grade classification.

FOUNDATION – 8" concrete block walls, concrete footings.

EXTERIOR WALLS – Concrete block, wood, asbestos, aluminum siding, or 4" brick veneer; ½" insulation board; 2" x 4" studs 16" O.C.; 1-3/8" wood doors and double hung wood sash (or equal windows). Fair exterior painting.

GROUND SLAB – 2" to 3" concrete on compact earth.

STRUCTURAL FLOORS – 2" x 8" wood joists 16" O.C.; wood beam girder and column supports.

ROOF – Gable type; asphalt shingles; 3/8" plywood sheathing; 2" x 4" rafters 24" O.C.; wood cornice, and galvanized metal gutters and conductors.

INTERIOR FINISH – Asphalt tile flooring, or comparable flooring; 3/8" dry wall finish; pine floors and trim throughout; low-cost kitchen cabinets.

ELECTRIC – Fair service, non-metallic wiring, scarcity of outlets, and low-cost fixtures.

***HEATING –** Central warm air system (or equal).

***PLUMBING –** Low costs fixtures, galvanized iron piping, kitchen sink and water heater.

*In modern homes today, standard features are used in a variety of types, it is necessary to add for each at a rate representative of its value.

CLASS SPECIFICATIONS

BELOW AVERAGE QUALITY DWELLINGS

Dwellings constructed with economy quality materials and below average workmanship throughout; void or architectural treatment; cheap quality interior finish with minimal built-in features; minimum code, standard grade mechanical features and fixtures. Typical low-cost tract-type housing characterized by homogeneous styling and designed to meet minimal building codes generally fall into this grade classification.

FOUNDATION – 8" concrete block walls, concrete footings.

EXTERIOR WALLS – ½" beveled or comparable wood, asbestos, or aluminum siding, or 4" brick veneer; ½" insulation board; 2" x 4" studs 16" O.C.; 1-3/8" wood doors and double hung wood sash (or equal windows). Two coats exterior painting.

GROUND SLAB – 3" to 4" concrete on compact earth.

STRUCTURAL FLOORS – 2" x 8" wood joists 16" O.C.; wood beam girder and column supports. Attic floor and stairs not included in base price.

ROOF – Gable type; asphalt shingles; 3/8" plywood sheathing; 2" x 4" rafters 24" O.C.; wood cornice, and galvanized metal gutters and conductors.

INTERIOR FINISH – 1" D&M softwood tile, or comparable flooring; 3/8" dry wall finish; pine floors and trim throughout; low-cost kitchen cabinets.

ELECTRIC – Below Average service, non-metallic wiring, scarcity of outlets, and low-cost fixtures.

***HEATING –** Central warm air system (or equal).

***PLUMBING –** Low costs fixtures, galvanized iron piping, kitchen sink and water heater.

*In modern homes today, standard features are used in a variety of types, it is necessary to add for each at a rate representative of its value.

CLASS SPECIFICATIONS

AVERAGE QUALITY DWELLINGS

Moderately attractive dwellings constructed with average quality materials and workmanship throughout; minimal to moderate architectural treatment; average quality interior finish with adequate built-in features; minimal code, standard grade mechanical features and fixtures. Typical modern day subdivision homes where in a limited number of pre-designed models and feature options are offered by the developer, as well as multi-family residential complexes, generally fall into this grade of classification.

FOUNDATION – 8” to 10” concrete block (or equal) to walls, concrete footings, and drain tile.

EXTERIOR WALLS – 5/8” beveled wood, stucco, wood shingles, composition board, or standard grade aluminum siding, face brick or split rock vencer; 1” D&M or ½” plywood or insulation board sheathing; 2” x 4” wood studs 16” O.C.; batt insulation; 1” & ¾” wood doors and 1” & 3/8” double hung (or equal) windows; two coats lead and oil painting.

GROUND SLAB – 4” concrete on gravel base.

STRUCTURAL FLOORS – 1” wood subfloor or ½” plywood (or equal) subfloor on 2” x 8” wood joists 16” O.C.; wood or steel beam and column supports.

ROOF – Gable, hipped or gambrel type; asbestos or asphalt; 1” wood or ½” plywood sheathing; 2” x 6” rafters or trusses 24” O.C.; plain cornice; galvanized metal flashing, gutters, and conductors.

INTERIOR FINISH – Average quality carpeting, (or comparable wood flooring) and kitchen tiling; rock lath and plaster or ½” dry wall finish with paint or standard grade wall covering; pine doors and trim throughout and average quality cabinets and built-ins.

ELECTRIC – Standard coal service, non-metallic cable wiring, adequate outlets and average grade fixtures throughout.

***HEATING –** Central forced air, steam, vapor, hot water, or radiant (or equal) automatic fired system with surrealistic control.

***PLUMBING –** Average grade fixtures, copper piping, kitchen sink, water heater and laundry tubs.

*In modern homes today, standard features are used in a variety of types, it is necessary to add for each at a rate representative of its value.

CLASS SPECIFICATIONS

ABOVE AVERAGE QUALITY DWELLINGS

Architecturally attractive dwellings constructed with good quality material and workmanship throughout; high quality interior finish with abundant built-in features; custom heating system and very good lightning and plumbing fixtures. Custom-built homes generally fall into this grade classification.

FOUNDATION – 8" to 10" concrete block (or equal) walls, concrete footings, and drain tile.

EXTERIOR WALLS – 5/8" beveled wood, stucco, wood shingles, or siding, face brick or stone veneer; 1" D&M or ½" plywood or 25/32" insulation board sheathing; 2" x 4" wood studs 16" O.C.; batt insulation; 1-3/4" wood doors and 1-3/8" double hung or casement windows; two coats lead and oil painting.

GROUND SLAB – 4" concrete on gravel base.

STRUCTURAL FLOORS – 5/8" plywood (or equal) subfloor on 2" x 10" wood joist 16" O.C. laminated or steel beam and pipe column supports.

ROOF – Gable, hipped or gambrel type; wood, slate, asbestos, or heavy asphalt shingles; 1' D&M or 5/8" plywood sheathing, 2" x 6" rafters 16" O.C.; insulation; plain cornice, and galvanized flashing, gutters, and conductors.

INTERIOR FINISH – 1" select oak, sanded and varnished flooring or good quality carpeting and kitchen tiling; metal lath and plaster or 5/8" dry wall finish with paint or good grade cover up; hardwood or good quality kitchen cabinets; tiled bathrooms, with Formica vanity top.

ELECTRIC – Ample service, BX or non-metallic cable wiring, abundant outlets, and good grade fixtures throughout.

***HEATING –** Central forced warm, steam, vapor, hot water or radiant (or equal) automatic fired system with thermostatic controls.

***PLUMBING –** Good grade fixtures, copper piping, kitchen sink, water heater and laundry.

*In modern homes today, standard features are used in a variety of types, it is necessary to add for each at a rate representative of its value.

CLASS SPECIFICATIONS

GOOD QUALITY DWELLING

Dwellings having quality architectural style and design are characterized by the high quality of workmanship, finishes, and appointments with considerable attention given to detail. Although residences at this quality level are inclusive of high-quality material and workmanship, and are somewhat unique in their design, these costs do not represent the highest cost in residential construction.

FOUNDATION – 10" average masonry walls, waterproof; concrete footing, drain tile.

EXTERIOR WALL – Fenestration is well designed with high quality sash. Custom ornamentation and trim is used. Best brick, cut stone, half-timber, etc.

GROUND SLAB – 4" to 6" concrete on gravel base.

STRUCTURAL FLOORS – 1" D&M or 5/8" to ¾" plywood subfloor on 2" x 12" wood joist 12" to 16" O.C. steel beams and column supports.

ROOF - Heavy wood rafters and sheathing. Clay tile or slate cover. Roof slope averages 6 in 12. Large eaves with high quality gutters and downspouts.

INTERIOR FINISH – High quality carpet or hardwood, parquet or plank, terrazzo or best vinyl sheet or ceramic or quarry tile floor coverings are used. Walls are taped and painted dry wall with high grade paper or vinyl wall covering, hardwood paneling or ceramic tile. Kitchen and baths have enamel painted walls and ceilings. High quality Pullman or vanity cabinets in bath and laminated plastic counter tops and splash. Spacious walk-in closets and pantry are fully shelved.

ELECTRICAL – Many well positioned outlets. High quality fixtures throughout. Large luminous fixtures in kitchen, bath, and dressing areas.

***HEATING –** Central forced warm air, steam, vapor, hot water or radiant (or equal) automatic fired system with zoned thermostatic controls.

***PLUMBING –** High grade fixtures, copper piping, kitchen sink. Water heater and laundry tubs.

In modern homes today standard features are used in a variety of types, it is necessary to add for each at a rate representative of its value.

CLASS SPECIFICATIONS

EXCELLENT QUALITY DWELLINGS

Dwellings generally have an outstanding architectural style and design constructed with the finest quality materials and workmanship throughout; superior quality interior finish with extensive built-in features; deluxe heating system and high-grade lighting and plumbing fixtures. Architect designed and supervised homes generally fall into this grade classification with Superior and Special type homes.

FOUNDATION – 10" to 12" masonry walls, waterproofed; heavy concrete footings, drain tile.

EXTERIOR WALLS – Shake shingles, ¾" to 1" beveled wood siding stucco and lath, or high-quality aluminum siding, face brick or native stone; 1" D&M.N. or ¾" to 1" plywood sheathing; 1" & ¾" wood doors and windows, weather stripped; 3 coats lead and oil painting.

GROUND SLAB – 4" to 6" concrete on gravel base.

STRUCTURAL FLOORS – 1" D&M.N or 5/8" to ¾" plywood supplier on 2" x 12" wood joists to 12" to 16" Oct. steel beams and column supports.

ROOF – Multi-gable, hipped or gambrel design with stained wood, slate tile or heavy asphalt shingles, 1" D&M.N. or 5/8" to ¾" plywood sheathing 2" x 8" to 2" x 10" wood rafters or 2" x 6" to 2" x 8" wood trussed 16" Oct.; insulation; high grade boxed cornice, copper flashing, gutters and conductors.

INTERIOR FINISH –Select hardwood flooring or equally high-quality carpeting with vinyl tiled kitchen; lath and three coats plaster or laminated dry wall finish in ornamental décor with high grade wall covering; hardwood floors, trim and cabinets with high quality finish; ceramic tiled bathroom formica vanity tops.

ELECTRIC – Ample service, wiring in conduit pipe, abundant outlets and high-grade fixtures throughout.

***HEATING –** Central forced warm air, steam, vapor, hot water or radiant (or equal) automatic fired system with zoned thermostatic controls.

***PLUMBING –** High grade vitreous fixtures, copper piping, kitchen sink, water heater and laundry tubs.

*In modern homes today, standard features are used in a variety of types, it is necessary to add for each at a rate representative of its value.

DEPRECIATION

DEPRECIATION TABLES

Many efforts have been made to compile schedules which reflect the combined effects of deterioration and obsolescence into a single guideline for depreciation estimates in appraising. These schedules most frequently attempt to identify an overall economic or useful life for various structural classes, then set out percentage remainders of reproduction or replacement cost of properties of a given age and class. The term "age" used in these schedules is intended to be understood as effective age. The classes may be generally described as typical ranges of life expectancy for certain structural classes and implies the amount of time an improvement would normally be expected to remain an asset to the land in its present or intended use.

While such schedules are recognized to be only guides at best (with depreciation estimated for a particular property by current market data, considered most accurate), their use in mass appraisal efforts is well founded and generally considered sufficient.

DEPRECIATION

DEPRECIATION – A loss in value due to any cause.

PHYSICAL DEPRECIATION – Loss in value due to physical deterioration. It is readily observed as the decaying effect of the elements and/or lack of maintenance, in conjunction with the chronological age of the structural components of the buildings.

FUNCTIONAL OBSOLESCENCE – Loss in value due to lack of utility or desirability of part or part or all of the property.

ECONOMIC OBSOLESCENSE – Loss in value due to causes outside the property and inadequacy of the property.

EFFECTIVE AGE – An age which reflects a true remaining life for the property, taking in to account the typical life expectancy of buildings of its class and usage. It is a matter of judgment, taking all factors into consideration.

REMAINING LIFE – The length of time the improvement may be expected to continue to perform its function economically.

PERCENT GOOD – 100% less the percentage depreciation.

EXAMPLES OF FUNCTIONAL OBSOLESCENCE – Old fashioned bathroom and kitchen fixtures, inadequate hot water or heating system, inadequate placement of electrical outlets, low hanging pipes in commercial or industrial buildings, and absence of ventilating facilities, poor room arrangements, super adequacies such as extra high ceilings, inadequate column spacing in a warehouse, multi-story construction in an old industrial building, an undesirable shape or location on a site of a commercial structure.

EXAMPLES OF ECONOMIC OBSOLESCENCE – Inharmonious land use, location of obnoxious commercial or industrial business in a residential neighborhood, narrow streets with poor traffic access, and lack of adequate parking in a retail business district.

USE OF DEPRECIATION

Unlike residential buildings, commercial and industrial buildings are usually built to a special design for a special purpose. The appraiser must first establish for what purpose the building was constructed. Then he must select from the listing of commercial buildings the type of structure that most closely fits the building he is about to appraise. To do this he would go to the listing of building types listed in the front of the manual. Once the appraiser has classified and graded the building, he then must consider the age and condition of the building in order to apply the proper amount of depreciation. All commercial and industrial properties in the taxing jurisdiction will be appraised at replacement cost less normal depreciation. Factors which would normally influence the amount of depreciation given to a commercial or industrial property are as follows:

1. Age – consideration for life expectancy and normal wear.

2. Functional depreciation – consideration for uses of the building, for Example, being used for another purpose than that for which it was originally intended.

3. Economic depreciation – consideration for the location of the building, for Example, a service station at a location where there is no longer a high volume of traffic.

There is no set rule of thumb for applying physical depreciation. We feel that any commercial or industrial property located in the county can be appraised from this schedule. The schedule of values will be broken into two categories:

1. Commercial or Industrial Main Area

2. Commercial or Industrial Subsections

Most of the rates that are given will be square foot rates, however, some rates will be designated as per gallon, per ton, or linear feet. The rates used in this schedule are calculated to include averages of final cost including labor, architect fees, contractor's overhead, and profit.

EDGECOMBE COUNTY IMPROVEMENT USE CODES

DEPRECIATION METHOD TABLE	USE CODE	MODEL NUMBER	DESCRIPTION
A-02-09	O1	SFR	SIN.FAM.RES.
O9	O2	MH	MOBILE HOME
04-06-08-09	O3	MF	GARDEN APT.
04-06-08-09	O4	MF	CONDOMINIUM
04-06-08-09	O5	SFR	PATIO HOMES
04-06-08-09	O6	MF	HIGH RISE CONDO
A-02-09	O7	SFR	SIN.FAM.S/L.
A-02-09	O8	SFR,MF	DUPLEX, TRIPLEX
04-06-08-09	O9	MF	TWN HSE APT
O6	10	COMM	COMMERCIAL
O6	11	COMM	CONV. STORE
O9	12	SS	CARWASH
O6	13	COMM	DEPART. STORE
O6	14	COMM	SUPER MARKET
O6	15	COMM	SHOP CTR MALL
O6	16	COMM	SHOP CTR STRIP
O6	17	OFF	OFFICE
O3	18	OFF	OFFICE> 5 ST
O6	19	OFF	MEDICAL BLDG
O6	20	OFF	MEDICAL CONDO
O7	21	COMM	RESTAURANTS
O7	22	COMM	FAST FOODS
O3	23	OFF	BANKS
O6	24	OFF	OFFICE CONDO
O6	25	COMM	SERVICE SHOPS
O9	26	SS	SERVICE STATION
O6	27	WHSE	AUTO SALES/REPR
O6	28	WHSE	PARKING GARAGE
O6	29	WHSE	MINI-WHAREHOUSES
O6	30		LABORATORIES
O8	31	OFF	DAY CARE CTR
O5	32	COMM	THEATERS
O7	33	COMM	LOUNGE
O8	34	COMM	BOWL ALLEY/AREN
10	35		TOURIST ATTR
10	36		CAMPS
O6	37	OFF	HOTEL/MOTEL>3
O6	38	COMM	FURNITURE STR
O4	39	MF	HOTEL/MOTEL>3
O6	40	WHSE	INDUSTRIAL
O6	41	WHSE	LIGHT MFD
O5	42	WHSE	HEAVY MFG
O9	43	WHSE	LUMBER YARD
O5	44	WHSE	PACKING PLNT/ FOOD PR
O5	45	WHSE	CIGARETTE MFR
O5	46	WHSE	BOTTLER/ BREWER
O4	47	WHSE	WHSE CONDO
O6	48	WHSE	WHAREHOUSE
O7	49	WHSE	STEEL FRM WHSE
A-02-09	50	SFR	RURAL HOMESITE
	51		AGRICULTURAL
	52		AGRICULTURAL

	53		AGRICULTURAL
	54		AGRICULTURAL
	55		AGRICULTURAL
	56		AGRICULTURAL
	57		AGRICULTURAL
	58		AGRICULTURAL
	59		AGRICULTURAL
	60		AGRICULTURAL
	61		AGRICULTURAL
	62		AGRICULTURAL
	63		AGRICULTURAL
	64		AGRICULTURAL
	65		AGRICULTURAL
	66		ORCHARDS, GRVS
	67		POULTRY, BEES
	68		DAIRIES
	69		TOBACCO
	70		INSTITUTIONAL
O1	71	COMM	CHURCHES
O6	72	OFF	PVT SCHOOL, COLL
O5	73	OFF	PVT HOSP, VET
O5	74	MF	HOMES FOR AGED
O5	75	OFF	ORPHANAGES
O4	76	OFF	FUNERAL, MORT.
O5	77	COMM	CLUBS, LDGS
O1	78	COMM	COUNTRY CLUBS
O6	79	COMM	AIRPORT
O8	80	WHSE	MARINAS
O1	81		MILITARY
O1	82		FORESTS, PARKS
O1	83	OFF	PBL SCHOOLS
O1	84	OFF	PBL COLLEGES
O5	85	OFF	PBL HOSPITALS
	86		OTHER COUNTY
	87		OTHER STATE
	88		OTHER FEDERAL
	89		OTHER MUNICIPAL
	90		LEASEHOLD
	91		UTILITIES
	92		MINING
	93		PETROL, GAS
	94		REHABILITION CENTER
	95		SUBMERGED LAND
09	96		MODULAR HOME
06	97		BIG BOX STORES
06	98		DRUG STORES
	99		BLANK

TASCHEDX RV SCHEDULE OF VALUES
PHYSICAL DEPRECIATION METHOD A

EFFECTIVE AGE	DEPRECIATION PERCENT	PERCENT GOOD	EFFECTIVE YEAR
1	1	99	2024
2	2	98	2023
3	3	97	2022
4	4	96	2021
5	5	95	2020
6	7	93	2019
7	9	91	2018
8	11	89	2017
9	13	87	2016
10	14	86	2015
11	16	84	2014
12	17	83	2013
13	18	82	2012
14	19	81	2011
15	20	80	2010
16	21	79	2009
17	22	78	2008
18	23	77	2007
19	24	76	1996
20	25	75	1995
21	26	74	1994
22	27	73	1993
23	28	72	1992
24	29	71	1991
25	30	70	1990
26	31	69	1989
27	32	68	1988
28	33	67	1987
29	34	66	1986
30	35	65	1985
31	36	64	1984
32	37	63	1983
33	38	62	1982
34	39	61	1981
35	40	60	1980
36	41	59	1979
37	42	58	1978
38	43	57	1977

TASCHEDX RV SCHEDULE OF VALUES
PHYSICAL DEPRECIATION METHOD A

39	44	56	1976
40	45	55	1975
41	46	54	1974
42	47	53	1973
43	48	52	1972
44	49	51	1971
45	50	50	1970
46	51	49	1969
47	52	48	1968
48	53	47	1967
49	54	46	1966
50	55	45	1965
51	56	44	1964
52	57	43	1963
53	58	42	1962
54	59	41	1961
55	60	40	1960
56	61	39	1959
57	62	38	1958
58	63	37	1957
59	64	36	1956
60	65	35	1955
61	66	34	1954
62	67	33	1953
63	68	32	1952
64	69	31	1951
65	70	30	1950

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE
ABOVE AVERAGE, GOOD, AVERAGE, BELOW AVERAGE QUALITY

O1	SINGLE FAMILY RESIDENTIAL
O7	SINGLE FAMILY SPLIT LEVEL
O8	DUPLEX/TRIPLEX
50	RURAL HOMESITE
96	MODULAR HOME

70 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD O1

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
1	0	100	2024
2	0	100	2023
3	0	100	2022
4	1	99	2021
5	1	99	2020
6	1	99	2019
7	1	99	2018
8	1	99	2017
9	2	98	2016
10	2	98	2015
11	2	98	2014
12	2	98	2013
13	2	98	2012
14	3	97	2011
15	3	97	2010
16	3	97	2009
17	4	96	2008
18	4	96	2007
19	4	96	2006
20	5	95	2005
21	5	95	2004
22	6	94	2003
23	6	94	2002
24	7	93	2001
25	7	93	2000
26	8	92	1999
27	9	91	1998
28	9	91	1997
29	10	90	1996
30	11	89	1995
31	12	88	1994
32	13	87	1993
33	14	86	1992
34	15	85	1991
35	16	84	1990

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE
ALL QUALITIES

70	Institutional	83	Pbl School	89	Other Municipal
71	Church	84	Pbl College	90	Leasehold Interest
78	Country Club	86	Other Country	91	Utility
81	Military	87	Other State	92	Mining
82	Forest, Park	88	Other Federal	93	Petrol Gas

70 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD O1

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
36	17	83	1989
37	18	82	1988
38	19	81	1987
39	20	80	1986
40	21	79	1985
41	23	77	1984
42	25	75	1983
43	26	74	1982
44	28	72	1981
45	29	71	1980
46	31	69	1979
47	32	68	1978
48	34	66	1977
49	36	64	1976
50	38	62	1975
51	40	60	1974
52	42	58	1973
53	44	56	1972
54	46	54	1971
55	48	52	1970
56	50	50	1969
57	52	48	1968
58	54	46	1967
59	56	44	1966
60	58	42	1965
61	59	41	1964
62	60	40	1963
63	61	39	1962
64	63	37	1961
65	65	35	1960
66	66	34	1959
67	67	33	1958
68	68	32	1957
69	69	31	1956
70	70	30	1955

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE
ALL QUALITIES

70	Institutional	83	Pbl School	89	Other Municipal
71	Church	84	Pbl College	90	Leasehold Interest
78	Country Club	86	Other Country	91	Utility
81	Military	87	Other State	92	Mining
82	Forest, Park	88	Other Federal	93	Petrol Gas

60 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 02

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
1	1	99	2024
2	2	98	2023
3	3	97	2022
4	4	96	2021
5	5	95	2020
6	6	94	2019
7	7	93	2018
8	8	92	2017
9	9	91	2016
10	10	90	2015
11	11	89	2014
12	12	88	2013
13	13	87	2012
14	14	86	2011
15	15	85	2010
16	16	84	2009
17	17	83	2008
18	18	82	2007
19	19	81	2006
20	20	80	2005
21	21	79	2004
22	22	78	2003
23	23	77	2002
24	24	76	2001
25	25	75	2000
26	26	74	1999
27	27	73	1998
28	28	72	1997
29	29	71	1996
30	30	70	1995

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE
EXCELLENT QUALITY

O1	Single Family Residential
O7	Single Family Residential - Split Level
O8	Duplex / Triplex
50	SFR
96	Modular Home

60 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 02

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
31	30	70	1994
32	31	69	1993
33	31	69	1992
34	32	68	1991
35	32	68	1990
36	33	67	1989
37	33	67	1988
38	34	66	1987
39	34	66	1986
40	35	65	1985
41	35	65	1984
42	36	64	1983
43	36	64	1982
44	37	63	1981
45	37	63	1980
46	38	62	1979
47	38	62	1978
48	39	61	1977
49	39	61	1976
50	40	60	1975
51	41	59	1974
52	42	58	1973
53	43	57	1972
54	44	56	1971
55	45	55	1970
56	46	54	1969
57	47	53	1968
58	48	52	1967
59	49	51	1966
60	50	50	1965

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE
EXCELLENT QUALITY

O1	Single Family Residential
O7	Single Family Residential - Split Level
O8	Duplex / Triplex
50	SFR
96	Modular Home

55 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 03

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
1	1	99	2024
2	2	98	2023
3	3	97	2022
4	4	96	2021
5	5	95	2020
6	6	94	2019
7	7	93	2018
8	8	92	2017
9	9	91	2016
10	10	90	2015
11	11	89	2014
12	12	88	2013
13	13	87	2012
14	14	86	2011
15	15	85	2010
16	16	84	2009
17	17	83	2008
18	18	82	2007
19	19	81	2006
20	20	80	2005
21	21	79	2004
22	22	78	2003
23	23	77	2002
24	24	76	2001
25	25	75	2000
26	26	74	1999
27	27	73	1998
28	28	72	1997
29	29	71	1996
30	30	70	1995

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE
ALL QUALITIES

18	Office Building> 5 Stories
23	Bank

55 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 03

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
31	31	69	1994
32	32	68	1993
33	33	67	1992
34	34	66	1991
35	36	64	1990
36	38	62	1989
37	40	60	1988
38	42	58	1987
39	44	56	1986
40	46	54	1985
41	48	52	1984
42	51	49	1983
43	53	47	1982
44	56	44	1981
45	58	42	1980
46	60	40	1979
47	62	38	1978
48	64	36	1977
49	66	34	1976
50	68	32	1975
51	68	32	1974
52	68	32	1973
53	69	31	1972
54	69	31	1971
55	70	30	1970

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE
ALL QUALITIES

18	Office Building > 5 Stories
23	Bank

50 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 04

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
1	0	100	2024
2	1	99	2023
3	1	99	2022
4	2	98	2021
5	3	97	2020
6	3	97	2019
7	4	96	2018
8	5	95	2017
9	5	95	2016
10	6	94	2015
11	7	93	2014
12	8	92	2013
13	9	91	2012
14	10	90	2011
15	11	89	2010
16	12	88	2009
17	13	87	2008
18	14	86	2007
19	16	84	2006
20	17	83	2005
21	18	82	2004
22	20	80	2003
23	21	79	2002
24	23	77	2001
25	25	75	2000

IMPROVEMENT CODES DEPRECIATED BY THIS SCHEDULE

O3	Excellent Quality Garden Apartment	39	All Qualities Hotel/ Motel < 3 Stories
O4	Condominium	47	Warehouse Condominium
O5	Patio Home	76	Funeral Home / Mortuary
O6	High Rise Condominium		
O9	Town House Apartment		

50 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 04

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
26	27	73	1999
27	28	72	1998
28	30	70	1997
29	32	68	1996
30	34	66	1995
31	36	64	1994
32	38	62	1993
33	39	61	1992
34	40	60	1991
35	41	59	1990
36	42	58	1989
37	44	56	1988
38	45	55	1987
39	46	54	1986
40	47	53	1985
41	48	52	1984
42	50	50	1983
43	52	48	1982
44	54	46	1981
45	56	44	1980
46	58	42	1979
47	60	40	1978
48	64	36	1977
49	68	32	1976
50	70	30	1975

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE

O3	Excellent Quality Garden Apt	39	All Qualities Hotel/ Motel < 3 Stories
O4	Condominium	47	Warehouse Condominium
O5	Patio Home	76	Funeral Home / Mortuary
O6	High Rise Condominium		
O9	Town House Apartment		

45 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 05

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
1	1	99	2024
2	1	99	2023
3	2	98	2022
4	3	97	2021
5	4	96	2020
6	4	96	2019
7	5	95	2018
8	6	94	2017
9	7	93	2016
10	8	92	2015
11	9	91	2014
12	10	90	2013
13	12	88	2012
14	13	87	2011
15	14	86	2010
16	16	84	2009
17	18	82	2008
18	19	81	2007
19	21	79	2006
20	23	77	2005
21	25	75	2004
22	27	73	2003
23	29	71	2002
24	31	69	2001
25	33	67	2000

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE

ALL QUALITIES

32	Theater
42	Heavy Manufacturing
44	Packing Plant / Food Processing
45	Cigarette Manufacturing
46	Bottler / Brewery
73	Private Hospital / Veterinarian
74	Home for the Aged
75	Orphanage
77	Club, Lodge, Hall
85	Public Hospital

45 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 05

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
26	35	65	1999
27	37	63	1998
28	40	60	1997
29	42	58	1996
30	45	55	1995
31	47	53	1994
32	50	50	1993
33	52	48	1992
34	53	47	1991
35	54	46	1990
36	55	45	1989
37	56	44	1988
38	57	43	1987
39	59	41	1986
40	61	39	1985
41	63	37	1984
42	65	35	1983
43	67	33	1982
44	69	31	1981
45	70	30	1980

IMPROVEMENT CODES DEPRECIATED BY THIS SCHEDULE

ALL QUALITIES

32	Theater
42	Heavy Manufacturing
44	Packing Plant / Food Processing
45	Cigarette Manufacturing
46	Bottler / Brewery
73	Private Hospital / Veterinarian
74	Home for the Aged
75	Orphanage
77	Club, Lodge, Hall
85	Public Hospital

40 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 06

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
1	1	99	2024
2	2	98	2023
3	3	97	2022
4	4	96	2021
5	5	95	2020
6	7	93	2019
7	9	91	2018
8	11	89	2017
9	13	87	2016
10	15	85	2015
11	17	83	2014
12	19	81	2013
13	21	79	2012
14	23	77	2011
15	25	75	2010
16	27	73	2009
17	29	71	2008
18	31	69	2007
19	33	67	2006
20	35	65	2005

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE

EXCELLENT, GOOD, ABOVE AVERAGE, AVERAGE QUALITY

O3	Garden Apt
O4	Condominium
O5	Patio Home
O6	High Rise Condo
O9	Twn. Hse. Apt.

ALL QUALITIES

10	Commercial	28	Parking Garage
11	Conv. Store	29	Mini-Warehouse
13	Dept. Store	30	Laboratory
14	Super Market	37	Hotel / Motel - 3
15	Shop Ctr Mall	38	Furniture Store
16	Shop Ctr Strip	40	Industrial
17	Office	41	Light Mfg
19	Medical Bldg	48	Warehouse
20	Medical Condo	72	Pvt. School, Coll
24	Office Condo	79	Airport
25	Service Shop	97	Big Box Stores
27	Auto Sales/Rep	98	Drug Stores

40 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 06

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
21	37	63	2004
22	39	61	2003
23	41	59	2002
24	43	57	2001
25	45	55	2000
26	47	53	1999
27	49	51	1998
28	52	48	1997
29	54	46	1996
30	56	44	1995
31	58	42	1994
32	60	40	1993
33	61	39	1992
34	63	37	1991
35	65	35	1990
36	66	34	1989
37	67	33	1988
38	68	32	1987
39	69	31	1986
40	70	30	1985

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE

EXCELLENT, GOOD, ABOVE AVERAGE, AVERAGE QUALITY

O3	Garden Apt
O4	Condominium
O5	Patio Home
O6	High Rise Condo
O9	Twn. Hse. Apt.

ALL QUALITIES

10	Commercial	28	Parking Garage
11	Conv. Store	29	Mini-Warehouse
13	Dept. Store	30	Laboratory
14	Super Market	37	Hotel / Motel - 3
15	Shop Ctr Mall	38	Furniture Store
16	Shop Ctr Strip	40	Industrial
17	Office	41	Light Mfg
19	Medical Bldg	48	Warehouse
20	Medical Condo	72	Pvt. School, Coll
24	Office Condo	79	Airport
25	Service Shop	97	Big Box Stores
27	Auto Sales/Rep	98	Drug Stores

35 YEAR LIFE EXPECTACNCY - DEPRECIATION METHOD 07

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
1	1	99	2024
2	2	98	2023
3	4	96	2022
4	5	95	2021
5	6	94	2020
6	8	92	2019
7	10	90	2018
8	11	89	2017
9	13	87	2016
10	15	85	2015
11	17	83	2014
12	19	81	2013
13	22	78	2012
14	24	76	2011
15	26	74	2010
16	28	72	2009
17	31	69	2008
18	34	66	2007
19	36	64	2006
20	39	61	2005
21	42	58	2004
22	45	55	2003
23	48	52	2002
24	52	48	2001
25	55	45	2000
26	58	42	1999
27	61	39	1998
28	63	37	1997
29	64	36	1996
30	65	35	1995
31	66	34	1994
32	67	33	1993
33	68	32	1992
34	69	31	1991
35	70	30	1990

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE

All Qualities

21	Restaurant
22	Fast Food
33	Lounge
49	Steel Frame Warehouse

30 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 08

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
1	2	98	2024
2	3	97	2023
3	5	95	2022
4	7	93	2021
5	9	91	2020
6	11	89	2019
7	14	86	2018
8	16	84	2017
9	18	82	2016
10	21	79	2015
11	24	76	2014
12	26	74	2013
13	29	71	2012
14	32	68	2011
15	35	65	2010
16	39	61	2009
17	42	58	2008
18	46	54	2007
19	49	51	2006
20	51	49	2005
21	53	47	2004
22	55	45	2003
23	57	43	2002
24	59	41	2001
25	61	39	2000
26	63	37	1999
27	65	35	1998
28	67	33	1997
29	69	31	1996
30	70	30	1995

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE

Below Average Quality

O3	Garden Apt.
O4	Condominium
O5	Patio Home
O6	High Rise Condo
O9	Townhouse Apt

All Qualities

31	Day Care Center
34	Bowling Alley / Arena
68	Dairy
80	Marina

25 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 09

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
1	3	97	2024
2	6	94	2023
3	8	92	2022
4	10	90	2021
5	13	87	2020
6	16	84	2019
7	19	81	2018
8	22	78	2017
9	25	75	2016
10	29	71	2015
11	32	68	2014
12	35	65	2013
13	38	62	2012
14	41	59	2011
15	44	52	2010
16	47	53	2009
17	50	50	2008
18	53	47	2007
19	56	44	2006
20	59	41	2005
21	62	38	2004
22	64	36	2003
23	66	34	2002
24	68	32	2001
25	70	30	2000

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE

Minimum Quality

O1	Single Fam. Res.
O3	Garden Apt.
O4	Condominium
O5	Patio Home
O6	High Rise Condo
O7	Sin. Fam. Res. - Split Level
O8	Duplex / Triplex
O9	Townhouse Apt.
50	Rural Homesite

All Qualities

O2	Manufactured Homes
12	Car Wash
26	Service Station
43	Lumber Yard

20 YEAR LIFE EXPECTANCY - DEPRECIATION METHOD 10

EFFECTIVE AGE	AMOUNT OF DEPR.	PERCENT GOOD	EFFECTIVE YEAR
1	3	97	2024
2	7	93	2023
3	10	90	2022
4	14	86	2021
5	18	82	2020
6	22	78	2019
7	26	74	2018
8	30	70	2017
9	35	65	2016
10	40	60	2015
11	45	55	2014
12	50	50	2013
13	55	45	2012
14	58	42	2011
15	60	40	2010
16	62	38	2009
17	64	36	2008
18	66	34	2007
19	68	32	2006
20	70	30	2005

IMPROVEMENT CODES
DEPRECIATED BY THIS SCHEDULE

	All Qualities
35	Tourist Attraction
36	Camp
67	Poultry, Bees, etc.

CALCULATION OF SYSTEM VALUES

CALCULATION OF SYSTEM VALUES

Simple compilation of data is only one part of the system's function. Second, is determination of values associated with the varied structural components of each improvement type? The following information details how the system makes its calculations in the derivation of property values.

GENERAL CALCULATION PROCEDURES

Base Rate X Quality Index Factor = Adjusted Base Rate

The Adjusted Base Rate is applied to each section accordingly by the percentage which is itemized under the auxiliary area adjustment schedule.

Adjusted Percentage X Adjusted Base Rate =
Replacement Cost New (RCN)
For that section

Sections then are added together (plus fireplace value) equals total replacement cost. However, the RCN will print on the card but the sections will remain separated for further calculations.

Physical, functional and economic depreciations are separately calculated by each RCN section. If each type of depreciation is used, the percent will be calculated in steps then subtracted, not added together and applied. Physical depreciation will pull from the year built if year remodeled is not given. Otherwise, the remodeled year is used.

The sections are then added together to obtain a depreciated value for the building.

Outbuildings and extra features are calculated by square feet, linear feet, bushel capacity or a lump sum rate for the entire unit.

The quality grade will pull rate or an amount according to the selected category. If seeking a lump sum amount for example (X66 tenant house), 1 must be entered in the square foot segment of the building detail screen along with the quality grade chosen.

Depreciation for the outbuildings is already figured into the outbuildings schedule by applying the quality code. Percentage good is as follows:

New	100%
Good	90%
Average	60%
Fair	40%
Poor	20%
Very Poor	10%

The outbuilding rate can be overridden by changing the valuation method to (SV) Sound Value.

In conclusion, in order to calculate total cost-market value, add:

Depreciated Building Value
Total Outbuilding Value
Land Value

```
PROPERTY APPRAISAL                                          EDGECOMBE
COUNTY                                                DATE 05/12/08
RTA41RC                                        Compute Detail Calculations
REVALUATION cycle                                   PAGE       1
================================================================================
================================================================================
Manufactured Home

Detail calculation report for parcel 3871-37-5162-00

Land segment 1, method L BY THE LOT, type 5000 RURAL HOMESITE

     Unit price.....................................          13,000
     Adjustment factor..............................               0
     Adjusted unit price............................          13,000
     Initial segment value..........................          13,000

Total land segment 1................................          13,000
Total land deferment 1..............................               0


Total land market value ............................          13,000
Total land    use value ............................          13,000

Building 1, method MH MANUFACTURED HOME, use 02 MANUFACTURED HOME

     Schedule BASE-RATE, use 02, value 50.00
     Initial base rate, use 02......................           50.00
     Schedule MH-FOUND, found 3, value 8
     Foundation 3...................................               8
     Schedule MH-SUBF, subflr 4, value 10
     Subfloor 4.....................................              10
     Schedule MH-EXTW, ext wall 10, value 31
     Exterior wall 10...............................              31
     Schedule MH-RFS, roof strct 3, value 7
     Roof structure 3...............................               7
     Schedule MH-RFC, roof cover 3, value 5
     Roof cover 3...................................               5
     Schedule MH-HEAT, heating 40, value 6
     Heating fuel/type 40...........................               6
     Schedule A/C, method MH, value 7
     Air conditioning...............................               7
     Schedule MH-SHP, shape/dsgn 2, factor 1, value 1.00
     Shape/design 2.................................            1.00
     Schedule MH-QUAL, qual A, value 1.00
     Quality code A.................................            1.00
     Schedule MH-INTW, int wall 4, value 23
     Interior wall code 4...........................              23
     Schedule MH-FLR, floor cvr 14, value 8
     Floor covering code 14.........................               8
     Floor covering code average ...................               8
     Interior wall code average ....................              23

     Total points...................................             105
     Quality factor.................................            1.00
     Shape/design...................................            1.00
```

```
     Total quality index.............      1.05
     Adjusted base rate..............     52.50

Section 1, type BAS BASE AREA

     Schedule BASE-PCT, type BAS, model MH, value 1.00
     Section actual area is.........................          1,248
```

PROPERTY APPRAISAL EDGECOMBE
COUNTY DATE 05/12/08
RTA41RC Compute Detail Calculations
REVALUATION cycle PAGE 2

```
     Section effective area is.....                1,248
     Section initial value area x rate.....      65,520
     Schedule MH-FIRE, fireplace 2, value 1, value 1100
     Fireplace type 2.....                         1,100
     Section undepreciated value.....            66,620
     Schedule PHYS-TBL, use/cond 02A, value PHYS-09
     Schedule PHYS-09, age 19, value 58
     Physical depreciation percent 58.....       -38,640

Total undepreciated section value.....           66,620
Total depreciated section value.....             27,980
```

EQUATION
TOTAL POINTS X QUALITY FACTOR X SHAPE & DESIGN FACTOR =
QUALITY INDEX FACTOR

105 X 1.00 X 1.00 = QIF 1.05

1.05 X 50.00 (BASE RATE) = 52.50 (ABR)

*NO SIZE FACTOR
*MUST HAVE SHAPE & DESIGN FACTOR
*INCLUDES SINGLEWIDES CONVERTED TO REAL ESTATE
*MH ALWAYS USED WITH BUILDING USE 02 MOBILE HOME

```
Section 2, type WDD WOOD DECK

     Schedule BASE-PCT, type WDD, model MH, value 0.20
     Section actual area is.....                    280
     Section effective area is.....                  56
     Section initial value area x rate.....       2,940
     Section undepreciated value.....             2,940
     Physical depreciation percent 58.....        -1,705

Total undepreciated section value.....            2,940
Total depreciated section value.....              1,235

Section 3, type FOP PORCH, OPEN, FINISHED

     Schedule BASE-PCT, type FOP, model MH, value 0.35
     Section actual area is.....                     90
     Section effective area is.....                  32
     Section initial value area x rate.....       1,680
     Section undepreciated value.....             1,680
     Physical depreciation percent 58.....         -974

Total undepreciated section value.....            1,680
Total depreciated section value.....                706
```

```
Total undepreciated building value.....................        71,240
Total depreciated building value.......................        29,921

Building 2, method OBXF OUTBLDG & EXTRA FEATURES, use X24 SHED


     Building square feet...............       140
     Quality code.......................         F
     Schedule OBXF-RATE, use code X24, quality F, value 2.20
     Initial base rate, use X24.........      2.20

Total undepreciated building value.....................             0
Total depreciated building value.......................           308

Building 3, method SV SOUND VALUED, use X01 STORAGE


Total undepreciated building value
Total depreciated building value.......................           100
```

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Building 4, method OBXF OUTBLDG & EXTRA FEATURES, use X09 ASPHALT PAVING

Building square feet..... 540
Quality code..... A
Schedule OBXF-RATE, use code X09, quality A, value 1.50
Initial base rate, use X09..... 1.50

Total undepreciated building value
Total depreciated building value..... 810

Total building value 31,139

Total parcel value is 44,139

```
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Office

Detail calculation report for parcel 3850-70-0775-00

Land segment 1, method F FRONT FOOTAGE, type 1700 OFFICE

     Unit price.....................................            150
     Schedule DEPTH-01, depth 104, value 1.03
     Depth factor of................................           1.03
     Adjustment factor..............................              0
     Adjusted unit price............................            155
     Number of front ft.............................          20.00
     Initial segment value..........................          3,100

Total land segment 1................................          3,100
Total land deferment 1..............................              0


Total land market value ............................          3,100
Total land    use value ............................          3,100

Building 1, method OFF OFFICE, use 17 OFFICE

     Schedule BASE-RATE, use 17, value 61.00
     Initial base rate, use 17......................          61.00
     Schedule OFF-FOUND, found 3, value 3
     Foundation 3...................................              3
     Schedule OFF-SUBF, subflr 2, value 5
     Subfloor 2.....................................              5
     Schedule OFF-EXTW, ext wall 20, value 23
     Exterior wall 20...............................             23
     Schedule OFF-RFS, roof strct 01, value 2
     Roof structure 01..............................              2
     Schedule OFF-RFC, roof cover 01, value 1
     Roof cover 01..................................              1
     Schedule OFF-HEAT, heating 34, value 11
     Heating fuel/type 34...........................             11
     Schedule A/C, method OFF, value 12
     Air conditioning...............................             12
     Schedule OFF-CEIL, ceil/insul 08, value 0
     Ceiling/insulation 08..........................              0
     Schedule OFF-STRUCT, struct/frm 04, value 6
     Structural framing 04..........................              6
     Schedule OFF-QUAL, qual M, value 0.75
     Quality code M.................................           0.75
     Schedule OFF-INTW, int wall 4, value 19
     Interior wall code 4...........................             19
     Schedule OFF-FLR, floor cvr 8, value 5
     Floor covering code 8..........................              5
     Schedule BASE-PCT, type BAS, model OFF, value 1.00
     Floor covering code average ...................              5
```

```
Interior wall code average ..........................  19
Total plumbing fixtures 2
Schedule OFF-FIXT, area/fixt 800, value 4
Area per fixture 800................................   4
Schedule OFF-WALLHT, wall ht 10.0, value 1.00
Wall height 100.....................................   0
```

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     Total points.....................................              91
     Quality factor...................................            0.75

     Total quality index.............      0.68
     Adjusted base rate..............     41.48



      EQUATIONS
      TOTAL POINTS X QUALITY FACTOR = QUALITY INDEX FACTOR
           91      X      0.75      =        .68
               .68 X 61 (BASE RATE) = 41.48

      TOTAL EFFECTIVE AREA ÷ NO. OF FIXTURES = AREA PER FIXTURE
             1600         ÷       2         =      800
                 POINTS ASSIGNED TO AREA 800 IS (4)

      EXTERIOR WALL POINTS X WALL HEIGHT FACTOR - EXTERIOR WALL POINTS
            =             POINTS FOR WALL HEIGHT
             23            X   1.00             -      23   = 0 POINTS

      *MUST HAVE FIXTURES



Section 1, type BAS BASE AREA

     Schedule BASE-PCT, type BAS, model OFF, value 1.00
     Section actual area is..........................          1,600
     Section effective area is.......................          1,600
     Section initial value area x rate...............         66,368
     Section undepreciated value.....................         66,368
     Schedule PHYS-TBL, use/cond 17M, value PHYS-06
     Schedule PHYS-06, age 89, value 70
     Physical depreciation percent 70................        -46,458
     Functional depreciation percent 50..............         -9,955
     Economic depreciation percent 30................         -2,987

Total undepreciated section value....................         66,368
Total depreciated section value......................          6,968

Total undepreciated building value...................         66,368
Total depreciated building value.....................          6,968

Total building value ................................          6,968

Total parcel value is ...............................         10,068
```

```
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Service Station

Detail calculation report for parcel 3793-40-4830-00

Land segment 1, method L BY THE LOT, type 2600 SERVICE STATION

     Unit price.....................................          15,000
     Adjustment factor..............................               0
     Adjusted unit price............................          15,000
     Initial segment value..........................          15,000

Total land segment 1................................          15,000
Total land deferment 1..............................               0


Total land market value ............................          15,000
Total land    use value ............................          15,000

Building 1, method SS SERVICE STATION, use 26 SERVICE STATIONS

     Schedule BASE-RATE, use 26, value 70.00
     Initial base rate, use 26......................           70.00
     Schedule SS-FOUND, found 3, value 4
     Foundation 3...................................               4
     Schedule SS-SUBF, subflr 2, value 6
     Subfloor 2.....................................               6
     Schedule SS-EXTW, ext wall 11, value 23
     Exterior wall 11...............................              23
     Schedule SS-RFS, roof strct 7, value 28
     Roof structure 7...............................              28
     Schedule SS-RFC, roof cover 4, value 14
     Roof cover 4...................................              14
     Schedule SS-HEAT, heating 24, value 5
     Heating fuel/type 24...........................               5
     Schedule SS-CEIL, ceil/insul 08, value 0
     Ceiling/insulation 08..........................               0
     Schedule SS-STRUCT, struct/frm 04, value 6
     Structural framing 04..........................               6
     Schedule SS-QUAL, qual A, value 1.00
     Quality code A.................................            1.00
     Schedule SS-INTW, int wall 1, value 4
     Interior wall code 1...........................               4
     Schedule SS-FLR, floor cvr 3, value 9
     Floor covering code 3..........................               9
     Schedule BASE-PCT, type BAS, model SS, value 1.00
     Schedule BASE-PCT, type UST, model SS, value 0.40
     Floor covering code average ...................               9
     Interior wall code average ....................               4
     Total plumbing fixtures 4
     Schedule SS-FIXT, area/fixt 343, value 8
     Area per fixture 343...........................               8
```

```
Schedule SS-WALLHT, wall ht 12.0, value 1.00
Wall height 120.....................................          0

Total points........................................        107
Quality factor......................................       1.00

Total quality index.............      1.07
```

```
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     Adjusted base rate.................     74.90


      EQUATIONS
      TOTAL POINTS X QUALITY FACTOR = QUALITY INDEX FACTOR
          107      X    1.00        =       1.07
            1.07 X 70.00 (BASE RATE) = 74.90 (ABR)

      TOTAL EFFECTIVE AREA ÷ NO. OF FIXTURES = AREA PER FIXTURE
             1316          ÷       4         =      343
            POINTS ASSIGNED TO AREA 343 IS (8)

      EXTERIOR WALL POINTS X WALL HEIGHT FACTOR - EXTERIOR WALL POINTS
                      =   POINTS FOR WALL HEIGHT

              23          X      1.00          -     23 = 0

      *MUST HAVE FIXTURES



Section 1, type BAS BASE AREA

     Schedule BASE-PCT, type BAS, model SS, value 1.00
     Section actual area is.............................          1,316
     Section effective area is..........................          1,316
     Section initial value area x rate..................         98,568
     Section undepreciated value........................         98,568
     Schedule PHYS-TBL, use/cond 26A, value PHYS-09
     Schedule PHYS-09, age 53, value 70
     Physical depreciation percent 70...................        -68,998

Total undepreciated section value.......................         98,568
Total depreciated section value.........................         29,570

Section 2, type UST UTILITY, STORAGE, UNFINSHED

     Schedule BASE-PCT, type UST, model SS, value 0.40
     Section actual area is.............................            140
     Section effective area is..........................             56
     Section initial value area x rate..................          4,194
     Section undepreciated value........................          4,194
     Physical depreciation percent 70...................         -2,936

Total undepreciated section value.......................          4,194
Total depreciated section value.........................          1,258

Total undepreciated building value......................        102,762
Total depreciated building value........................         30,828
```

Building 2, method OBXF OUTBLDG & EXTRA FEATURES, use X01 STORAGE

Section 1, type OMA

Total undepreciated section value
Total depreciated section value

Building square feet..... 840
Quality code..... VP
Schedule OBXF-RATE, use code X01, quality VP, value 1.50
Initial base rate, use X01..... 1.50

Total undepreciated building value
Total depreciated building value..... 1,260

Building 3, method OBXF OUTBLDG & EXTRA FEATURES, use X09 ASPHALT PAVING

Section 1, type OMA

Total undepreciated section value
Total depreciated section value

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     Building square feet..............     3,000
     Quality code......................         A
     Schedule OBXF-RATE, use code X09, quality A, value 1.50
     Initial base rate, use X09.........      1.50

Total undepreciated building value
Total depreciated building value.....................          4,500

Building 4, method OBXF OUTBLDG & EXTRA FEATURES, use X39 CANOPY


Section 1, type OMA


Total undepreciated section value
Total depreciated section value

     Building square feet..............       234
     Quality code......................         A
     Schedule OBXF-RATE, use code X39, quality A, value 8.50
     Initial base rate, use X39.........      8.50

Total undepreciated building value
Total depreciated building value.....................          1,989

Total building value ................................         38,577

Total parcel value is ...............................         53,577
```

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Warehouse

Detail calculation report for parcel 3850-71-2790-00

Land segment 1, method F FRONT FOOTAGE, type 2900 MINI-WAREHOUSEES

     Unit price.....................................            100
     Schedule DEPTH-01, depth 153, value 1.16
     Depth factor of................................           1.16
     Adjustment factor..............................              0
     Adjusted unit price............................            116
     Number of front ft.............................          70.00
     Initial segment value..........................          8,120

Total land segment 1................................          8,120
Total land deferment 1..............................              0


Total land market value ............................          8,120
Total land    use value ............................          8,120

Building 1, method WHSE WAREHOUSE, use 29 MINI WAREHOUSES

     Schedule BASE-RATE, use 29, value 30.00
     Initial base rate, use 29......................          30.00
     Schedule WHSE-FOUND, found 3, value 6
     Foundation 3...................................              6
     Schedule WHSE-SUBF, subflr 2, value 16
     Subfloor 2.....................................             16
     Schedule WHSE-EXTW, ext wall 24, value 18
     Exterior wall 24...............................             18
     Schedule WHSE-RFS, roof strct 3, value 8
     Roof structure 3...............................              8
     Schedule WHSE-RFC, roof cover 12, value 7
     Roof cover 12..................................              7
     Schedule WHSE-HEAT, heating 11, value 0
     Heating fuel/type 11...........................              0
     Schedule WHSE-CEIL, ceil/insul 08, value 5
     Ceiling/insulation 08..........................              5
     Schedule WHSE-STRUCT, struct/frm 06, value 16
     Structural framing 06..........................             16
     Schedule WHSE-QUAL, qual A, value 1.00
     Quality code A.................................           1.00
     Schedule WHSE-INTW, int wall 1, value 2
     Interior wall code 1...........................              2
     Schedule WHSE-FLR, floor cvr 3, value 1
     Floor covering code 3..........................              1
     Schedule BASE-PCT, type BAS, model WHSE, value 1.00
     Floor covering code average ...................              1
     Interior wall code average ....................              2
     Schedule WHSE-WALLHT, wall ht 14.0, value 1.00
```

Wall height 140.....	0
Schedule WHSE-SIZE, heat sqft 3000, value 1.21	
Size factor, heated sqft 3000.....	1.21
Total points.....	79
Quality factor.....	1.00
Size factor, heated sqft.....	1.21

```
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     Total quality index.................      0.96
     Adjusted base rate..................     28.80


      EQUATIONS
      TOTAL POINTS X QUALITY FACTOR X SIZE FACTOR = QUALITY INDEX
FACTOR
            79     X     1.00       X    1.21     = 0.96
                  0.96 X 30.00 (BASE RATE) = 28.80

      TOTAL EFFECTIVE AREA ÷ NO. OF FIXTURES = AREA PER FIXTURE
            3000           ÷      4          = 750
                        POINTS ASSIGNED TO AREA 750 IS (4)

      EXTERIOR WALL POINTS X WALL HEIGHT FACTOR - EXTERIOR WALL POINTS
                        = POINTS FOR WALL HEIGHT
            18             X      1.00          -         18 = 0 POINTS

      *MUST HAVE FIXTURES


Section 1, type BAS BASE AREA

     Schedule BASE-PCT, type BAS, model WHSE, value 1.00
     Section actual area is.............................          3,000
     Section effective area is..........................          3,000
     Section initial value area x rate..................         86,400
     Section undepreciated value........................         86,400
     Schedule PHYS-TBL, use/cond 29A, value PHYS-06
     Schedule PHYS-06, age 34, value 63
     Physical depreciation percent 63...................        -54,432

Total undepreciated section value.......................         86,400
Total depreciated section value.........................         31,968

Total undepreciated building value......................         86,400
Total depreciated building value........................         31,968

Total building value ...................................         31,968

Total parcel value is ..................................         40,088
```

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Commercial

Detail calculation report for parcel 3850-71-8288-00

Land segment 1, method F FRONT FOOTAGE, type 1000 COMMERCIAL

     Unit price.....................................            125
     Schedule DEPTH-01, depth 75, value 0.87
     Depth factor of................................           0.87
     Adjustment factor..............................              0
     Adjusted unit price............................            109
     Number of front ft.............................          64.00
     Initial segment value..........................          6,976

Total land segment 1................................          6,976
Total land deferment 1..............................              0


Total land market value ............................          6,976
Total land    use value ............................          6,976

Building 1, method COMM COMMERCIAL, use 10 COMMERCIAL

     Schedule BASE-RATE, use 10, value 50.00
     Initial base rate, use 10......................          50.00
     Schedule COMM-FOUND, found 3, value 4
     Foundation 3...................................              4
     Schedule COMM-SUBF, subflr 2, value 6
     Subfloor 2.....................................              6
     Schedule COMM-EXTW, ext wall 21, value 25
     Exterior wall 21...............................             25
     Schedule COMM-RFS, roof strct 7, value 5
     Roof structure 7...............................              5
     Schedule COMM-RFC, roof cover 4, value 7
     Roof cover 4...................................              7
     Schedule COMM-HEAT, heating 11, value 0
     Heating fuel/type 11...........................              0
     Schedule COMM-CEIL, ceil/insul 08, value 0
     Ceiling/insulation 08..........................              0
     Schedule COMM-STRUCT, struct/frm 04, value 12
     Structural framing 04..........................             12
     Schedule COMM-QUAL, qual BA, value 0.90
     Quality code BA................................           0.90
     Schedule COMM-INTW, int wall 3, value 10
     Interior wall code 3...........................             10
     Schedule COMM-FLR, floor cvr 3, value 1
     Floor covering code 3..........................              1
     Schedule BASE-PCT, type BAS, model COMM, value 1.00
     Floor covering code average ...................              1
     Interior wall code average ....................             10
     Total plumbing fixtures 4
```

```
     Schedule COMM-FIXT, area/fixt 784, value 5
     Area per fixture 784.............................              5
     Schedule COMM-WALLHT, wall ht 10.0, value 1.00
     Wall height 100..................................              0

     Total points.....................................             75
     Quality factor...................................           0.90
     Total quality index..............      0.68
     Adjusted base rate...............     34.00


      EQUATION
      TOTAL POINTS X QUALITY FACTOR = QUALITY INDEX FACTOR
          75       X       .90      =           .68
               .68 X 50.00           = 34.00

      TOTAL EFFECTIVE AREA ÷ NO. OF FIXTURES = AREA PER FIXTURE
        3136         ÷      4           =       784
              POINTS ASSIGNED TO AREA 784 IS (5)

      EXTERIOR WALL POINTS X WALL HEIGHT FACTOR - EXTERIOR WALL
                    POINTS FOR WALL HEIGHT
             25            X         1.00       - 25 = 0


Section 1, type BAS BASE AREA

     Schedule BASE-PCT, type BAS, model COMM, value 1.00
     Section actual area is...........................          3,136
     Section effective area is........................          3,136
     Section initial value area x rate................        106,624
     Section undepreciated value......................        106,624
     Schedule PHYS-TBL, use/cond 10BA, value PHYS-06
     Schedule PHYS-06, age 59, value 70
     Physical depreciation percent 70.................        -74,637
     Functional depreciation percent 20...............         -6,397
     Economic depreciation percent 20.................         -5,118

Total undepreciated section value.....................        106,624
Total depreciated section value.......................         20,472

Total undepreciated building value....................        106,624
Total depreciated building value......................         20,472

Total building value .................................         20,472

Total parcel value is ................................         27,448
```

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Multi-Family

Detail calculation report for parcel 4701-40-2029-00

Land segment 1, method A BY THE ACRE, type 5012 HOMESITE/PR/FAIR

     Schedule LAND-ACRE, seg type 5012, value 13500
     Unit price.....................................          13,500
     Adjustment factor..............................               0
     Adjusted unit price............................          13,500
     Number of acres................................            1.73
     Initial segment value..........................          23,355

Total land segment 1................................          23,355
Total land deferment 1..............................               0


Total land market value ............................          23,355
Total land    use value ............................          23,355

Building 1, method SFR SINGLE FAMILY RESIDENTIAL, use 01 SINGLE FAMILY
RESDNTL

     Schedule BASE-RATE, use 01, value 68.00
     Initial base rate, use 01......................           68.00
     Schedule SFR-FOUND, found 3, value 5
     Foundation 3...................................               5
     Schedule SFR-SUBF, subflr 1, value 0
     Subfloor 1.....................................               0
     Schedule SFR-EXTW, ext wall 10, value 28
     Exterior wall 10...............................              28
     Schedule SFR-RFS, roof strct 3, value 4
     Roof structure 3...............................               4
     Schedule SFR-RFC, roof cover 3, value 3
     Roof cover 3...................................               3
     Schedule SFR-HEAT, heating 30, value 4
     Heating fuel/type 30...........................               4
     Schedule A/C, method SFR, value 7
     Air conditioning...............................               7
     Schedule SFR-SHP, shape/dsgn 2, factor 1, value 1.00
     Shape/design 2.................................            1.00
     Schedule SFR-QUAL, qual A, value 1.00
     Quality code A.................................            1.00
     Schedule SFR-INTW, int wall 5, value 27
     Interior wall code 5...........................              27
     Schedule SFR-FLR, floor cvr 9, value 7
     Floor covering code 9..........................               7
     Floor covering code average ...................               7
     Interior wall code average ....................              27
     Bedrooms 3
     Full baths 1
```

```
Half baths 1
Schedule SFR-BB, bed/baths 311, value 10
Bed/bathrooms 311.................................          10
Schedule SFR-SIZE, heat sqft 1943, value 1.00
Size factor, heated sqft 1943.....................        1.00

Total points......................................          95
Quality factor....................................        1.00
```

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     Size factor, heated sqft.....................          1.00
     Shape/design.................................          1.00

     Total quality index.............      0.95
     Adjusted base rate..............     64.60



      EQUATIONS         FORMULA #1
      TOTAL POINTS X QUALITY FACTOR = QUALITY INDEX FACTOR
             95      X      1.00      =        0.95
                 .95 X 68.00 (BASE RATE) = 64.60

      TOTAL EFFECTIVE AREA ÷ NO. OF FIXTURES = AREA PER FIXTURE
             1943          ÷      6          =       324
            POINTS ASSIGNED TO AREA 324 IS (5)

      FORMULA #1 IS USED ONLY WITH BUILDING USE LISTED BELOW:
            03 GARDEN APARTMENT           09 TOWNHOUSE
            08 DUPLEX/TRIPLEX             39 HOTEL/MOTEL<3 STORIES

      *MUST HAVE FIXTURES
      *BEDROMMS AND BATHS WILL NOT CALCULATE VALUE
      *FIREPLACE CODE IS NEEDED



Section 1, type BAS BASE AREA

     Schedule BASE-PCT, type BAS, model SFR, value 1.00
     Section actual area is.........................          1,943
     Section effective area is......................          1,943
     Section initial value area x rate..............        125,518
     Schedule SFR-FIRE, fireplace 1, value 1, value 0
     Fireplace type 1...............................              0
     Section undepreciated value....................        125,518
     Schedule PHYS-TBL, use/cond 01A, value PHYS-A
     Schedule PHYS-A, age 44, value 49
     Physical depreciation percent 49...............        -61,504

Total undepreciated section value...................        125,518
Total depreciated section value.....................         64,014

Section 2, type FOP PORCH, OPEN, FINISHED

     Schedule BASE-PCT, type FOP, model SFR, value 0.35
     Section actual area is.........................            120
     Section effective area is......................             42
     Section initial value area x rate..............          2,713
     Section undepreciated value....................          2,713
```

```
     Physical depreciation percent 49.................          -1,329

Total undepreciated section value.....................           2,713
Total depreciated section value.......................           1,384

Section 3, type FST UTILITY, FINISHED

     Schedule BASE-PCT, type FST, model SFR, value 0.50
     Section actual area is...........................              48
     Section effective area is........................              24
     Section initial value area x rate................           1,550
     Section undepreciated value......................           1,550
     Physical depreciation percent 49.................            -760

Total undepreciated section value.....................           1,550
Total depreciated section value.......................             790

Total undepreciated building value....................         129,781
Total depreciated building value......................          66,188

Building 2, method OBXF OUTBLDG & EXTRA FEATURES, use X01 STORAGE


     Building square feet..............       120
     Quality code......................         F
     Schedule OBXF-RATE, use code X01, quality F, value 5.00
     Initial base rate, use X01.........     5.00
```

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Total undepreciated building value..... 0
Total depreciated building value..... 600

Building 3, method OBXF OUTBLDG & EXTRA FEATURES, use X10 CONCRETE PAVING

Building square feet..... 1,000
Quality code..... F
Schedule OBXF-RATE, use code X10, quality F, value 1.75
Initial base rate, use X10..... 1.75

Total undepreciated building value..... 0
Total depreciated building value..... 1,750

Building 4, method OBXF OUTBLDG & EXTRA FEATURES, use X02 GARAGE UNFINISHED

Building square feet..... 784
Quality code..... F
Schedule OBXF-RATE, use code X02, quality F, value 7.50
Initial base rate, use X02..... 7.50

Total undepreciated building value..... 0
Total depreciated building value..... 5,880

Building 5, method OBXF OUTBLDG & EXTRA FEATURES, use X03 CARPORT

Building square feet..... 280
Quality code..... F
Schedule OBXF-RATE, use code X03, quality F, value 5.50
Initial base rate, use X03..... 5.50

Total undepreciated building value
Total depreciated building value..... 1,540

Building 6, method SV SOUND VALUED, use X03 CARPORT

Total undepreciated building value
Total depreciated building value..... 2,400

Building 7, method SV SOUND VALUED, use X06 CHAIN LINK FENCE

Total undepreciated building value..... 0
Total depreciated building value..... 1,680

Total building value	80,038
Total parcel value is	103,393

```
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Single Family Residential

Detail calculation report for parcel 3870-52-8454-00

Land segment 1, method L BY THE LOT, type 0100 SINGLE FMLY RES

     Unit price.....................................          12,000
     Adjustment factor..............................               0
     Adjusted unit price............................          12,000
     Initial segment value..........................          12,000

Total land segment 1................................          12,000
Total land deferment 1..............................               0


Total land market value ............................          12,000
Total land    use value ............................          12,000

Building 1, method SFR SINGLE FAMILY RESIDENTIAL, use 01 SINGLE FAMILY
RESDNTL

     Schedule BASE-RATE, use 01, value 68.00
     Initial base rate, use 01......................           68.00
     Schedule SFR-FOUND, found 3, value 5
     Foundation 3...................................               5
     Schedule SFR-SUBF, subflr 4, value 4
     Subfloor 4.....................................               4
     Schedule SFR-EXTW, ext wall 20, value 32
     Exterior wall 20...............................              32
     Schedule SFR-RFS, roof strct 3, value 4
     Roof structure 3...............................               4
     Schedule SFR-RFC, roof cover 3, value 3
     Roof cover 3...................................               3
     Schedule SFR-HEAT, heating 33, value 4
     Heating fuel/type 33...........................               4
     Schedule SFR-SHP, shape/dsgn 2, factor 1, value 1.00
     Shape/design 2.................................            1.00
     Schedule SFR-QUAL, qual A, value 1.00
     Quality code A.................................            1.00
     Schedule SFR-INTW, int wall 5, value 27
     Interior wall code 5...........................              27
     Schedule SFR-FLR, floor cvr 12, value 12
     Floor covering code 12.........................              12
     Floor covering code average ...................              12
     Interior wall code average ....................              27
     Bedrooms 3
     Full baths 1
     Half baths 0
     Schedule SFR-BB, bed/baths 310, value 8
     Bed/bathrooms 310..............................               8
     Schedule SFR-SIZE, heat sqft 975, value 1.12
```

Size factor, heated sqft 975		1.12
Total points		99
Quality factor		1.00
Size factor, heated sqft		1.12
Shape/design		1.00
Total quality index	1.11	

```
PROPERTY APPRAISAL                                        EDGECOMBE
COUNTY                                                DATE 05/12/08
RTA41RC                                      Compute Detail Calculations
REVALUATION cycle                                 PAGE        2
================================================================================
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     Adjusted base rate.................     75.48

Section 1, type BAS BASE AREA

     Schedule BASE-PCT, type BAS, model SFR, value 1.00
     Section actual area is.............................            975
     Section effective area is..........................            975
     Section initial value area x rate..................         73,593
     Schedule SFR-FIRE, fireplace 1, value 1, value 0
     Fireplace type 1...................................              0
     Section undepreciated value........................         73,593
     Schedule PHYS-TBL, use/cond 01A, value PHYS-A
     Schedule PHYS-A, age 34, value 39
     Physical depreciation percent 39...................        -28,701

Total undepreciated section value.......................         73,593
Total depreciated section value.........................         44,892

Section 2, type STP STOOP

     Schedule BASE-PCT, type STP, model SFR, value 0.10
     Section actual area is.............................             20
     Section effective area is..........................              2
     Section initial value area x rate..................            151
     Section undepreciated value........................            151
     Physical depreciation percent 39...................            -59

Total undepreciated section value.......................            151
Total depreciated section value.........................             92

Section 3, type FOP PORCH, OPEN, FINISHED

     Schedule BASE-PCT, type FOP, model SFR, value 0.35
     Section actual area is.............................             80
     Section effective area is..........................             28
     Section initial value area x rate..................          2,113
     Section undepreciated value........................          2,113
     Physical depreciation percent 39...................           -824

Total undepreciated section value.......................          2,113
Total depreciated section value.........................          1,289

Total undepreciated building value......................         75,857
Total depreciated building value........................         46,273

Building 2, method OBXF OUTBLDG & EXTRA FEATURES, use X06 CHAIN LINK
FENCE


     Building square feet...............       390
```

```
     Quality code.....................          F
     Schedule OBXF-RATE, use code X06, quality F, value 6.00
     Initial base rate, use X06.....      6.00

Total undepreciated building value.....                    0
Total depreciated building value.....                  2,340
```

```
PROPERTY APPRAISAL                                          EDGECOMBE
COUNTY                                                DATE 05/12/08
RTA41RC                                        Compute Detail Calculations
REVALUATION cycle                                   PAGE        3
================================================================================
================================================================================

Building 3, method OBXF OUTBLDG & EXTRA FEATURES, use X01 STORAGE


     Building square feet.............       240
     Quality code.....................         A
     Schedule OBXF-RATE, use code X01, quality A, value 7.00
     Initial base rate, use X01.....      7.00

Total undepreciated building value
Total depreciated building value.....                          1,680

Building 4, method SV SOUND VALUED, use X01 STORAGE


Total undepreciated building value
Total depreciated building value.....                            600

Total building value ................................         50,893

Total parcel value is ...............................         62,893



      EQUATION
      TOTAL POINTS X QUALITY FACTOR X SIZE FACTOR X SHAPE & DESIGN
FACTOR
                     = QUALITY INDEX FACTOR
           99      X    1.00        X    1.12     X   1.00 = 1.11 (QIF)

            1.11 X 68.00 (BASE RATE) = 75.48 (ABR)


      *MUST HAVE SHAPE & DESIGN FACTOR AND PERCENTAGE OF AREA HEATED.
```

COUNTY SPECIFICATIONS

LAND SCHEDULES

PARCEL NUMBER CONVENTIONS

The following is the format of the County parcel number as required for coding all input data.

This number is edited to help prevent incorrect data from reaching the Master Appraisal File. In addition, proper use of this format on the Tax Roll File will enable the Master Appraisal File and Tax Roll Files to be matched for automated transfer of data between these two computer files.

Parcel Identification Numbers (PINs) are based on the NC State Planes Coordinate System and indicate the physical location of that parcel rather than being based on sequential numbers like previous mapping systems.

4755-78-9876-00
MAP-BLK-LOT-LH

MAP – Map – a 4-digit numeric field indicating which 10,000 X 10,000 ft map grid within the county the parcel is located in. Maps in Edgecombe County will begin with 37xx, 38xx, 47xx, or 48xx.

Maps in urban or highly developed rural areas may have submaps, which although important in locating a parcel, are not included in the PIN number. Submaps may be noted by placing a decimal after the map number for reference but should not be used when entering data into the Tax Database. Submaps with a .01-.04 indicate maps of a 1":200' scale and those with .05-.20 indicate a 1":100' scale. Base maps (those without a submap indicated) are a scale of 1":100'.

BLK – Block – a 2-digit numeric field. This number can be any 2-digit number from 00 to 99 inclusive. Indicates which part of the map the parcel is found.

LOT – Lot – a 4-digit numeric field marking the specific parcel within the block.

LH – Leasehold – the last 2 digits of the PIN are usually – 00 which indicates the land itself and any improvements thereupon which belong to the owner of the land. PINs ending in -01 to -98 will indicate Real Property located on the leased land. A PIN ending in -99 indicates that there is some question related to the ownership of the property.

TOWNSHIP NUMBER – Is located directly below the Parcel Number.

DEPTH	DEPTH FACTOR
10-12	0.26
13-16	0.33
17-20	0.40
21-24	0.45
25-28	0.50
29-32	0.55
33-36	0.59
37-40	0.63
41-44	0.67
45-48	0.70
49-52	0.72
53-55	0.75
56-59	0.78
60-63	0.81
64-67	0.83
68-71	0.85
72-75	0.87
76-79	0.89
80-83	0.91
84-87	0.93
88-91	0.95
92-95	0.97
96-98	0.98
99-101	1.00
102-103	1.02
104-106	1.03
107-110	1.04
111-114	1.05
115-118	1.06
119-122	1.07
123-128	1.09
129-134	1.11
135-140	1.12
141-146	1.14
147-152	1.15
153-158	1.16
159-164	1.17
165-169	1.18
170-175	1.19
176-181	1.20
182-187	1.20
188-193	1.21
194-199	1.22
200-9999	1.22

MODEL 01 LAND DEPTH TABLE

100 Feet Standard Depth

DEPTH	DEPTH FACTOR
10-12	0.18
13-17	0.25
18-22	0.29
23-27	0.36
28-32	0.41
33-37	0.46
38-42	0.51
43-47	0.55
48-52	0.59
53-57	0.62
58-62	0.65
63-67	0.69
68-72	0.72
73-77	0.74
78-82	0.77
83-87	0.79
88-92	0.81
93-97	0.83
98-102	0.85
103-107	0.87
108-112	0.89
113-117	0.91
118-122	0.93
123-127	0.94
128-132	0.96
133-137	0.97
138-142	0.98
143-147	0.99
148-152	1.00
153-157	1.01
158-162	1.03
163-167	1.03
168-172	1.04
173-177	1.05
178-182	1.05
183-187	1.06
188-192	1.07
193-197	1.07
198-205	1.07
206-215	1.08
216-225	1.09
226-235	1.10
236-245	1.10
246-255	1.11
256-265	1.12
266-275	1.12
276-285	1.13
286-295	1.13

MODEL 02 LAND DEPTH TABLE

150 Feet Standard Depth

296-310	1.14
311-330	1.15
331-350	1.16
351-370	1.16
371-390	1.17
391-410	1.17
411-430	1.18
431-450	1.18
451-470	1.18
471-490	1.19
491-510	1.19
511-530	1.20
531-550	1.20
551-570	1.21
571-590	1.21
591-9999	1.22

MODEL 03 LAND DEPTH TABLE

200 Feet Standard Depth

DEPTH	DEPTH FACTOR
10-12	0.14
13-17	0.19
18-22	0.25
23-27	0.30
28-32	0.34
33-37	0.37
38-42	0.41
43-47	0.45
48-52	0.49
53-57	0.52
58-62	0.55
63-67	0.55
68-72	0.60
73-77	0.63
78-82	0.65
83-87	0.68
88-92	0.70
93-97	0.72
98-102	0.74
103-107	0.76
108-112	0.78
113-117	0.80
118-122	0.82
123-127	0.83
128-132	0.85
133-137	0.86
138-142	0.88
143-147	0.89
148-152	0.90
153-157	0.92
158-162	0.93
163-167	0.94
168-172	0.95
173-177	0.96
178-182	0.97
183-187	0.97
188-192	0.98
193-197	0.99
198-202	1.00
203-207	1.01
208-212	1.02
213-217	1.02
218-222	1.02
223-227	1.03
228-232	1.03
233-237	1.04
238-242	1.05
243-247	1.05

248-252	1.05
253-257	1.06
258-262	1.06
263-267	1.06
268-272	1.07
273-277	1.07
278-282	1.07
283-287	1.08
288-291	1.08
293-297	1.08
298-305	1.08
306-315	1.09
316-325	1.09
326-335	1.10
336-345	1.10
346-355	1.11
356-365	1.11
366-375	1.12
376-385	1.12
386-395	1.13
396-410	1.13
411-430	1.14
431-450	1.14
451-470	1.15
471-490	1.16
491-510	1.16
511-530	1.16
531-550	1.16
551-570	1.17
571-590	1.17
591-9999	1.17

PAVED ROAD / OPEN													
		EXCL	CODE	GOOD	CODE	AVG	CODE	FAIR	CODE	POOR	CODE	VP	CODE
1	ACRE	20000	5E11	18000	5G11	17000	5A11	16000	5F11	15000	5P11	13000	5V11
2	ACRE	16000	5E12	14500	5G12	12500	5A12	11500	5F12	10500	5P12	9500	5V12
3	ACRE	12000	5E13	10000	5G13	9000	5A13	8500	5F13	8000	5P13	7000	5V13
4	ACRE	9000	5E14	8500	5G14	7500	5A14	6500	5F14	6000	5P14	5000	5V14
5	-10	8000	5E15	7500	5G15	6500	5A15	5500	5F15	5000	5P15	4000	5V15
11	-20	7000	5E16	6000	5G16	5000	5A16	4500	5F16	4000	5P16	3000	5V16
21	-50	5000	5E17	4500	5G17	4000	5A17	3500	5F17	3000	5P17	2500	5V17
51	-100	4500	5E18	4000	5G18	3500	5A18	3000	5F18	2500	5P18	2000	5V18
100 +		4500	5E19	4000	5G19	3500	5A19	3000	5F19	2500	5P19	2000	5V19

GRAVEL ACCESS/ROAD / OPEN													
		EXCL	CODE	GOOD	CODE	AVG	CODE	FAIR	CODE	POOR	CODE	VP	CODE
1	ACRE	18000	5E21	17000	5G21	16000	5A21	15000	5F21	13000	5P21	11000	5V21
2	ACRE	14500	5E22	12500	5G22	11500	5A22	10500	5F22	9500	5P22	8500	5V22
3	ACRE	10000	5E23	9000	5G23	8500	5A23	8000	5F23	7000	5P23	6000	5V23
4	ACRE	8500	5E24	7500	5G24	6500	5A24	6000	5F24	5000	5P24	4000	5V24
5	-10	7500	5E25	6500	5G25	5500	5A25	5000	5F25	4000	5P25	3000	5V25
11	-20	6000	5E26	5000	5G26	4500	5A26	4000	5F26	3000	5P26	2000	5V26
21	-50	4500	5E27	4000	5G27	3500	5A27	3000	5F27	2500	5P27	1800	5V27
51	-100	4000	5E28	3500	5G28	3000	5A28	2500	5F28	2000	5P28	1500	5V28
100 +		4000	5E29	3500	5G29	3000	5A29	2500	5F29	2000	5P29	1500	5V29

NO ACCESS/ROAD (LANDLOCKED) / OPEN													
		EXCL	CODE	GOOD	CODE	AVG	CODE	FAIR	CODE	POOR	CODE	VP	CODE
1	ACRE	12000	5E31	11000	5G31	9000	5A31	6500	5F31	4000	5P31	2000	5V31
2	ACRE	8500	5E32	7500	5G32	5500	5A32	5500	5F32	2000	5P32	1500	5V32
3	ACRE	7500	5E33	6500	5G33	5000	5A33	4500	5F33	1500	5P33	1000	5V33
4	ACRE	6000	5E34	5500	5G34	4000	5A34	3500	5F34	1000	5P34	800	5V34
5	-10	5000	5E35	4000	5G35	3000	5A35	2000	5F35	900	5P35	750	5V35
11	-20	3500	5E36	3000	5G36	2500	5A36	1500	5F36	800	5P36	750	5V36
21	-50	2500	5E37	2500	5G37	2000	5A37	1200	5F37	750	5P37	750	5V37
51	-100	2000	5E38	2000	5G38	1500	5A38	1000	5F38	750	5P38	750	5V38
100 +		2000	5E39	1500	5G39	1000	5A39	1000	5F39	750	5P39	750	5V39

PAVED ROAD /WOODED/FORESTRY													
		EXCL	CODE	GOOD	CODE	AVG	CODE	FAIR	CODE	POOR	CODE	VP	CODE
1	ACRE	20000	6E11	18000	6G11	15000	6A11	12000	6F11	10000	6P11	8000	6V11
2	ACRE	15000	6E12	12000	6G12	10000	6A12	8000	6F12	7000	6P12	6000	6V12
3	ACRE	12000	6E13	10000	6G13	8000	6A13	6500	6F13	5000	6P13	4500	6V13
4	ACRE	10000	6E14	7000	6G14	7000	6A14	5000	6F14	4000	6P14	3500	6V14
5	-10	7500	6E15	5500	6G15	5000	6A15	3500	6F15	3000	6P15	2500	6V15
11	-20	5500	6E16	4000	6G16	3000	6A16	2000	6F16	2000	6P16	2000	6V16
21	-50	3500	6E17	3000	6G17	2000	6A17	1500	6F17	1000	6P17	1000	6V17
51	-100	2000	6E18	2000	6G18	1200	6A18	1100	6F18	800	6P18	800	6V18
100 +		1500	6E19	1500	6G19	1000	6A19	950	6F19	650	6P19	600	6V19
GRAVEL ACCESS/ROAD / WOODED/FORESTRY													
		EXCL	CODE	GOOD	CODE	AVG	CODE	FAIR	CODE	POOR	CODE	VP	CODE
1	ACRE	16000	6E21	14500	6G21	12500	6A21	10500	6F21	5200	6P21	5000	6V21
2	ACRE	12000	6E22	9500	6G22	8500	6A22	8000	6F22	4700	6P22	4000	6V22
3	ACRE	10000	6E23	7500	6G23	6500	6A23	6000	6F23	3200	6P23	3000	6V23
4	ACRE	8000	6E24	6000	6G24	4500	6A24	4500	6F24	2200	6P24	2000	6V24
5	-10	6000	6E25	5000	6G25	3500	6A25	3000	6F25	1800	6P25	1500	6V25
11	-20	4500	6E26	3500	6G26	2500	6A26	1800	6F26	1200	6P26	1000	6V26
21	-50	3000	6E27	2000	6G27	2000	6A27	1200	6F27	950	6P27	800	6V27
51	-100	2000	6E28	1200	6G28	1500	6A28	900	6F28	750	6P28	600	6V28
100 +		1400	6E29	1000	6G29	1000	6A29	700	6F29	6000	6P29	500	6V29
NO ACCESS/ROAD (LANDLOCKED) / WOODED/FORESTRY													
		EXCL	CODE	GOOD	CODE	AVG	CODE	FAIR	CODE	POOR	CODE	VP	CODE
1	ACRE	12000	6E31	10000	6G31	7500	6A31	5000	6F31	2000	6P31	1000	6V31
2	ACRE	6200	6E32	5400	6G32	5300	6A32	3000	6F32	1000	6P32	800	6V32
3	ACRE	4800	6E33	4500	6G33	3500	6A33	2000	6F33	800	6P33	700	6V33
4	ACRE	3500	6E34	3500	6G34	2000	6A34	1500	6F34	600	6P34	600	6V34
5	-10	2500	6E35	2500	6G35	1500	6A35	1000	6F35	500	6P35	500	6V35
11	-20	1700	6E36	1300	6G36	1000	6A36	600	6F36	400	6P36	350	6V36
21	-50	1000	6E37	800	6G37	600	6A37	400	6F37	300	6P37	300	6V37
51	-100	850	6E38	600	6G38	500	6A38	300	6F38	250	6P38	250	6V38
100 +		600	6E39	400	6G39	400	6A39	300	6F39	200	6P39	200	6V39

RURAL HOMESITES – 50

PAVED ROAD – 11

DESCRIPTION	1.0 ACRE		LOT	
	RATE	CODE	RATE	CODE
GOOD	20000	5010	19000	5014
AVERAGE	18000	5011	16000	5015
FAIR	15500	5012	14000	5016
POOR	13500	5013	12500	5017

DIRT ROAD – 21

DESCRIPTION	1.0 ACRE		LOT	
	RATE	CODE	RATE	CODE
GOOD	18000	5020	17000	5024
AVERAGE	16000	5021	14000	5025
FAIR	14000	5022	12000	5026
POOR	12000	5023	9500	5027

NO ROAD – 31

DESCRIPTION	1.0 ACRE		LOT	
	RATE	CODE	RATE	CODE
GOOD	15000	5030	14000	5034
AVERAGE	13000	5031	12000	5035
FAIR	10000	5032	9000	5036
POOR	8000	5033	7000	5037

PONDS – LAKES - Same as adjoining land

Values will be adjusted by the appraiser for any influences such as location, frontage, topography, shape, right of way and any other influences as deemed appropriate.

EDGECOMBE COUNTY LAND VALUE RANGE

MULTI-FAMILY

Front Foot:	$5.00 per front foot - $500 per front foot
Acreage:	$100 per acre - $125,000 per acre
Lot:	$100 per lot - $100,000 per lot
Square Foot:	$.05 per square foot - $3.50 per square foot

COMMERCIAL

Front Foot:	$10.00 per front foot - $1,200 per front foot
Acreage:	$150 per acre - $1,000,000 per acre
Lot:	$100 per lot - $750,000 per lot
Square Foot:	$.10 per square foot - $25.00 per square foot

INDUSTRIAL

Front Foot:	$5.00 per front foot - $850 per front foot
Acreage:	$100 per acre - $200,000 per acre
Lot:	$100 per lot - $150,000 per lot
Square Foot:	$.10 per square foot - $15.00 per square foot

RESIDENTIAL / RURAL

Front Foot:	$5.00 per front foot - $500 per front foot
Acreage:	$100 per acre - $250,000 per acre
Lot:	$100 per lot - $250,000 per lot

LAND USE CODE
RESIDENTIAL

CODE	DESRIPTION
0100	Single Family Residential
0102	Single Family Residential Canal
0103	Single Family Residential River
0104	Single Family Residential Inland Waterway
0105	Single Family Residential 2nd Row
0106	Single Family Residential 3rd Row
0107	Single Family Residential Ocean
0108	Single Family Residential Marsh
0109	Single Family Residential Riparian Rights
0110	Single Family Residential Rural Acreage
0120	Single Family Residential Mountain View
0130	Single Family Residential Water Frontage
0140	Single Family Residential Golf Course Frontage
0150	Single Family Residential Water Access
0156	Single Family Residential Waterfalls
0160	Single Family Residential Sound
0170	Single Family Residential Beach
0180	Single Family Residential Bay
0200	Mobile Home Subdivision
0201	Mobile Home Site
0210	Mobile Home Park
0220	Recreational Vehicle Park
0300	Garden Apartments
0302	Garden Apartments Canal
0303	Garden Apartments River
0304	Garden Apartments Inland Waterway
0305	Garden Apartments 2nd Row
0306	Garden Apartments 3rd Row

LAND USE CODE
RESIDENTIAL CONTINUED

CODE	DESCRIPTION
0307	Garden Apartments Ocean
0308	Garden Apartments Marsh
0309	Garden Apartments Riparian Rights
0310	Garden Apartments Rural Acreage
0320	Garden Apartments Mountain View
0330	Garden Apartments Water Frontage
0340	Garden Apartments Golf Course View
0356	Garden Apartments Waterfalls
0360	Garden Apartments Sound
0370	Garden Apartments Beach
0380	Garden Apartments Bay
0400	Condominium
0401	Condominium Common Area
0402	Condominium Canal
0403	Condominium River
0404	Condominium Inland Waterway
0405	Condominium 2nd Row
0406	Condominium 3rd Row
0407	Condominium Ocean
0408	Condominium Marsh
0409	Condominium Riparian Rights
0410	Condominium Rural Acreage
0420	Condominium Mountain View
0430	Condominium Water Frontage
0440	Condominium Golf Course Frontage
0456	Condominium Waterfalls
0460	Condominium Sound
0470	Condominium Beach

LAND USE CODE
RESIDENTIAL CONTINUED

CODE	DESCRIPTION
0480	Condominium Bay
0500	Patio Homes
0502	Patio Homes Canal
0503	Patio Homes River
0504	Patio Homes Inland Waterway
0505	Patio Homes 2nd Row
0506	Patio Homes 3rd Row
0507	Patio Homes Ocean
0508	Patio Homes Marsh
0509	Patio Homes Riparian Rights
0510	Patio Homes Rural Acreage
0520	Patio Homes Mountain View
0530	Patio Homes Water Frontage
0540	Patio Homes Golf Course Frontage
0556	Patio Homes Waterfalls
0560	Patio Homes Sound
0570	Patio Homes Beach
0580	Patio Homes Bay
0600	Condominium High Rise
0602	Condominium High Rise Canal
0603	Condominium High Rise River
0604	Condominium High Rise Inland Waterway
0605	Condominium High Rise 2nd Row
0606	Condominium High Rise 3rd Row
0607	Condominium High Rise Ocean
0608	Condominium High Rise Marsh
0609	Condominium High Rise Riparian Rights

LAND USE CODE
RESIDENTIAL CONTINUED

CODE	DESCRIPTION
0610	Condominium High Rise Rural Acreage
0620	Condominium High Rise Mountain View
0630	Condominium High Rise Water Frontage
0640	Condominium High Rise Golf Course Frontage
0656	Condominium High Rise Waterfalls
0660	Condominium Sound
0670	Condominium Beach
0680	Condominium Bay
0700	Blank
0800	Multi-Family Less Than 4 Units
0900	Townhouse
0902	Townhouse Canal
0903	Townhouse River
0904	Townhouse Inland Waterway
0905	Townhouse 2nd Row
0906	Townhouse 3rd Row
0907	Townhouse Ocean
0908	Townhouse Marsh
0909	Townhouse Riparian Rights
0910	Townhouse Rural Acreage
0920	Townhouse Mountain View
0930	Townhouse Water Frontage
0940	Townhouse Golf Course View
0956	Townhouse Waterfalls
0960	Townhouse Sound
0970	Townhouse Beach
0980	Townhouse Bay

LAND USE CODES

COMMERCIAL

CODE	DESCRIPTION
1000	Commercial
1100	Convenience Store
1200	Car Wash
1300	Department Store
1400	Supermarket
1500	Shopping Center (Regional)
1600	Shopping Center (Community)
1700	Office
1704	Office Condo
1800	Office, High Rise
1900	Medical Building
2000	Airports, Private, Commercial
2100	Restaurants and Cafeterias
2200	Fast Foods
2300	Financial Institutions (Banks, Savings & Loans, Mortgage)
2400	Office Condo
2500	Service Shops, Radio & TV Repair, Refrigerator Service, Paint Shops, Electric Repair, Laundries
2600	Service Station
2700	Auto Sales, Repair & Storage, Farm Machinery Sales & Service
2800	Parking
2900	Mini-Warehouses
3000	Laboratories
3100	Day Care Centers
3200	Theaters
3300	Night Clubs, Cocktail Lounges, Bars

LAND USE CODES

COMMERCIAL CONTINUED

CODE	DESCRIPTION	
3400	Bowling Alleys, Skating Rinks, Arenas	
3500	Tourist Attractions, Permanent Exhibits	
3600	Camps	
3601	Marina Land	
3700	Hotels, Motels – High Rise	
3800	Furniture Stores	
3900	Motels, 3 Floors or Less	
9800	Solar Farm Sites (Per Acres)	$11,000.00
9801	Cell Tower Site (Per Site up to one acre)	$40,000.00

LAND USE CODES
INDUSTRIAL

CODE	DESCRIPTION
4000	Industrial
4001	Fertilizer Plants
4100	Light Manufacturing
4200	Heavy Manufacturing
4300	Lumber Yards
4400	Packing Plants
4500	Bottlers, Breweries, Wineries, Canneries
4600	Food Processing
4601	Seafood Processing
4700	Mineral Processing, Borrow Pits, Gravel Pits
4800	Warehousing
4900	Open Storage

LAND USE CODES

CODE	DESCRIPTION
5000	Rural Homesite – LT
5010	Rural Homesite – PR – 1 ACRE
5011	Rural Homesite – PR – 1 ACRE
5012	Rural Homesite – PR – 1 ACRE
5013	Rural Homesite – PR – 1 ACRE
5014	Rural Homesite – PR – LOT
5015	Rural Homesite – PR – LOT
5016	Rural Homesite – PR – LOT
5017	Rural Homesite – PR – LOT
5020	Rural Homesite – DR – 1 ACRE
5021	Rural Homesite – DR – 1 ACRE
5022	Rural Homesite – DR – 1 ACRE
5023	Rural Homesite – DR – 1 ACRE
5024	Rural Homesite – DR – LOT
5025	Rural Homesite – DR – LOT
5026	Rural Homesite – DR – LOT
5027	Rural Homesite – DR – LOT
5030	Rural Homesite – NR – 1 ACRE
5031	Rural Homesite – NR – 1 ACRE
5032	Rural Homesite – NR – 1 ACRE
5033	Rural Homesite – NR – 1 ACRE
5034	Rural Homesite – NR – LOT
5035	Rural Homesite – NR – LOT
5036	Rural Homesite – NR – LOT
5037	Rural Homesite – NR – LOT
6600	Orchards, Groves
6610	Spoil Fill Area
6620	Endrom area of environmental concern
6630	Vacant

LAND USE CODES CONTINUED

CODE	DESCRIPTION
6640	Vacant
6700	Poultry, Bees, Tropical Fish
6800	Dairies, Feed Lots
6900	Vacant
6910	Vacant

LAND USE CODES

INSTITUTIONAL

CODE	DESCRIPTION
7000	Institutional
7100	Churches
7101	Assemblies
7102	Religious Offices
7200	Schools, Colleges, Private
7300	Hospitals, Private
7400	Homes for the Aged
7401	YMCA
7402	Veterans Housing
7403	Low Income Housing
7500	Orphanages
7600	Funeral (Mortuaries, Cemeteries, Crematorium, Mausoleums)
7700	Clubs, Lodges, Union Halls
7701	Civic Clubs and Organizations
7710	Yacht Clubs
7720	Retreats
7800	Country Clubs
7801	Par “3” Golf Courses
7802	Miniature Golf Courses
7803	Public Golf Courses – Regulation
7900	Vacant

LAND USE CODES

GOVERNMENT OWNED

CODE	DESCRIPTION
8100	Military
8200	Forests, Parks, Recreational Area
8300	Schools
8400	Colleges
8500	Hospitals
8600	Other County Property
8601	Water Plants
8602	Fire Departments
8603	Recycling
8604	County – Educational
8700	Other State (Marshland)
8701	State – Educational
8800	Other Federal
8900	Other Municipal
8901	Municipal Education
8902	Municipal Airport Authority
8903	Municipal Housing Authority

LAND USE CODES
MISCELLANEOUS

CODE	DESCRIPTION
9000	Leasehold Interest
9010	No Land Interest
9100	Utility (Gas, Electric, Telephone, Telegraph, Railroad)
9200	Mining
9300	Petroleum and Gas
9400	Right of Way
9411	Right of Way
9412	Right of Way
9413	Right of Way
9421	Right of Way
9422	Right of Way
9423	Right of Way
9431	Right of Way
9432	Right of Way
9433	Right of Way
9500	Submerged Land, Rivers, and Lakes
9501	Island
9600	Wasteland, Gullies, Flood Plain, Rock Outcrop
9611	Wasteland, Gullies, Flood Plain, Rock Outcrop
9612	Wasteland, Gullies, Flood Plain, Rock Outcrop
9613	Wasteland, Gullies, Flood Plain, Rock Outcrop
9621	Wasteland, Gullies, Flood Plain, Rock Outcrop
9622	Wasteland, Gullies, Flood Plain, Rock Outcrop
9623	Wasteland, Gullies, Flood Plain, Rock Outcrop
9631	Wasteland, Gullies, Flood Plain, Rock Outcrop
9632	Wasteland, Gullies, Flood Plain, Rock Outcrop

LAND USE CODES

MISCELLANEOUS CONTINUED

CODE	DESCRIPTION
9633	Wasteland, Gullies, Flood Plain, Rock Outcrop
9700	Mineral Rights
9710	Less Mineral Rights (Mineral Rights Taxed Elsewhere)
9800	Solar/Wind Farm Sites
9801	Cell Tower Sites
9900	Acreage Not Zoned Agricultural
9910	Market Value (Classified Ag)
9911	Not Ag Use
9912	Not Ag Use
9913	Not Ag Use
9921	Not Ag Use
9922	Not Ag Use
9923	Not Ag Use
9931	Not Ag Use
9932	Not Ag Use
9933	Not Ag Use

COUNTY SPECIFICATIONS

BUILDING SCHEDULES

EDGECOMBE COUNTY
PER SQUARE FOOT BASE RATES

USE CODE		NEW BASE RATES
01	Single Family Residential	$115.00
02	D/W Manufactured	$85.00
03	Garden Apartment	$110.00
04	Condominium	$110.00
05	Patio Homes	$110.00
06	Hi-Rise Condominium	$110.00
07	Single Family Split Level	$110.00
08	Duplex / Triplex	$110.00
09	Town House Apartment	$110.00
10	Commercial	$125.00
11	Convenience Store	$150.00
12	Car Wash	$95.00
13	Depart Store	$80.00
14	Super Market	$80.00
15	Shopping Center Mall	$75.00
16	Shopping Center Strip	$75.00
17	Office	$100.00
18	Office 5 Story	$100.00
19	Medical Building	$100.00
20	Medical Condominium	$100.00
21	Restaurants	$125.00
22	Fast Foods	$150.00
23	Banks	$130.00
24	Office Condominium	$110.00
25	Service Shops	$80.00
26	Service Stations	$100.00
27	Auto Sales / Repairs	$65.00
28	Parking Garage	$60.00
29	Mini Warehouse	$45.00
30	Laboratories	$135.00
31	Day Care Center	$110.00
32	Theaters	$100.00
33	Lounge	$90.00
34	Bowling Alley	$65.00
35	Tourist ATTR	$68.00
36	Camps	$58.00
37	Hotel / Motel > 3 Story	$90.00
38	Furniture Store	$75.00
39	Hotel / Motel < 3 Story	$80.00
40	Industrial	$70.00
41	Light Industrial	$65.00
42	Heavy Industrial	$110.00
43	Lumber Yard	$25.00
44	Pack Plant / Food Preparation	$90.00
45	Cigarette Manufacturing	$100.00
46	Bottle / Brewer	$110.00

47	Warehouse Condominium	$45.00
48	Warehouse	$40.00
49	Steel Frame Warehouse	$45.00
50	Rural, Homesite	$115.00
70	Institutional	$200.00
71	Churches	$150.00
72	Private School / College	$185.00
73	Private Hospital / Vet	$200.00
74	Homes for Aged	$110.00
75	Orphanages	$110.00
76	Mortician	$110.00
77	Clubs, Lodges	$80.00
78	Country Clubs	$100.00
79	Airport	$80.00
80	Marinas	$45.00
83	Public Schools	$180.00
84	Public Colleges	$180.00
85	Public Hospitals	$220.00
86	Other County	$125.00
87	Other State	$125.00
88	Other Federal	$125.00
89	Other Municipal	$125.00
91	Utilities	$120.00
92	Mining	$120.00
93	Petrol Gas	$120.00
94	Rehabilitation Center	$100.00
96	Modular Home	$90.00
97	Big Box Stores	$95.00
98	Drug Stores	$118.00
99	Hydro Car Wash	$110.00

TAXSCHEDX RV SCHEDULE OF VALUES

BASE-PCT Auxiliary area adjustment

Section Type		Single Fm Res	Mobile Home	Multi-Family	Office	Service Station	Ware-House	Commercial
APT	APARTMENT	1.00	0.00	1.00	0.80	0.80	2.00	1.20
UAT	ATTIC, UNFINISHED	0.10	0.00	0.10	0.10	0.10	0.10	0.10
FAT	ATTIC, FINISHED	0.70	0.00	0.40	0.40	0.40	0.40	0.40
BAS	BASE AREA	1.00	1.00	1.00	1.00	1.00	1.00	1.00
SFB	BASE, SEMI-FINI	0.80	0.50	0.50	0.80	0.85	0.85	0.85
FBM	BASEMENT, FINIS	0.50	0.00	0.35	0.70	0.70	0.60	0.70
OEB	BSMT, OPEN END	0.60	0.00	0.70	0.70	0.70	0.70	0.70
UBM	BASEMENT, UNFIN	0.20	0.00	0.20	0.35	0.35	0.50	0.40
FCB	CABANA, ENCLOSE	0.00	0.90	0.00	0.00	0.00	0.00	0.00
UCB	CABANA, ENCLOSE	0.00	0.70	0.00	0.00	0.00	0.00	0.00
CAN	CANOPY	0.10	0.10	0.30	0.30	0.30	0.30	0.30
CDN	CANOPY, DETACHE	0.15	0.15	0.35	0.35	0.35	0.35	0.35
FCP	CARPORT, FINISH	0.30	0.20	0.20	0.30	0.30	0.60	0.30
FDC	CARPORT, FINISH	0.30	0.20	0.20	0.40	0.40	0.50	0.40
UCP	CARPORT, UNFINI	0.20	0.10	0.10	0.20	0.20	0.40	0.20
UDC	CARPORT, UNFINI	0.20	0.10	0.10	0.30	0.30	0.30	0.30
FGR	GARAGE, FINISHE	0.45	0.40	0.40	0.60	0.60	0.60	0.65
FGD	GARAGE, FIN DOO	0.50	0.40	0.40	0.60	0.60	0.80	0.70
UGR	GARAGE, UNFINIS	0.30	0.30	0.30	0.40	0.40	0.40	0.50
UGD	GARAGE, UNFIN DO	0.35	0.35	0.35	0.45	0.45	0.45	0.60
LAB	LABORATORY	0.00	0.00	0.00	0.00	0.00	3.00	0.00
CLP	LOADING PLATFOR	0.00	0.00	0.00	0.30	0.30	0.60	0.30
ULP	LOADING PLATFOR	0.00	0.00	0.00	0.15	0.15	0.30	0.15
LLU	LOWER LEVEL UNF	0.20	0.00	0.30	0.30	0.00	0.00	0.00
LLS	LOWER LEVEL SEM	0.50	0.00	0.50	0.50	0.00	0.00	0.00
LLF	LOWER LEVEL FIN	0.75	0.00	0.90	0.90	0.00	0.00	0.00
MEZ	MEZZANINE	0.00	0.00	0.00	0.90	0.50	0.50	0.60
EOF	EXCELLENT OFFIC	1.20	0.00	1.20	1.30	1.30	2.50	1.40
AOF	OFFICE, AVERAGE	1.00	0.00	1.00	1.10	1.05	1.50	1.15
GOF	OFFICE, GOOD	1.10	0.00	1.10	1.20	1.20	2.00	1.30
PTO	PATIO	0.05	0.05	0.05	0.05	0.05	0.05	0.05
FEP	PORCH, ENCLOSED	0.70	0.70	0.70	0.80	0.80	0.80	0.80
UEP	PORCH, ENCLOSED	0.45	0.50	0.50	0.60	0.60	0.10	0.60
FOP	PORCH, OPEN, FI	0.35	0.30	0.35	0.30	0.30	0.50	0.40
UOP	PORCH, OPEN, UN	0.15	0.15	0.15	0.20	0.20	0.30	0.15
FSP	PORCH, SCREEN	0.40	0.50	0.50	0.50	0.50	0.20	0.50
USP	PORCH, SCREEN	0.20	0.30	0.30	0.40	0.40	0.50	0.40
FDS	PORCH, SCREEN	0.50	0.60	0.60	0.60	0.60	0.80	0.60
UDS	PORCH, SCREEN	0.30	0.30	0.30	0.40	0.40	0.40	0.40
RBM	BASEMENT RECREA	0.50	0.00	0.35	0.70	0.70	0.60	0.70
SPA	SERVICE PRODUCT	0.00	0.00	0.00	0.85	0.85	1.00	0.65

STP	STOOP	0.10	0.10	0.10	0.10	0.10	0.10	0.10
FST	UTILITY, FINISH	0.50	0.25	0.50	0.50	0.50	0.70	0.60
UST	UTILITY, STORAGE	0.45	0.20	0.45	0.40	0.40	0.50	0.50
SDA	STORE DISPLAY A	0.00	0.00	0.00	1.00	1.00	1.60	1.00
FUS	UPPER STORY, FI	0.90	0.00	0.90	1.00	1.00	1.00	1.00
UUS	UPPER STORY, UN	0.50	0.00	0.50	0.50	0.50	0.50	0.50
FUT	UTILITY FIN	0.55	0.25	0.50	0.50	0.50	0.70	0.60
FDU	UTILITY, FINISH	0.55	0.15	0.40	0.60	0.60	0.80	0.70
UUT	UTILITY UNFIN	0.50	0.20	0.45	0.40	0.40	0.50	0.50
UDU	UTILITY, UNFIN	0.50	0.15	0.30	0.30	0.30	0.60	0.60
WDD	WOOD DECK	0.20	0.20	0.20	0.15	0.20	0.50	0.15

MODEL - COMM
COMMERCIAL CONSTRUCTION

Foundation Code		Points
1	EARTH	0
2	PIERS	2
3	CONTINUOUS FOOTING	4
4	SPREAD FOOTING	5
5	SPECIAL FOOTING	13

Subfloor Code		Points
1	EARTH/NO SUB FLOOR	0
2	SLAB ON GRADE	6
3	SLAB ABOVE GRADE	8
4	PLYWOOD	6
5	WOOD	7
6	SLAB PLATFORM HEIGHT	11
7	STRUCTURAL SLAB	16

Exterior Wall		Points
01	SIDING MINIMUM	13
02	CORRUGATED METAL LIG	12
03	COMPO WALL BOARD	14
04	SINGLE SIDING NO SHT	16
05	ASBESTOS SHINGLE	16
06	BOARD & BATTEN ON PL	17
07	CORRUGATED ASBESTOS	18
08	MASONITE ON SHEATHIN	18
09	WD ON SHEATHING OR P	19
10	ALUMINUM/VINLY SIDI	20
11	CONCRETE BLOCK	18
12	STUCCO ON CONC. BLOCK	19
13	STUCCO ON TILE OR WO	19
14	SIDING AVERAGE	18
15	BOARD & BATTEN 12" B	18
16	WOOD SHINGLE/LOG	20
17	CEDAR/REDWOOD SIDING	22
18	SIDING MAXIMUM	22

Structural Frame		Points
01	NONE	0
02	WOOD FRAME	10
03	PREFAB	7
04	MASONRY	12
05	REINFORCED CONCRETE	17
06	STEEL	12
07	FIREPROOF STEEL	16
08	SPECIAL	20

Roof Structure		Points
01	FLAT	2
02	SHED	2
03	GABLE	3
04	HIP	4
05	GAMBREL/MANSARD	5
06	IRREGULAR/CATHEDRAL	5
07	WOOD TRUSS	5
08	IRREGULAR/WOOD TRUSS	5
09	RIGID FRM W/BAR JOIS	5
10	STEEL FRAME OR TRUSS	7
11	BOWSTRING TRUSS	6
12	REINFORCED CONCRETE	6
13	PRESTRESS CONCRETE	8

Roof Cover		Points
01	MIN (CORR OR SHEET M)	2
02	ROLLED COMPOSITION	2
03	ASPHALT/COMPOS SHING	5
04	BUILT UP TAR & GRAVE	7
05	CORRUGATED ASBESTOS	9
06	ASBESTOS SHINGLE	6
07	CONCRETE TILE/CLAY	7
08	CLAY TILE/CEDAR SHAK	14
09	ENAMEL METAL SHINGLE	15

19	CEMENT BRICK	20
20	COMMON BRICK	22
21	FACE BRICK	25
22	STONE	30
23	CORRUGATED METAL HEA	4
24	MODULAR METAL	5
25	REINFORCED CONCRETE	30
26	PRECAST PANEL	20
27	PREFINISHED METAL	30
28	GLASS/THERMOPANE	35

10	WOOD SHINGLE/310 SHN	12
11	SLATE	15
12	METAL	16

Ceiling and Insulation		Points
01	SUSPENDED CEIL INS	2
02	SUSPENDED WALL INC	3
03	SUS CL AND WALL INC	5
04	SUSPENDED NO INS	1
05	NOT SUS CEIL	1
06	NOT SUS WALL	3
07	NOT SUS CEIL & WALL	4
08	NOT SUS NO INS	0
09	ROOF INSULATION	1
10	WALL INSULATION	2
11	ROOF & WALL INSULATI	3
12	NO CEILING/INSULATIO	0

Area Per Fixture	Points
0-1159	5
1160-2249	4
2250-3249	3
3250-4999	2
5000-9999	1

MODEL - COMM
COMMERICAL CONSTRUCTION

Interior Wall		Points
1	MASONRY OR MINIMUM	8
2	WALL BOARD OR WOOD	10
3	PLASTERED	10
4	PLYWOOD PANEL	12
5	DRYWALL/SHEETROCK	12
6	CUSTOM INTERIOR	24

Floor Cover	Interior	Points
1	NONE	0
2	MIN. PLYWOOD, LINOLE	1
3	CONCRETE FINISHED	1
4	CONCRETE ABOVE GRADE	2
5	ASPHALT TILE	7
6	VINYL ASBESTOS	8
7	CORK OR VINYL TILE	10
8	SHEET VINYL	10
9	PINE OR SOFT WOODS	12
10	TERRAZO MONOLITHIC	10
11	CERAMIC CLAY TILE	30
12	HARDWOOD	20
13	PARQUET	22
14	CARPET	14
15	QUARRY OR HARD TILE	32
16	TERRAZO EPOXY STRIP	22
17	PRECAST CONCRETE	40
18	SLATE	35
19	MARBLE	40

Quality Code		Factor
M	MINIMUM	0.75
BA	BELOW AVERAGE	0.90
A	AVERAGE	1.00
AA	ABOVE AVERAGE	1.10
G	GOOD	1.25
E	EXCELLENT	1.40
F	FAIR	0.85

	HEATING FUEL TYPE	Points
11	NONE	0
20	OIL/WD/CO HEAT	8
22	OIL/WD/COAL BSBD	5
23	O/W/C AIR-NO DUCT	8
24	O/W/C AIR-DUCTED	10
25	O/W/C RADIANT CEIL	10
26	O/W/C HOTWATER	13
27	O/W/C STEAM	12
28	O/W/C RADIANT FLR	8
29	O/W/C RADIANT WTR	20
30	GAS HEAT PUMP	9
32	GAS BASEBOARD	6
33	GAS AIR-NO DUCT	9
34	GAS AIR-DUCTED	11
35	GAS RADIANT CEIL	11
36	GAS HOTWATER	14
37	GAS STEAM	13
38	GAS RADIANT FLR	9
39	GAS RADIANT WTR	21
40	ELECTRIC HEAT PUMP	9
42	ELECT BASEBOARD	6
43	ELECT AIR-NO DUCT	9
44	ELECT AIR-DUCTED	11
45	ELECT RADIANT CEIL	11
46	ELECT HOTWATER	14
47	ELECT STEAM	13
48	ELECT RADIANT FLR	9
49	ELECT RADIANT FLR	21
50	SOLAR HEAT PUMP	9
52	SOLAR BASEBOARD	6
53	SOLAR AIR-NO DUCT	9
54	SOLAR AIR-DUCTED	11
55	SOLAR RADIANT CEIL	11
56	SOLAR HOTWATER	14
57	SOLAR STEAM	13
58	SOLAR RADIANT FLR	9
59	SOLAR RADIANT WTR	21
	COMM/AC	12

Wall Height	Factor	
8-9.9	0.99	EQUATION:
10-11.9	1.00	
12-13.9	1.01	Total Points X Quality Code =
14-15.9	1.02	
16-9999	1.03	Quality Index Factor

MODEL MF-MULTI FAMILY
STRUCTURAL ELEMENT DATA

Foundation Code		Points
1	EARTH	0
2	PIERS	2
3	CONTINUOUS FOOTING	5
4	SPREAD FOOTING	6
5	SPECIAL FOOTING	10

Subfloor Code		Points
1	EARTH/NO SUB FLOOR	0
2	SLAB ON GRADE	6
3	SLAB ABOVE GRADE	7
4	PLYWOOD	3
5	WOOD	7
6	SLAB PLATFORM HEIGHT	8
7	STRUCTURAL SLAB	15

Exterior Wall		Points
01	SIDING MINIMUM	6
02	CORRUGATED METAL LIG	6
03	COMPO OR WALL BOARD	9
04	SINGLE SIDING NO SHT	14
05	ASBESTOS SHINGLE	24
06	BOARD & BATTEN ON PL	25
07	CORRUGATED ASBESTOS	21
08	MASONITE ON SHEATIN	26
09	WD ON SHEATHING OR P	26
10	ALUMINUMN/VINYL SIDI	27
11	CONCRETE BLOCK	20
12	STUCCO ON CONC BLOC	21
13	STUCCO ON TILE OR WO	22
14	SIDING AVERAGE	26
15	BOARD & BATTEN 12" B	26
16	WOOD SHINGLE/LOG	27
17	CEDAR/REDWOOD SIDING	30
18	SIDING MAXIMUM	30
19	CEMENT BRICK	25
20	COMMON BRICK	29
21	FACE BRICK	30
22	STONE	35
23	CORRUGATED METAL HEA	1
24	MODULAR METAL	30

Structural Frame		Points
01	NONE	0
02	WOOD FRAME	3
03	PREFAB	2
04	MASONRY	4
05	REINFORCED CONCRETE	11
06	STEEL	16
07	FIREPROOF STEEL	12
08	SPECIAL	16

Roof Structure		Points
01	FLAT	1
02	SHED	1
03	GABLE	2
04	HIP	3
05	GAMBREL/MANSARD	4
06	IRREGULAR/CATHEDRAL	5
07	WOOD TRUSS	3
08	IRREGULAR/WOOD TRUSS	5
09	RIGID FRM W/BAR JOIS	4
10	STEEL FRAME OR TRUSS	5
11	BOWSTRING TRUSS	4
12	REINFORCED CONCRETE	5
13	PRESTRESS CONCRETE	6

Roof Cover		Points
01	MIN (CORR OR SHEET M)	1
02	ROLLED COMPOSITION	1
03	ASPHALT/COMPOS SHING	2
04	BUILT UP TAR & GRAVE	2
05	CORRUGATED ASBESTOS	8
06	ASBESTOS SHINGLE	5
07	CONCRETE TILE/CLAY	6
08	CLAY TILE/CEDAR SHAK	8
09	ENAMEL METAL SHINGLE	12
10	WOOD SHINGLE/310 SHN	4
11	SLATE	9
12	METAL	4

25	REINFORCED CONCRETE	40
26	PRECAST PANEL	40
27	PREFINISHED METAL	50
28	GLASS/THERMOPANE	60

Ceiling and Insulation		Points
01	SUSPENDED CEIL INS	1
02	SUSPENDED WALL INS	1
03	SUS CL AND WALL INS	2
04	SUSPENDED NO INS	0
05	NOT SUS CEIL	1
06	NOT SUS WALL	1
07	NOT SUS CEIL & WALL	2
08	NOT SUS NO INS	0
09	ROOF INSULATION	0
10	WALL INSULATION	0
11	ROOF & WALL INSULATI	0
12	NO CEILING/INSULATIO	0

Area Per Fixture	Points
0 - 99	14
100 - 149	12
150 - 189	10
190 - 229	8
230 - 269	7
270 - 309	6
310 - 349	5
350 - 449	4
450-9999	3

MODEL MF- MULTI FAMILY
STRUCTURAL ELEMENT DATA
03 AND 09

Interior Wall		Point
1	Masonry or Minimum	15
2	Wall Board or Wood	16
3	Plastered	27
4	Plywood Panel	22
5	Drywall / Sheetrock	27
6	Custom Interior	35

Heating Fuel Type		Point
11	NONE	0
20	OIL / WD / CO HEAT PUMP	2
22	OIL / WD / CO HEAT BSBD	2
23	O / W / C AIR-NO DUCT	2
24	O / W / C AIR-DUCTED	3
25	O / W / C RADIANT CEIL	3
26	O / W / C HOTWATER	4
27	O / W / C STEAM	4
28	O / W / C RADIANT FLR	2
29	O / W / C RADIANT WTR	6
30	GAS HEAT PUMP	3
32	GAS BASEBOARD	3
33	GAS AIR-NO DUCT	3
34	GAS AIR-DUCTED	4
35	GAS RADIANT CEIL	4
36	GAS HOTWATER	5
37	GAS STEAM	5
38	GAS RADIANT FLR	3
39	GAS RADIANT WTR	7
40	ELECTRIC HEAT PUMP	2
42	ELECTRIC BASEBOARD	2
43	ELECTRIC AIR-NO DUCT	2
44	ELECTRIC AIR- DUCTED	4
45	ELECTRIC RADIANT CEIL	4
46	ELECTRIC HOTWATER	5
47	ELECTRIC STEAM	5
48	ELCETRIC RADIANT FLR	3
49	ELECTRIC RADIANT WTR	7
50	SOLAR HEAT PUMP	3
52	SOLAR BASEBOARD	3
53	SOLAR AIR-NO DUCT	3
54	SOLAR AIR-DUCTED	4
55	SOLAR RADIANT CEIL	4
56	SOLAR HOTWATER	5
57	SOLAR STEAM	5
58	SOLAR RADIANT FLR	3

Fireplace Description Value

Type		
1	None	0
2	Prefab	600
3	1 Story SGL	1000
4	2 ST/1st DB	1500
5	2 or more	2000
6	Massive	1800
7	>2 Massive	3600

Size Factor

Heated Sq. Ft.	Size Factor
0-99	1.00
100-599	1.15
600-799	1.10
800-999	1.06
1000-1199	1.04
1200-1399	1.02
1400-1799	1.00
1800-2199	1.00
2200-2599	1.00
2600-2799	1.00
2800-2999	1.00
99999999	1.00

Quality

Code		Factor
M-	Minimum Minus	0.60
M	Minimum Average	0.65
M+	Minimum Plus	0.70
BA-	Below Average Minus	0.87
BA	Below Average	0.90
BA+	Below Average Plus	0.95
A-	Average Minus	0.97
A	Average	1.00
Average+	Average Plus	1.05
AA-	Above Average Minus	1.07
AA	Above Average	1.10
AA+	Above Average Plus	1.15
G-	Good Minus	1.20
G	Good	1.25
G+	Good Plus	1.30
E-	Excellent Minus	1.35
E	Excellent	1.40
E+	Excellent Plus	1.45

59	SOLAR RADIANT WTR	7
	MH-AC	9

MODEL MF- MULTI FAMILY
STRUCTURAL ELEMENT DATA

Interior

	Floor Cover	Point
01	NONE	0
02	Min. Plywood, Linoleum	1
03	Concrete Finished	4
04	Concrete Above Grade	11
05	Asphalt Tile	3
06	Vinyl Asbestos	4
07	Cork or Vinyl Tile	5
08	Sheet Vinyl	5
09	Pine or Soft Woods	6
10	Terrazzo Monolithic	5
11	Ceramic Clay Tile	14
12	Hardwood	12
13	Parquet	10
14	Carpet	10
15	Quarry or Head Tile	14
16	Terrazzo Epoxy Strip	11
17	Precast Concrete	20
18	Slate	14
19	Marble	30

TASCHEDX RV SCHEDULE OF VALUES
MF BED / BATH POINTS SCHEDULE

BED: FULL BTH 1/2 BATHS	Points
0	0
100	0
101	2
110	4
111	6
199	6
200	0
201	3
210	6
211	7
220	8
221	9
299	9
300	1
301	4
310	8
311	10
320	12
321	13
330	15
399	15
400	2

MF -	03	Garden Apartments
	08	Duplex / Triplex
	09	Townhouse
	39	Hotel / Metal < 3 STYS

MF -	04	Condo
	06	High Rise Condo

EQUATION:
Total Points X Quality Code = Quality Index Factor

*Must have fixtures bedrooms & baths will not calculate

EQUATION:
Total Points X Quality Code X Design / Shape Code X Size Factor = Quality Index Factor

*Must be treated as an SFR. No fixtures calculated.

MODEL MH
MANUFACTURED HOME CONSTRUCTION

Foundation code		Points
1	EARTH	0
2	PIERS	2
3	CONTINUOUS FOOTING	8
4	SPREAD FOOTING	9
5	SPECIAL FOOTING	12

Subfloor Code		Points
1	EARTH/NO SUB FLOOR	0
2	SLAB ON GRADE	10
3	SLAB ABOVE GRADE	10
4	PLYWOOD	10
5	WOOD	10
6	SLAB PLATFORM HEIGHT	10
7	STRUCTURAL SLAB	10

Exterior Wall		Points
01	SIDING MINIMUM	8
02	CORRUGATED METAL LIG	9
03	COMPO OR WALL BOARD	15
04	SINGLE SIDING NO SHT	21
05	ASBESTOS SHINGLE	26
06	BOARD & BATTEN ON PL	26
07	CORRUGATED ASBESTOS	27
08	MASONITE ON SHEATHIN	28
09	WD ON SHEATHING OR P	31
10	ALUMINUMN/VINYL SIDI	31
11	CONCRETE BLOCK	31
12	STUCCO ON CONC. BLOC	36
13	STUCCO ON TILE OR WO	38
14	SIDING AVERAGE	25
15	BOARD & BATTEN 12" B	32
16	WOOD SHINGLE/LOG	33
17	CEDAR/REDWOOD SIDING	36
18	SIDING MAXIMUM/HARDIE PLANK SIDING	45
19	CEMENT BRICK	36
20	COMMON BRICK	42
21	FACE BRICK	45
22	STONE	56
23	CORRUGATED METAL HEA	13
24	MODULAR METAL	25

Roof Structure		Points
01	FLAT	1
02	SHED	3
03	GABLE	7
04	HIP	7
05	GAMBREL/MANSARD	8
06	IRREGULAR/CATHEDRAL	10
07	WOOD TRUSS	7
08	IRREGULAR/WOOD TRUSS	10
09	RIGID FRM W/BAR JOIS	7
10	STEEL FRAME OR TRUSS	7
11	BOWSTRING TRUSS	7
12	REINFORCED CONCRETE	7
13	PRESTRESS CONCRETE	7

Roof Cover		Points
01	MIN (CORR OR SHEET M)	2
02	ROLLED COMPOSITION	2
03	ASPHALT/COMPOS SHING	5
04	BUILT UP TAR & GRAVE	5
05	CORRUGATED ASBESTOS	16
06	ASBESTOS SHINGLE	12
07	CONCRETE TILE/CLAY	27
08	CLAY TILE/CEDAR SHAK	13
09	ENAMEL METAL SHINGLE	33
10	WOOD SHINGLE/310 SHN	10
11	SLATE	30
12	METAL	4

Floor Cover	Interior	Points
01	NONE	0
02	MIN. PLYWOOD, LINOLE	2
03	CONCRETE FINISHED	3
04	CONCRETE ABOVE GRADE	5
05	ASPHALT TILE	3
06	VINYL ASBESTOS	5
07	CORK OR VINYL TILE	8
08	SHEET VINYL/LAMINATE	8
09	PINE OR SOFT WOODS	6
10	TERRAZO MONOLITHIC	19
11	CERAMIC CLAY TILE	22

25	REINFORCED CONCRETE	45
26	PRECAST PANEL	42
27	PREFINISHED METAL	55
28	GLASS/THERMOPANE	60

12	HARDWOOD	14
13	PARQUET	13
14	CARPET	8
15	QUARRY OR HARD TILE	22
16	TERRAZZO EPOXY STRIP	17
17	PRECAST CONCRETE	6
18	SLATE	30
19	MARBLE	62

MODEL MH
MANUFACTURED HOME CONSTRUCTION

Interior Wall		Point
1	Masonry or Minimum	8
2	Wall Board or Wood	12
3	Plastered	29
4	Plywood Panel	23
5	Drywall / Sheetrock	27
6	Custom Interior	35

Heating Fuel Type		Point
11	NONE	0
20	OIL / WD / CO HEAT PUMP	5
22	OIL / WD / COAL BSBD	3
23	O / W / C AIR-NO DUCT	5
24	O / W / C AIR-DUCTED	7
25	O / W / C RADIANT CEIL	7
26	O / W / C HOTWATER	9
27	O / W / C STEAM	9
28	O / W / C RADIANT FLR	5
29	O / W / C RADIANT WTR	15
30	GAS HEAT PUMP	6
32	GAS BASEBOARD	4
33	GAS AIR-NO DUCT	6
34	GAS AIR-DUCTED	8
35	GAS RADIANT CEIL	8
36	GAS HOTWATER	10
37	GAS STEAM	10
38	GAS RADIANT FLR	6
39	GAS RADIANT WTR	16
40	ELECTRIC HEAT PUMP	6
42	ELECTRIC BASEBOARD	4
43	ELECTRIC AIR-NO DUCT	6
44	ELECTRIC AIR- DUCTED	8
45	ELECTRIC RADIANT CEIL	8
46	ELECTRIC HOTWATER	10
47	ELECTRIC STEAM	10
48	ELCETRIC RADIANT FLR	6
49	ELECTRIC RADIANT WTR	16
50	SOLAR HEAT PUMP	6
52	SOLAR BASEBOARD	4
53	SOLAR AIR-NO DUCT	6
54	SOLAR AIR-DUCTED	8
55	SOLAR RADIANT CEIL	8
56	SOLAR HOTWATER	10
57	SOLAR STEAM	10
58	SOLAR RADIANT FLR	6
59	SOLAR RADIANT WTR	16
	MH-AC	7

Fireplace Description Value		
Type		
1	None	0
2	Prefab	900
3	1 Story SGL	1600
4	2 ST/1st DB	2000
5	2 or more	3200
6	Massive	3500
7	>2 Massive	5000

SHAPE/DESIGN		
FACTOR	DESCRIPTION	FACTOR
1	Square Desg	100
2	Rectangular	1.00
3	Slightly Irr	1.00
4	Moderate Irr	1.00
5	Irregular	1.02
6	Very Irr	1.04
7	Extreme Irr	1.06

Quality		
Code		Factor
M	Minimum	0.55
BA	Below Average	0.80
A	Average	1.00
AA	Above Average	1.20
G	Good	1.30
E	Excellent	1.40

TASCHEDX RV SCHEDULE OF VALUES

MH-BB **MH BED/BATH POINTS SCHEDULE**

Bedrooms	Baths	1/2 Baths	Points	Bedrooms	Baths	1/2 Baths	Points
1	0	0	0	4	0	0	2
1	0	1	2	4	0	1	4
1	1	0	4	4	1	0	8
1	1	1	6	4	1	1	10
2	0	0	0	4	2	0	13
2	0	1	3	4	2	1	15
2	1	0	6	4	3	0	16
2	1	1	7	4	3	1	17
2	2	0	8	5	0	0	0.2
2	2	1	9	5	0	1	4
3	0	0	1	5	1	0	8
3	0	1	4	5	1	1	10
3	1	0	8	5	2	0	13
3	1	1	10	5	2	1	15
3	2	0	12	5	3	0	17
3	2	1	13	5	3	1	18
3	3	0	15	5	3	2	19

Bedroom/Bath count exceeds chart's figures, carry highest point

OFF - MODEL
OFFICE CONSTRUCTION

Foundation Code		Points
1	EARTH	0
2	PIERS	2
3	CONTINUOUS FOOTING	4
4	SPREAD FOOTING	6
5	SPECIAL FOOTING	12

Subfloor Code		Points
1	EARTH/NO SUB FLOOR	0
2	SLAB ON GRADE	5
3	SLAB ABOVE GRADE	11
4	PLYWOOD	9
5	WOOD	11
6	SLAB PLATFORM HEIGHT	16
7	STRUCTURAL SLAB	16

Exterior Wall		Points
01	SIDING MINIMUM	3
02	CORRUGATED METAL LIG	2
03	COMPO OR WALL BOARD	4
04	SINGLE SIDING NO SHT	6
05	ASBESTOS SHINGLE	16
06	BOARD & BATTEN ON PL	17
07	CORRUGATED ASBESTOS	18
08	MASONITE ON SHEATHING	18
09	WD ON SHEATHING OR PLY	19
10	ALUMINUMN/VINYL SIDI	20
11	CONCRETE BLOCK	18
12	STUCCO ON CONC. BLOC	19
13	STUCCO ON TILE OR WO	19
14	SIDING AVERAGE	18
15	BOARD & BATTEN 12" B	18
16	WOOD SHINGLE/LOG	20
17	CEDAR/REDWOOD SIDING	22
18	SIDING MAXIMUM	22
19	CEMENT BRICK	20
20	COMMON BRICK	23
21	FACE BRICK	25
22	STONE	30
23	CORRUGATED METAL HEA	4
24	MODULAR METAL	5

Structural Frame		Points
01	NONE	0
02	WOOD FRAME	5
03	PREFAB	4
04	MASONRY	6
05	REINFORCED CONCRETE	15
06	STEEL	9
07	FIREPROOF STEEL	16
08	SPECIAL	23

Roof Structure		Points
01	FLAT	2
02	SHED	2
03	GABLE	3
04	HIP	4
05	GAMBREL/MANSARD	5
06	IRREGULAR.CATHEDRAL	5
07	WOOD TRUSS	3
08	IRREGULAR.WOOD TRUSS	5
09	RIGID FRM W/BAR JOIS	5
10	STEEL FRAME OR TRUSS	7
11	BOWSTRING TRUSS	7
12	REINFORCED CONCRETE	6
13	PRESTRESS CONCRETE	8

Roof Cover		Point
01	MIN (CORR OR SHEET M)	1
02	ROLLED COMPOSITION	2
03	ASPHALT/COMPOS SHING	4
04	BUILT UP TAR & GRAVE	5
05	CORRUGATED ASBESTOS	8
06	ASBESTOS SHINGLE	6
07	CONCRETE SHINGLE	7
08	CLAY TILE/CEDAR SHAK	14
09	ENAMEL METAL SHINGLE	15
10	WOOD SHINGLE/310 SHN	12
11	SLATE	15
12	METAL	8

25	REINFORCED CONCRETE	30
26	PRECAST PANEL	20
27	PREFINISHED METAL	30
28	GLASS/THERMOPANE	35

Ceiling and Insulation		Points	Area per Fixture	Points
01	SUSPENDED CEIL INS	2	0-99	14
02	SUSPENDED WALL INS	3	100-149	13
03	SUS CL AND WALL INS	5	150-189	12
04	SUSPENDED NO INS	1	190-229	11
05	NOT SUS CEIL	1	230-269	10
06	NOT SUS WALL	3	270-309	9
07	NOT SUS CEIL & WALL	4	310-349	8
08	NOT SUS NO INS	0	350-449	7
09	ROOF INSULATION	1	450-559	6
10	WALL INSULATION	2	560-759	5
11	ROOF & WALL INSULATI	3	760-869	4
12	NO CEILING/INSULATIO	0	870-1159	3
			1160-1759	2
			1760-99999	1

OFF - MODEL
OFFICE CONSTRUCTION

	Interior Wall	Points
1	MASONRY OR MINIMUM	8
2	WALL BOARD OR WOOD	10
3	PLASTERED	24
4	PLYWOOD PANEL	19
5	DRYWALL/SHEETROCK	24
6	CUSTOM INTERIOR	32

Floor Cover	Interior	Points
01	NONE	0
02	MIN. PLYWOOD, LINOLE	1
03	CONCRETE FINISHED	1
04	CONCRETE ABOVE GRADE	2
05	ASPHALT TILE	3
06	VINYL ASBESTOS	4
07	CORK OR VINYL TILE	5
08	SHEET VINYL	5
09	PINE OR SOFT WOODS	9
10	TERRAZO MONOLITHIC	4
11	CERAMIC CLAY TILE	20
12	HARDWOOD	10
13	PARQUET	7
14	CARPET	6
15	QUARRY OR HARD TILE	22
16	TERRAZZO EPOXY STRIP	12
17	PRECAST CONCRETE	2
18	SLATE	25
19	MARBLE	30

Quality Code		Factor
M	MINIMUM	0.75
BA	BELOW AVERAGE	0.85
A	AVERAGE	1.00
AA	ABOVE AVERAGE	1.10
G	GOOD	1.25
E	EXCELLENT	1.40

	Heating Fuel/Type	Points
11	NONE	0
20	OIL/WD/CO HEAT P	8
22	OIL/WD/COAL BSBD	5
23	O/W/C AIR-NO DUCT	8
24	O/W/C AIR-DUCTED	10
25	O/W/C RADIANT CEIL	11
26	O/W/C HOTWATER	13
27	O/W/C STEAM	13
28	O/W/C RADIANT FLR	8
29	O/W/C RADIANT WTR	20
30	GAS HEAT PUMP	9
32	GAS BASEBOARD	6
33	GAS AIR-NO DUCT	9
34	GAS AIR-DUCTED	11
35	GAS RADIANT CEIL	12
36	GAS HOTWATER	14
37	GAS STEAM	14
38	GAS RADIANT FLR	9
39	GAS RADIANT WTR	29
40	ELECTRIC HEAT PUMP	9
42	ELECT BASEBOARD	6
43	ELECT AIR-NO DUCT	9
44	ELECT AIR-DUCTED	11
45	ELECT RADIANT CEIL	12
46	ELECT HOTWATER	14
47	ELECT STEAM	14
48	ELECT RADIANT FLR	9
49	ELECT RADIANT	21
50	SOLAR HEAT PUMP	9
52	SOLAR BASEBOARD	6
53	SOLAR AIR-NO DUCT	9
54	SOLAR AIR-DUCTED	11
55	SOLAR RADIANT CEIL	12
56	SOLAR HOTWATER	14
57	SOLAR STEAM	14
58	SOLAR RADIANT FLR	9
59	SOLAR RADIANT WTR	21
	OFF/AC	12

Wall Height	Factor
8 - 9.9	0.99
10 - 11.9	1.00
12 - 13.9	1.01
14 - 15.9	1.02
16-99999	1.03

EQUATION:
Total points X Quality Code = Quality Index Factor

MODEL SFR - SINGLE FAMILY RESIDENTIAL
STRUCTURAL ELEMENT DATA

SFR-FOUND

Foundation

Code		Point
1	Earth	
2	Piers	0
3	Continuous Footing	2
4	Spread Footing	5
5	Special Footing	6
		7

Subfloor

Code		Point
1	Earth / No Sub Floor	0
2	Slab on Grade	6
3	Slab Above Grade	7
4	Plywood	4
5	Wood	5
6	Slab Platform Height	8
7	Structural Slab	9

Exterior Wall

		Point
01	Siding Minimum	6
02	Corrugated Metal LIG	4
03	Compo or Wall Board	8
04	Single Siding No SHT	20
05	Asbestos Shingle	22
06	Board & Batten on PL	22
07	Corrugated Asbestos	22
08	Masonite on Sheathing	28
09	WD on Sheathing or P	30
10	Aluminum / Vinyl Siding	28
11	Concrete Block	22
12	Stucco on Concrete Block	26
13	Stucco on Tile or WD	28
14	Siding Average	25
15	Board & Batten 12" B	32

Roof Structure

Code		Point
01	Flat	2
02	Shed	3
03	Gable	4
04	HIP	5
05	Gambrel / Mansard	5
06	Irregular / Cathedral	6
07	Wood Truss	6
08	Irregular Wood Truss	6
09	Rigid FRM W / Bar Jois	7
10	Steel Frame or Truss	8
11	Bowstring Truss	7
12	Reinforced Concrete	9
13	Prestress Concrete	10

Roof Cover

		Point
01	Min (Corr or Sheet M)	2
02	Rolled Composition	1
03	Asphalt / Compos Shing	3
04	Built up Tar & Grav	21
05	Corrugated Asbestos	12
06	Asbestos Shingle	8
07	Concrete Tile / Clay	25
08	Clay Tile / Cedar Shak	11
09	Enamel Metal Shingle	20
10	Wood Shingle / 310 SHN	7
11	Slate	14
12	Metal	3

16	Wood Shingle / Log	34
17	Cedar / Redwood Siding	34
18	Siding Maximum	40
19	Cement Brick	26
20	Common Brick	32
21	Face Brick/Hardie Board/Plank	34
22	Stone	44
23	Corrugated Metal Hea	6
24	Modular Metal	25
25	Reinforced Concrete	40
26	Precast Panel	50
27	Prefinished Metal	50
28	Glass / Thermopane	40

MODEL SFR - SINGLE FAMILY RESIDENTIAL
01 AND 50

Floor Cover		Point
01	None	0
02	Min. Plywood, Linoleum	2
03	Concrete Finished	7
04	Concrete Above Grade	17
05	Asphalt Tile	4
06	Vinyl Asbestos	5
07	Cork or Vinyl Tile	9
08	Sheet Vinyl	9
09	Pine or Soft Woods	7
10	Terrazzo Monolithic	9
11	Ceramic Clay Tile	22
12	Hardwood/Laminate Floor	12
13	Parquet	11
14	Carpet	10
15	Quarry or Hard Tile	22
16	Terrazzo Epoxy Strip	16
17	Precast Concrete	31
18	Slate	23
19	Marble	48

Heating Fuel / Type		Point
11	NONE	0
20	OIL / WD / CO HEAT PUMP	3
22	OIL / WD / COAL BSBD	2
23	O / W / C AIR-NO DUCT	3
24	O / W / C AIR-DUCTED	4
25	O / W / C RADIANT CEIL	4
26	O / W / C HOTWATER	5
27	O / W / C STEAM	5
28	O / W / C RADIANT FLR	3
29	O / W / C RADIANT WTR	8
30	GAS HEAT PUMP	4
32	GAS BASEBOARD	3
33	GAS AIR-NO DUCT	4
34	GAS AIR-DUCTED	5
35	GAS RADIANT CEIL	5
36	GAS HOTWATER	6
37	GAS STEAM	6
38	GAS RADIANT FLR	4
39	GAS RADIANT WTR	9
40	ELECTRIC HEAT PUMP	4
42	ELECTRIC BASEBOARD	3
43	ELECTRIC AIR-NO DUCT	4
44	ELECTRIC AIR- DUCTED	5

Interior Wall		Point
1	Masonry or Minimum	8
2	Wall Board or Wood	12
3	Plastered	29
4	Plywood Panel	22
5	Drywall / Sheetrock	27
6	Custom Interior	35

Heated Sq Ft.	Size Factor
600-799	1.19
800-999	1.12
1000-1199	1.05
1200-1399	1.00
1400-1599	1.00
1600-1799	1.00
1800-1999	1.00
2000-2399	1.00
2400-2799	1.00
2800+	1.00

Shape/ Design Factor	Description	Factor
1	Square Dsgn	1.00
2	Rectangular	1.00
3	Slightly Irr	1.02
4	Moderate Irr	1.04
5	Irregular	1.06
6	Very Irr	1.08
7	Extreme Irr	1.10

Quality Code		Factor
M	Minimum	0.75
BA	Below Average	0.90
A	Average	1.00
AA	Above Average	1.10
G	Good	1.25
E	Excellent	1.40

Heating Fuel / Type		Point	Fireplace Type	Description	Value
45	ELECTRIC RADIANT CEIL	5	1	None	0
46	ELECTRIC HOTWATER	6	2	Prefab	1200
47	ELECTRIC STEAM	6	3	1Story SGL	2000
48	ELCETRIC RADIANT FLR	4	4	2 ST/1ST DB	2500
49	ELECTRIC RADIANT WTR	9	5	2 or More	4000
50	SOLAR HEAT PUMP	4	6	Massive	3000
52	SOLAR BASEBOARD	3	7	>2 Massive	6000
53	SOLAR AIR-NO DUCT	4			
54	SOLAR AIR-DUCTED	5			
55	SOLAR RADIANT CEIL	5			
56	SOLAR HOT WATER	6			
57	SOLAR STEAM	6			
58	SOLAR RADIANT FLR	4			
59	SOLAR RADIANT WTR	9			
60	SFR - AC	7			

Quality Code		Factor
M-	Minimum Minus	0.60
M	Minimum Average	0.65
M+	Minimum Plus	0.70
F-	Fair Minus	0.75
F	Fair Average	0.80
F+	Fair Plus	0.85
BA-	Below Average Minus	0.87
BA	Below Average	0.90
BA+	Below Average Plus	0.95
A-	Average Minus	0.97
A	Average	1.00
A+	Average Plus	1.05
AA-	Above Average Minus	1.07
AA	Above Average	1.10
AA+	Above Average Plus	1.15
G-	Good Minus	1.20
G	Good	1.25
G+	Good Plus	1.30
E-	Excellent Minus	1.35
E	Excellent	1.40
E+	Excellent Plus	1.45

ALLOWABLE POINTS FOR BEDROOMS AND BATHS

Bedrooms	Baths	1/2 Baths	Points	Bedrooms	Baths	1/2 Baths	Points
1	0	0	0	4	0	0	2
1	0	1	2	4	0	1	4
1	1	0	4	4	1	0	8
1	1	1	6	4	1	1	10
2	0	0	0	4	2	0	13
2	0	1	3	4	2	1	15
2	1	0	6	4	3	0	16
2	1	1	7	4	3	1	17
2	2	0	8	4	0	0	2
2	2	1	9	5	0	1	4
3	0	0	1	5	1	0	8
3	0	1	4	5	1	1	10
3	1	0	8	5	2	0	13
3	1	1	10	5	2	1	15
3	2	0	12	5	3	0	17
3	2	1	13	5	3	1	18
3	3	0	15	5	3	2	19

Bedroom/Bath count exceeds chart's figures, carry highest point

MODEL SS
SERVICE STATION CONSTRUCTION

Foundation Code		Points
1	EARTH	0
2	PIERS	2
3	CONTINUOUS FOOTING	4
4	SPREAD FOOTING	5
5	SPECIAL FOOTING	13

Subfloor Code		Points
1	EARTH/NO SUB FLOOR	0
2	SLAB ON GRADE	6
3	SLAB ABOVE GRADE	8
4	PLYWOOD	6
5	WOOD	7
6	SLAB PLATFORM HEIGHT	11
7	STRUCTURAL SLAB	16

Exterior Wall		Points
01	SIDING MINIMUM	5
02	CORRUGATED METAL LIG	2
03	COMPO OR WALL BOARD	10
04	SINGLE SIDING NO SHT	13
05	ASBESTOS SHINGLE	14
06	BOARD & BATTEN ON PL	10
07	CORRUGATED ASBESTOS	20
08	MASONITE ON SHEATHIN	20
09	WD ON SHEATHING OR P	18
10	ALUMINUM/VINYL SIDI	19
11	CONCRETE BLOCK	23
12	STUCCO ON CON. BLOC	24
13	STUCCO ON TILE OR WO	17
14	SIDING AVERAGE	14
15	BOARD & BATTEN 12" B	13
16	WOOD SHINGLE/LOG	16
17	CEDAR/REDWOOD SIDING	28
18	SIDING MAXIMUM	28
19	CEMENT BRICK	28
20	COMMON BRICK	31
21	FACE BRICK	36

Structural Frame		Points
01	NONE	0
02	WOOD FRAME	5
03	PREFAB	4
04	MASONRY	6
05	REINFORCED CONCRETE	15
06	STEEL	9
07	FIREPROOF STEEL	16
08	SPECIAL	23

Roof Structure		Points
01	FLAT	15
02	SHED	15
03	GABLE	15
04	HIP	17
05	GAMBREL/MANSARD	20
06	IRREGULAR/CATHEDRAL	30
07	WOOD TRUSS	28
08	IRREGULAR/WOOD TRUSS	30
09	RIGID FRM W/BAR JOIS	30
10	STEEL FRAME OR TRUSS	32
11	BOWSTRING TRUSS	30
12	REINFORCED CONCRETE	38
13	PRESTRESS CONCRETE	45

Roof Cover		Points
01	MIN (CORR OR SHEET M)	5
02	ROLLED COMPOSITION	9
03	ASPHALT/COMPOS SHING	14
04	BUILT UP TAR & GRAVE	14
05	CORRUGATED ASBESTOS	15
06	ASBESTOS SHINGLE	15
07	CONCRETE TILE/CLAY	21
08	CLAY TILE/CEDAR SHAK	23
09	ENAMEL METAL SHINGLE	25
10	WOOD SHINGLE/310 SHN	19
11	SLATE	25
12	METAL	20

22	STONE	39
23	CORRUGATED METAL HEA	3
24	MODULAR METAL	23
25	REINFORCED CONCRETE	37
26	PRECAST PANEL	46
27	PREFINISHED METAL	34
28	GLASS/THERMOPANE	90

Ceiling and Insulation		Points
01	SUSPENDED CEIL INS	2
02	SUSPENDED WALL INS	3
03	SUS CL AND WALL INS	5
04	SUSPENDED NO INS	1
05	NOT SUS CEIL	1
06	NOT SUS WALL	3
07	NOT SUS CEIL & WALL	4
08	NOT SUS NO INS	0
09	ROOF INSULATION	1
10	WALL INSULATION	2
11	ROOF & WALL INSULATION	3
12	NO CEILING/INSULATIO	0

Area per Fixture	Points
0 - 99	14
100 - 149	13
150 - 189	12
190 - 229	11
230 - 269	10
270 - 309	9
310 -349	8
350 -449	7
450 - 559	6
560 - 759	5
760 - 869	4
870 - 1159	3
1160 - 1759	2
1760-9999	1

MODEL SS
SERVICE STATION CONSTRUCTION

	Interior Wall	Points
1	MASONRY OR MINIMUM	4
2	WALL BOARD OR WOOD	4
3	PLASTERED	11
4	PLYWOOD PANEL	7
5	DRYWALL/SHEETROCK	11
6	CUSTOME INTERIOR	15

	Floor Cover - Interior	Points
01	NONE	0
02	MIN. PLYWOOD, LINOLE	3
03	CONCRETE FINISHED	9
04	CONCRETE ABOVE GRADE	21
05	ASPHALT TILE	5
06	VINYL ASBESTOS	6
07	CORK OR VINYL TILE	11
08	SHEET VINYL	11
09	PINE OR SOFT WOODS	9
10	TERRAZO MONOLITHIC	11
11	CERAMIC CLAY TILE	28
12	HARDWOOD	13
13	PARQUET	13
14	CARPET	13
15	QUARRY OR HARD TILE	28
16	TERRAZO EPOXY STRIP	23
17	PRECAST CONCRETE	39
18	SLATE	29
19	MARBLE	60

	Quality Code	Factor
M	MINIMUM	0.75
BA	BELOW AVERAGE	0.90
A	AVERAGE	1.00
AA	ABOVE AVERAGE	1.10
G	GOOD	1.20
E	EXCELLENT	1.25

	Heating Fuel/Type	Points
11	NONE	0
20	OIL/WD/CO HEAT P	4
22	OIL/WD/COAL BSBD	3
23	O/W/C AIR-NO DUCT	4
24	O/W/C AIR-DUCTED	5
25	O/W/C RADIANT CEIL	5
26	O/W/C HOTWATER	6
27	O/W/C STEAM	6
28	O/W/C RADIANT FLR	4
29	O/W/C RADIANT WTR	10
30	GAS HEAT PUMP	5
32	GAS BASEBOARD	4
33	GAS AIR-NO DUCT	5
34	GAS AIR-DUCTED	6
35	GAS RADIANT CEIL	6
36	GAS HOTWATER	7
37	GAS STEAM	7
38	GAS RADIANT FLR	5
39	GAS RADIANT WTR	11
40	ELECTRIC HEAT PUMP	5
42	ELECT BASEBOARD	4
43	ELECT AIR-NO DUCT	5
44	ELECT AIR-DUCTED	6
45	ELECT RADIANT CEIL	6
46	ELECT HOTWATER	7
47	ELECT STEAM	7
48	ELECT RADIANT FLR	5
49	ELECT RADIANT WTR	11
50	SOLAR HEAT PUMP	5
52	SOLAR BASEBOARD	4
53	SOLAR AIR-NO DUCT	5
54	SOLAR AIR-DUCTED	6
55	SOLAR RADIANT CEIL	6
56	SOLAR HOTWATER	7
57	SOLAR STEAM	7
58	SOLAR RADIANT FLR	5
59	SOLAR RADIANT WTR	11

EQUATION:
Total Points X Quality Code =
Quality Index Factor

Wall Height	Factor
8 - 9.9	0.98
10 - 11.9	0.99
12 - 13.9	1.00
14 - 15.9	1.01
16 - 17.9	1.02
18-9999	1.03

WHSE - WAREHOUSE CONSTRUCTION
STRUCTURAL ELEMENT DATA

Foundation Code		Points
1	EARTH	1
2	PIERS	3
3	CONTINUOUS FOOTING	6
4	SPREAD FOOTING	7
5	SPECIAL FOOTING	12

Subfloor Code		Points
1	EARTH/NO SUB FLOOR	0
2	SLAB ON GRADE	16
3	SLAB ABOVE GRADE	22
4	PLYWOOD	16
5	WOOD	21
6	SLAB PLATFORM HEIGHT	30
7	STRUCTURAL SLAB	45

Exterior Wall		Points
01	SIDING MINIMUM	7
02	CORRUGATED METAL LIG	5
03	COMPO OR WALL BOARD	6
04	SINGLE SIDING NO SHT	7
05	ASBESTOS SHINGLE	14
06	BOARD & BATTEN ON PL	10
07	CORRUGATED ASBESTOS	19
08	MASONITE ON SHEATHIN	19
09	WD ON SHEATHING OR P	19
10	ALUMINUM/VINYL SIDI	19
11	CONCRETE BLOCK	18
12	STUCCO ON CONC. BLOC	19
13	STUCCO ON TILE OR WO	19
14	SIDING AVERAGE	18
15	BOARD & BATTEN 12" B	18
16	WOOD SHINGLE/LOG	20
17	CEDAR/REDWOOD SIDING	32
18	SIDING MAXIMUM	35
19	CEMENT BRICK	30
20	COMMON BRICK	34
21	FACE BRICK	35
22	STONE	40
23	CORRUGATED METAL HEA	10
24	MODULAR METAL	18

Structural Frame		Points
01	NONE	0
02	WOOD FRAME	9
03	PREFAB	7
04	MASONRY	11
05	REINFORCED CONCRETE	27
06	STEEL	16
07	FIREPROOF STEEL	29
08	SPECIAL	41

Roof Structure		Points
01	FLAT	4
02	SHED	4
03	GABLE	8
04	HIP	9
05	GAMBREL/MANSARD	12
06	IRREGULAR/CATHEDRAL	15
07	WOOD TRUSS	8
08	IRREGULAR/WOOD TRUSS	10
09	RIGID FRM W/BAR JOIS	14
10	STEEL FRAMF OR TRUSS	16
11	BOWSTRING TRUSS	10
12	REINFORCED CONCRET	16
13	PRESTRESS CONCRETE	24

Roof Cover		Points
01	MIN (CORR OR SHEET M)	3
02	ROLLED COMPOSITION	6
03	ASPHALT/COMPOS SHING	8
04	BUILT UP TAR & GRAVE	8
05	CORRUGATED ASBESTOS	20
06	ASBESTOS SHINGLE	21
07	CONCRETE TILE/CLAY	24
08	CLAY TILE/CEDAR SHAK	29
09	ENAMEL METAL SHINGLE	26
10	WOOD SHINGLE/310 SHN	16
11	SLATE	37
12	METAL	7

25	REINFORCED CONCRETE	34		
26	PRECAST PANEL	30		
27	PREFINISHED METAL	50		
28	GLASS/THERMOPANE	60		
Ceiling and Insulation		Points	Area per Fixture	Points
01	SUSPENDED CEIL INS	15	0 - 1159	5
02	SUSPENDED WALL INS	15	1160 - 2249	4
03	SUS CL AND WALL INS	18	2250 - 3249	3
04	SUSPENDED NO INS	12	3250 - 4999	2
05	NOT SUS CEIL	8	5000-9999	1
06	NOT SUS WALL	8		
07	NOT SUS CEIL & WALL	10		
08	NOT SUS NO INS	5		
09	ROOF INSULATION	3		
10	WALL INSULATION	3		
11	ROOF & WALL INSULATION	6		
12	NO CEILING/INSULATION	0		

HSE - WAREHOUSE CONSTRUCTION

Interior Wall		Point
1	Masonry or Minimum	2
2	Wall Board or Wood	2
3	Plastered	5
4	Plywood Panel	4
5	Drywall / Sheetrock	5
6	Custom Interior	7
7	None	0

Heating Fuel Type		Point
11	NONE	0
20	OIL / WD / CO HEAT PUMP	4
22	OIL / WD / COAL BSBD	2
23	O / W / C AIR-NO DUCT	4
24	O / W / C AIR-DUCTED	6
25	O / W / C RADIANT CEIL	6
26	O / W / C HOTWATER	5
27	O / W / C STEAM	5
28	O / W / C RADIANT FLR	4
29	O / W / C RADIANT WTR	6
30	GAS HEAT PUMP	5
32	GAS BASEBOARD	4
33	GAS AIR-NO DUCT	5
34	GAS AIR-DUCTED	7
35	GAS RADIANT CEIL	7
36	GAS HOTWATER	6
37	GAS STEAM	6
38	GAS RADIANT FLR	5
39	GAS RADIANT WTR	7
40	ELECTRIC HEAT PUMP	2
42	ELECTRIC BASEBOARD	4
43	ELECTRIC AIR-NO DUCT	5
44	ELECTRIC AIR- DUCTED	7
45	ELECTRIC RADIANT CEIL	7
46	ELECTRIC HOTWATER	6
47	ELECTRIC STEAM	6
48	ELCETRIC RADIANT FLR	5
49	ELECTRIC RADIANT WTR	7
50	SOLAR HEAT PUMP	5
52	SOLAR BASEBOARD	4

Heat Fuel / Type		Point
53	SOLAR AIR-NO DUCT	5
54	SOLAR AIR-DUCTED	7

Fireplace Description		Value
Type		
1	None	0
2	Prefab	600
3	1 Story SGL	1000
4	2 ST/1st DB	1500
5	2 or more	2000
6	Massive	1800
7	>2 Massive	3600

Size Factor	
Heated Sq. Ft.	**Size Factor**
1-1000	1.30
1001-1500	1.28
1501-2000	1.25
2001-3000	1.21
3001-4000	1.19
4001-5000	1.16
5001-6000	1.15
6001-7000	1.14
7001-8000	1.12
8001-10000	1.10
10001-12000	1.09
12001-14000	1.07
14001-16000	1.05
16001-18000	1.04
18001-20000	1.03
20001-25000	1.02
25001-30000	1.01
30001-35000	1.00
35001-40000	0.99
40001-50000	0.98
50001-60000	0.97
60001-70000	0.96
70001-80000	0.94
80001-100000	0.92
100001-120000	0.90
120001-140000	0.88
140001-180000	0.86
180001-225000	0.84
225001-400000	0.82
99999999	0.80

Floor Cover Interior		Point
01	None	0

55	SOLAR RADIANT CEIL	7	02	Min Plywood, Linoleum	1
56	SOLAR HOTWATER	6	03	Concrete Finished	1
57	SOLAR STEAM	6	04	Conc Above Grade	2
58	SOLAR RADIANT FLR	5	05	Asphalt Tile	3
59	SOLAR RADIANT WTR	7	06	Vinyl Asbestos	4
	WHSE-AC	8	07	Cork / Vinyl Tile	4
	Wall Height	**Factor**	08	Sheet Vinyl	5
	8-9.9	0.95	09	Pine / Soft Woods	3
	10-11.9	0.96	10	Terrazzo Monolithic	5
	12-13.9	0.98	11	Ceramic Clay Tile	20
	14-15.9	1.00	12	Hardwood	10
	16-17.9	1.02	13	Parquet	10
	18-19.9	1.04	14	Carpet	8
	20-21.9	1.06	15	Quarry / Hard Tile	20
	22-23.9	1.08	16	Terrazzo Epoxy Strip	15
	24-25.9	1.10	17	Precast Concrete	10
	26-27.9	1.15	18	Slate	35
	28-29.9	1.20	19	Marble	50
	30-34.9	1.25	**Quality**		**Factor**
	35-39.9	1.30	**Code**		
	40-44.9	1.35	F	Fair	0.50
	45-49.9	1.40	M	Minimum	0.75
	50-54.9	1.45	BA	Below Average	0.90
	55-59.9	1.50	A	Average	1.00
	60-69.9	1.52	AA	Above Average	1.10
	70-79.9	1.54	G	Good	1.25
	80-89.9	1.56	E	Excellent	1.40
	90-98.9	1.58			
	999999.9	1.60			

EQUATION:
Total Points X Quality Code X Size Factor = Quality Index Factor

OTHER EQUATIONS:

A. Area Per Fixture:

Total effective area ÷ no. of fixtures

B. Points For Wall Height:

Exterior wall points x factor ÷ exterior wall points

C. Size Factor:

Based on total heated area usually the base

D. Effective Base Rate:

Base rate x quality index factor

***MUST ALWAYS HAVE QUALITY FACTOR IN EACH MODEL**

VALUATION OF OUTBUILDINGS

AND EXTRA FEATURES

VALUATION OF OUTBUILDINGS & OTHER FEATURES

The contents of this manual were prepared after a thorough investigation of construction and labor cost throughout this area. The item costs reflected in this schedule, will when properly applied, render a conservative replacement cost consistent with construction cost for this area.

In appraising an improved property, the appraiser may find in the field numerous structures that will need to be listed and priced. It is the purpose of this manual and its contents to assist the appraiser in establishing a fair and equitable value for these structures.

In listing miscellaneous buildings, the appraiser must take several factors into consideration, these being:

1. Purpose of the building
2. Quality of the material used
3. Life expectancy of the building
4. Factors which would affect construction costs:
    - A. Interior finish
    - B. Trim work
    - C. Electricity and plumbing
    - D. Any other special features
    - E. Contribution to market price

In many cases the appraiser will find a building that was built for a special purpose, but is no longer being used for that purpose, for example, a tobacco stick barn. In many cases the building may be slightly altered to be utilized for another purpose. In a case such as this, the appraiser must determine if the building is being utilized, or if the building has been remodeled in order to utilize it. The appraiser then may appraise the building from any category in this schedule that would give a proper representation of the building and its use, or he may choose to give the building a lump sum value based on any contributory factor to the property.

For each class of building there are six basic levels that can be utilized. These grade levels may represent a unit cost such as square feet, linear feet, bushel capacity, or a lump sum rate for the entire unit. These levels in this schedule are designed to represent a range from excellent quality to very poor quality.

NEW would be used to represent a building of superior quality and workmanship.

GOOD would be used to represent a building of above average quality and workmanship.

AVG would represent a building of average quality. The cost represent standard materials and average workmanship.

FAIR would represent a building of fair quality and workmanship. It would be slightly less quality than an average building.

POOR would represent a building of poor quality and workmanship. It would be only slightly better quality than a very poor building.

V POOR would represent a building of very poor quality and workmanship. The materials used would either be substandard or used materials.

These schedules are to be used as guidelines only. It will be up to the individual making the appraisal to select the proper rates for the building or structure being appraised.

Outbuilding Use Code		New Rate	Good Rate	Average Rate	Fair Rate	Poor Rate	V Poor Rate
X01	Storage	$ 12.00	$ 10.50	$ 7.00	$ 5.00	$ 2.50	$ 1.50
X02	Garage Unfinished	$ 18.50	$ 16.00	$ 11.00	$ 7.50	$ 4.00	$ 2.00
X03	Carport	$ 10.00	$ 9.00	$ 7.00	$ 5.50	$ 2.75	$ 1.50
X04	Patio/Apron	$ 3.00	$ 2.75	$ 2.25	$ 2.00	$ 1.50	$ 1.00
X05	Wood/Vinyl Fence	$ 15.00	$ 12.50	$ 10.00	$ 7.50	$ 5.00	$ 2.50
X06	Chain Link/Iron Fence	$ 12.00	$ 9.50	$ 8.00	$ 6.00	$ 4.00	$ 2.00
X07	Pool Concrete	$ 30.00	$ 27.00	$ 20.00	$ 15.00	$ 10.00	$ 5.00
X08	Pool Vinyl	$ 25.00	$ 22.00	$ 18.00	$ 12.00	$ 8.00	$ 4.00
X09	Asphalt Paving	$ 2.00	$ 1.80	$ 1.50	$ 1.25	$ 1.00	$ 0.75
X10	Concrete Paving	$ 2.50	$ 2.25	$ 2.00	$ 1.75	$ 1.25	$ 1.00
X11	Porch/Deck	$ 12.00	$ 11.00	$ 8.00	$ 7.00	$ 3.50	$ 2.00
X12	Tennis Court	$ 4.00	$ 3.50	$ 2.75	$ 2.50	$ 1.50	$ 1.00
X13	Green House	$ 12.00	$ 10.50	$ 8.00	$ 5.50	$ 4.00	$ 2.50
X14	Fireplace	$ 35.00	$ 30.00	$ 25.00	$ 18.00	$ 10.00	$ 6.00
X15	MH Space	$ 3,000.00	$ 3,000.00	$ 3,000.00	$ 2,500.00	$ 2,000.00	$ 1,500.00
X16	MH Addition	$ 40.00	$ 35.00	$ 27.00	$ 20.00	$ 15.00	$ 7.00
X17	Office	$ 60.00	$ 55.00	$ 40.00	$ 30.00	$ 20.00	$ 10.00
X18	Penthouse	$ 30.00	$ 27.50	$ 20.00	$ 15.00	$ 10.00	$ 6.00
X19	Spa/Tub	$ 3,500.00	$ 3,150.00	$ 2,100.00	$ 1,400.00	$ 700.00	$ 350.00
X20	Tobacco Barn	$ 10.00	$ 7.75	$ 5.25	$ 3.50	$ 2.00	$ 1.00
X21	Grain Bin	$ 1.50	$ 1.25	$ 1.00	$ 0.60	$ 0.30	$ 0.15
X22	Bulk Barn	$ -	$ -	$ -	$ -	$ -	$ -
X23	Pack Barn	$ 8.00	$ 7.00	$ 5.00	$ 3.00	$ 2.00	$ 1.00
X24	Shed	$ 5.50	$ 5.00	$ 3.25	$ 2.25	$ 1.25	$ 0.75
X25	Barn	$ 12.00	$ 11.00	$ 8.50	$ 6.25	$ 4.25	$ 2.00
X26	Poultry House	$ 7.00	$ 6.00	$ 5.00	$ 4.00	$ 3.00	$ 2.00
X27	Hog Parlor	$ 12.00	$ 10.00	$ 8.00	$ 6.00	$ 4.00	$ 3.00
X28	Silo	$ 8.75	$ 8.00	$ 5.25	$ 3.50	$ 1.75	$ 1.00
X29	Prefab Metal/Farm Building/Bridge	$ 57.00	$ 51.25	$ 34.00	$ 25.00	$ 12.00	$ 6.00
X30	Prefab Metal Carport/Shelter	$ 5.00	$ 4.00	$ 2.75	$ 2.00	$ 1.50	$ 1.00
X31	Commercial Area	$ 40.00	$ 35.00	$ 25.00	$ 17.50	$ 12.00	$ 6.00
X32	Golf Green	$ 30,000.00	$ 27,000.00	$ 18,000.00	$ 12,000.00	$ 6,000.00	$ 3,000.00
X33	Lean-To	$ 4.00	$ 3.00	$ 2.00	$ 1.75	$ 1.25	$ 0.75
X34	Farm Dormitory	$ 27.00	$ 22.00	$ 15.50	$ 11.00	$ 7.50	$ 4.50
X35	Water Tank	$ 0.70	$ 0.60	$ 0.50	$ 0.40	$ 0.30	$ 0.15
X36	Fuel Tank	$ 0.90	$ 0.80	$ 0.60	$ 0.50	$ 0.30	$ 0.20
X37	Elevator Tank	$ 1.00	$ 0.80	$ 0.65	$ 0.50	$ 0.35	$ 0.25
X38	Scale	$ 600.00	$ 540.00	$ 360.00	$ 240.00	$ 120.00	$ 60.00
X39	Canopy	$ 11.00	$ 10.00	$ 8.50	$ 6.00	$ 4.00	$ 2.50
X40	Loading Dock	$ 11.00	$ 10.00	$ 8.50	$ 6.00	$ 4.00	$ 2.50
X41	Dock Level	$ 4.00	$ 3.50	$ 2.75	$ 2.00	$ 1.50	$ 1.00
X42	Sprinkler	$ 1.75	$ 1.60	$ 1.50	$ 1.25	$ 0.75	$ 0.50
X43	Rail Siding	$ 85.00	$ 75.00	$ 50.00	$ 35.00	$ 20.00	$ 10.00
X44	Yard Lights	$ 2,500.00	$ 2,000.00	$ 1,500.00	$ 1,000.00	$ 600.00	$ 400.00
X45	Elevator F	$ 45,000.00	$ 40,000.00	$ 300,000.00	$ 20,000.00	$ 10,000.00	$ 6,000.00
X46	Elevator P	$ 40,000.00	$ 35,000.00	$ 22,500.00	$ 15,000.00	$ 8,000.00	$ 4,500.00

Outbuilding Use Code		New Rate	Good Rate	Average Rate	Fair Rate	Poor Rate	V Poor Rate
X47	Quonset	$ 12.50	$ 10.00	$ 8.00	$ 6.00	$ 4.00	$ 2.00
X48	Garage Finished	$ 21.00	$ 19.00	$ 14.00	$ 9.50	$ 5.50	$ 3.00
X49	Overhead Door	$ -	$ -	$ -	$ -	$ -	$ -
X50	Laundry	$ 44.00	$ 40.00	$ 30.00	$ 23.00	$ 12.00	$ 7.00
X51	Club House	$ 53.00	$ 48.00	$ 36.00	$ 25.00	$ 12.50	$ 6.50
X52	Garage Storage	$ 25.00	$ 22.50	$ 18.00	$ 12.00	$ 8.00	$ 4.00
X53	Garage Apartment	$ 48.00	$ 44.00	$ 36.00	$ 28.00	$ 12.50	$ 7.00
X54	Photomat	$ 85.00	$ 77.00	$ 65.00	$ 45.00	$ 20.00	$ 10.00
X55	Gazebo	$ 25.00	$ 22.00	$ 18.00	$ 12.00	$ 8.00	$ 4.00
X56	Miscellaneous	$ 12.00	$ 10.50	$ 9.00	$ 7.00	$ 5.00	$ 3.00
X57	Brick Wall	$ 15.00	$ 12.00	$ 10.50	$ 8.00	$ 5.00	$ 3.00
X58	Block Cement	$ 12.00	$ 11.00	$ 8.00	$ 6.00	$ 4.00	$ 2.00
X59	Cemetery Lot	$ 600.00	$ 500.00	$ 400.00	$ 250.00	$ 200.00	$ 100.00
X60	Bath House	$ 55.00	$ 50.00	$ 36.00	$ 25.00	$ 12.50	$ 6.50
X61	Poultry Litter Shed	$ 8.00	$ 7.00	$ 6.00	$ 5.00	$ 5.00	$ 5.00
X62	Air Condition	$ 3.00	$ 2.50	$ 2.00	$ 1.50	$ 1.00	$ 0.75
X63	Brick Stok	$ -	$ -	$ -	$ -	$ -	$ -
X64	Crypt	$ -	$ -	$ -	$ -	$ -	$ -
X65	Guard House	$ 100.00	$ 90.00	$ 70.00	$ 50.00	$ 25.00	$ 15.00
X66	Tenant House	$ 6,000.00	$ 5,400.00	$ 3,600.00	$ 2,400.00	$ 1,200.00	$ 600.00
X67	Shelter	$ 5.00	$ 4.50	$ 3.25	$ 2.50	$ 1.50	$ 1.00
X68	Stable	$ 25.00	$ 20.00	$ 15.00	$ 10.00	$ 7.50	$ 4.00
X69	Skeet Hse	$ 12.50	$ 10.00	$ 8.50	$ 5.00	$ 3.50	$ 1.75
X70	Service Cpy	$ 16.50	$ 15.00	$ 11.00	$ 7.00	$ 5.00	$ 2.50
X71	BQ Storage	$ 35.00	$ 30.00	$ 25.00	$ 20.00	$ 9.00	$ 7.00
X72	Ctry Store	$ 9,000.00	$ 8,100.00	$ 5,400.00	$ 3,600.00	$ 1,800.00	$ 900.00
X73	Cold Stg	$ 40.00	$ 35.00	$ 27.50	$ 19.00	$ 13.00	$ 8.00
X74	Peanut Shed	$ 4.00	$ 3.50	$ 2.50	$ 1.50	$ 1.00	$ 0.50
X75	BQ MTL Shed	$ 10.00	$ 9.00	$ 7.00	$ 5.00	$ 3.00	$ 1.50
X76	Shop	$ 20.00	$ 15.00	$ 12.00	$ 10.00	$ 7.00	$ 4.00
X77	Whse	$ 25.00	$ 20.00	$ 15.50	$ 11.00	$ 8.00	$ 5.00
X78	Garage Brick Unfin 1 1/2 STY	$ 35.00	$ 30.00	$ 25.00	$ 20.00	$ 15.00	$ 10.00
X79	Garage Brick Unfin 2 STY	$ 40.00	$ 35.00	$ 30.00	$ 25.00	$ 20.00	$ 15.00
X80	Garage Brick Fin 1 1/2 STY	$ 45.00	$ 40.00	$ 35.00	$ 30.00	$ 25.00	$ 20.00
X81	Garage Brick Fin 2 STY	$ 50.00	$ 45.00	$ 40.00	$ 35.00	$ 30.00	$ 25.00
X82	Garage Frame Unfin 1 1/2 STY	$ 30.00	$ 25.00	$ 20.00	$ 15.00	$ 10.00	$ 5.00
X83	Garage Frame Unfin 2 STY	$ 35.00	$ 30.00	$ 25.00	$ 20.00	$ 15.00	$ 10.00
X84	Garage Frame Fin 1 1/2 STY	$ 40.00	$ 35.00	$ 30.00	$ 25.00	$ 20.00	$ 15.00
X85	Garage Frame Fin 2 STY	$ 45.00	$ 40.00	$ 35.00	$ 30.00	$ 25.00	$ 20.00
X86	Storage Brick 1 1/2 STY	$ 25.00	$ 20.00	$ 15.00	$ 10.00	$ 7.50	$ 5.00
X87	Storage Brick 2 STY	$ 35.00	$ 30.00	$ 20.00	$ 15.00	$ 10.00	$ 7.50

Outbuilding Use Code		New Rate	Good Rate	Average Rate	Fair Rate	Poor Rate	V Poor Rate
X88	Storage Frame 1 1/2 STY	$ 20.00	$ 15.00	$ 10.00	$ 7.50	$ 5.00	$ 3.50
X89	Storage Frame 2 STY	$ 30.00	$ 25.00	$ 20.00	$ 15.00	$ 10.00	$ 7.50
X90	Storage Brick Fin	$ 20.00	$ 17.50	$ 15.00	$ 12.00	$ 10.00	$ 7.00
X91	Storage Brick Unfin	$ 17.50	$ 15.00	$ 12.00	$ 10.00	$ 7.00	$ 5.00
X92	Mini Warehouses	$ 30.00	$ 25.00	$ 20.00	$ 15.00	$ 9.00	$ 7.50
X93	Hog Nursery	$ 15.00	$ 11.00	$ 9.00	$ 6.00	$ 4.00	$ 3.00
X94	Hog Farrowing	$ 12.00	$ 10.00	$ 8.00	$ 5.00	$ 3.00	$ 2.00
X95	Hog Finishing	$ 10.00	$ 8.00	$ 6.00	$ 5.00	$ 4.00	$ 3.00
X96	Hog Breeding	$ 9.00	$ 8.00	$ 7.00	$ 6.00	$ 5.00	$ 4.00

MASS APPRAISAL STANDARD 6

USPAP STANDARD 6 – MASS APPRAISAL

STANDARD 6: MASS APPRAISAL, DEVELOPMENT AND REPORTING

In developing a mass appraisal, an appraiser must be aware of, understand, and correctly employ those recognized methods and techniques necessary to produce and communicate credible mass appraisals.

Comment: STANDARD 6 applies to all mass appraisals of real or personal property regardless of the purpose or use of such appraisals.[55] STANDARD 6 is directed toward the substantive aspects of developing and communicating credible analyses, opinions, and conclusions in the mass appraisal of properties. Mass appraisals can be prepared with or without computer assistance. The reporting and jurisdictional exceptions applicable to public mass appraisals prepared for ad valorem taxation do not apply to mass appraisals prepared for other purposes.

A mass appraisal includes:

1) identifying properties to be appraised.
2) defining market area of consistent behavior that applies to properties.
3) identifying characteristics (supply and demand) that affect the creation of value in that market area.
4) developing a model structure that reflects the relationship among the characteristics affecting value in the market area.
5) calibrating the model structure to determine the contribution of the in individual characteristics affecting value.
6) applying the conclusions reflected in the model to the characteristics of the property(ies) being appraised; and
7) reviewing the mass appraisal results.

The JURISDICTIONAL EXCEPTION RULE may apply to several sections of STANDARD 6 because ad valorem tax administration is subject to various state, county, and municipal laws.

Standards Rule 6-1

In developing a mass appraisal, an appraiser must:

(a) be aware of, understand, and correctly employ those recognized methods and techniques necessary to produce a credible mass appraisal.

Comment: Mass appraisal provides for a systematic approach and uniform application of appraisal methods and techniques to obtain estimates of value that allow for statistical review and analysis of results.
This requirement recognizes that the principle of change continues to affect the way appraisers perform mass appraisals. Changes and developments in the real property and personal property fields have a substantial impact on the appraisal profession.

To keep abreast of these changes and developments, the appraisal profession is constantly reviewing and revising appraisal methods and techniques and devising new methods and techniques to meet new circumstances. For this reason, it is not sufficient for appraisers to simply maintain the skills and the knowledge they possess when they become appraisers.

Each appraiser must continuously improve his or her skills to remain proficient in mass appraisal.

(b) not commit a substantial error of omission or commission that significantly affects a mass appraisal; and

Comment: An appraiser must use sufficient care to avoid errors that would significantly affect his or her opinions and conclusions. Diligence is required to identify and analyze the factors, conditions, data, and other information that would have a significant effect on the credibility of the assignment results.

(c) not render a mass appraisal in a careless or negligent manner.

Comment: Perfection is impossible to attain, and competence does not require perfection. However, an appraiser must not render appraisal services in a careless or negligent manner.
This Standards Rule requires an appraiser to use due diligence and due care.

Standards Rule 6-2

In developing a mass appraisal, an appraiser must:

(a) identify the client and other intended users,[56]

(b) identify the intended use of the appraisal,[57]

Comment: An appraiser must not allow the intended use of an assignment or a client's objectives to cause the assignment results to be biased.

(c) identify the type and definition of value, and, if the value opinion to be developed is market value, ascertain whether the value is to be the most probable price:

(i) in terms of cash; or

(ii) in terms of financial arrangements equivalent to cash; or

(iii) in such other terms as may be precisely defined; and

(iv) if the opinion of value is based on non-market financing or financing with unusual conditions or incentives, the terms of such financing must be clearly identified and the appraiser's opinion of their contributions to or negative influence on value must be developed by analysis of relevant market data.

Comment: For certain types of appraisal assignments in which a legal definition of market value has been established and takes precedence, the JURISDICTIONAL EXCEPTION RULE may apply.

(d) identify the effective date of the appraisal,[58]

[56] See Statement on Appraisal Standards No. 9, *Identification of Intended Use, and Intended Users.*

[57] See Statement on Appraisal Standards No. 9, *Identification of Intended Use, and Intended Users.*

[58] See Statement on Appraisal Standards No. 3, *Prospective Value Opinions*, and Statement on Appraisal Standards No. 4, *Retrospective Value Opinions*.

STANDARD 6

(e) identify the characteristics of the properties that are relevant to the type and definition of value and intended use[59], including:

(i) the group with which a property is identified according to similar market influence.

(ii) the appropriate market area and time frame relative to the property being value and

(iii) their location and physical, legal, and economic characteristics.

Comment: The properties must be identified in general terms, and each individual property in
the universe must be identified, with the information on its identity stored or referenced in its property record.

When appraising proposed improvements, an appraiser must examine and have available for future examination, plans, specifications, or other documentation sufficient to identify the extent and character of the proposed improvements.[60]

Ordinarily, proposed improvements are not appraised for ad valorem tax. Appraisers, however, are sometimes asked to provide opinions of value of proposed improvements so that developers can estimate future property tax burdens. Sometimes units in condominiums and planned unit developments are sold with an interest in un-built community property, the pro rata value of which, if any, must be considered in the analysis of sales data.

(f) identify the characteristics of the market that are relevant to the purpose and intended use of the mass appraisal including:

(i) location of the market area.

(ii) physical, legal, and economic attributes.

(iii) time frame of market activity; and

(iv) property interests reflected in the market.

(g) in appraising real property or personal property:

(i) identify the appropriate market area and time frame relative to the property being valued.

(ii) when the subject is real property, identify and consider any personal property, trade fixtures, or intangibles that are not real property but are included in the appraisal.

(iii) when the subject is personal property, identify and consider any real property or intangibles that are not personal property but are included in the appraisal.

(iv) identify known easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances, or other items of similar nature; and

[59] See Advisory Opinion 23, *Identifying the Relevant Characteristics of the Subject Property of a Real Property Appraisal Assignment*, if applicable.

[60] See Advisory Opinion 17, *Appraisals of Real Prorty with Proposed Improvements*, if applicable.

(v) identify and analyze whether an appraised fractional interest, physical segment or partial holding contributes pro rata to the value of the whole.

Comment: The above requirements do not obligate the appraiser to value the whole when the subject of the appraisal is a fractional interest, physical segment, or a partial holding. However, if the value of the whole is not identified, the appraisal must clearly reflect that the value of the property being appraised cannot be used to develop the value opinion of the whole by mathematical extension.

(h) analyze the relevant economic conditions at the time of the valuation, including market acceptability of the property and supply, demand, scarcity, or rarity.

(i) identify any extraordinary assumptions and any hypothetical conditions necessary in the assignment; and

Comment: An extraordinary assumption may be used in an assignment only if:

- it is required to properly develop credible opinions and conclusions.
- the appraiser has a reasonable basis for the extraordinary assumption.
- use of the extraordinary assumption results in a credible analysis; and
- the appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

A hypothetical condition may be used in an assignment only if:

- use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison.
- use of the hypothetical condition results in a credible analysis; and
- the appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

(j) determine the scope of work necessary to produce credible assignment results in accordance with the SCOPE OF WORK RULE.[61]

Standards Rule 6-3

When necessary for credible assignment results, an appraiser must:

(a) in appraising real property, identify and analyze the effect on use and value of the following factors: existing land use regulations, reasonably probable modifications of such regulations, economic supply and demand, the physical adaptability of the real estate, neighborhood trends, and highest and best use of the real estate; and

Comment: This requirement sets forth a list of factors that affect use and value. In considering neighborhood trends, an appraiser must avoid stereotyped or biased assumptions relating to race, age, color, gender, or national origin or an assumption that race, ethnic, or religious homogeneity is necessary to maximize value in a neighborhood. Further, an appraiser must avoid making an unsupported assumption or premise about neighborhood decline, effective age, and remaining life. In considering highest and

best use, an appraiser must develop the concept to the extent required for a proper solution to the appraisal problem.

[61] See Advisory Opinion 28, *Scope of Work Decision, Performance, and Disclosure*, and Advisory Opinion 29, *An Acceptable Scope of Work.*

STANDARD 6

(b) in appraising personal property: identify and analyze the effects on use and value of industry trends, value-in-use, and trade level of personal property. Where applicable, analyze the current use and alternative uses to encompass what is profitable, legal, and physically possible, as relevant to the type and definition of value and intended use of the appraisal. Personal property has several measurable marketplaces; therefore, the appraiser must define and analyze the appropriate market consistent with the type and definition of value.

Comment: The appraiser must recognize that there are distinct levels of trade, and each may generate its own data. For example, a property may have a different value at a wholesale level of trade, a retail level of trade, or under various auction conditions. Therefore, the appraiser must analyze the subject property within the correct market context.

Standards Rule 6-4

In developing a mass appraisal, an appraiser must:

(a) identify the appropriate procedures and market information required to perform the appraisal, including all physical, functional, and external market factors as they may affect the appraisal.

Comment: Such efforts customarily include the development of standardized data collection forms, procedures, and training materials that are used uniformly on the universe of properties under consideration.

(b) employ recognized techniques for specifying property valuation models; and

Comment: The formal development of a model in a statement or equation is called model specification. Mass appraisers must develop mathematical models that, with reasonable accuracy, represent the relationship between property value and supply and demand factors, as represented by quantitative and qualitative property characteristics. The models may be specified using the cost, sales comparison, or income approaches to value. The specification format may be tabular, mathematical, linear, nonlinear, or any other structure suitable for representing the observable property characteristics. Appropriate approaches must be used in appraising a class of properties. The concept of recognized techniques applies to both real and personal property valuation models.

(c) employ recognized techniques for calibrating mass appraisal models.

Comment: Calibration refers to the process of analyzing sets of property and market data to determine the specific parameters of a model. The table entries in a cost manual are examples of calibrated parameters, as well as the coefficients in a linear or nonlinear model. Models must be calibrated using recognized techniques, including, but not limited to, multiple linear regression, nonlinear regression, and adaptive estimation.

Standards Rule 6-5

In developing a mass appraisal, when necessary for credible assignment results, an appraiser must:

(a) collect, verify, and analyze such data as are necessary and appropriate to develop:

(i) the cost new of the improvements.

(ii) accrued depreciation.

(iii) value of the land by sales of comparable properties.

(iv) value of the property by sales of comparable properties.

(v) value by capitalization of income or potential earnings - i.e., rentals, expenses, interest rates, capitalization rates, and vacancy data;

Comment: This Standards Rule requires appraisers engaged in mass appraisal to take reasonable steps to ensure that the quantity and quality of the factual data that are collected are sufficient to produce credible appraisals. For example, in real property, where applicable and feasible, systems for routinely collecting and maintaining ownership, geographic, sales, income and expense, cost, and property characteristics data must be established. Geographic data must be contained in as complete a set of cadastral maps as possible, compiled according to current standards of detail and accuracy. Sales data must be collected, confirmed, screened, adjusted, and filed according to current standards of practice. The sales file must contain, for each sale, property characteristics data that are contemporaneous with the date of sale. Property characteristics data must be appropriate and relevant to the mass appraisal models being used. The property characteristics data file must contain data contemporaneous with the date of appraisal including historical data on sales, where appropriate and available. The data collection program must incorporate a quality control program, including checks and audits of the data to ensure current and consistent records.

(b) base estimates of capitalization rates and projections of future rental rates and/or potential earnings capacity, expenses, interest rates, and vacancy rates on reasonable and appropriate evidence; [62]

Comment: This requirement calls for an appraiser, in developing income and expense statements and cash flow projections, to weigh historical information and trends, current market factors affecting such trends, and reasonably anticipated events, such as competition from developments either planned or under construction.

(c) identify and, as applicable, analyze terms and conditions of any available leases; and

(d) identify the need for and extent of any physical inspection.[63]

Standards Rule 6-6

When necessary for credible assignment results in applying a calibrated mass appraisal model an appraiser must:

(a) value improved parcels by recognized methods or techniques based on the cost approach, the sales comparison approach, and income approach.

(b) value sites by recognized methods or techniques; such techniques include but are not limited to the sales comparison approach, allocation method, abstraction method, capitalization of ground rent, and land residual technique.

(c) when developing the value of a leased fee estate or a leasehold estate, analyze the effect on value, if any, of the terms and conditions of the lease.

Comment: In ad valorem taxation the appraiser may be required by rules or law to appraise the property as if in fee simple, as though unencumbered by existing leases. In such cases, market rent would be used in the appraisal, ignoring the effect of the individual, actualcontract rents.

[62] See Statement on Appraisal Standards No. 2, *Discounted Cash Flow Analysis.*

[63] See Advisory Opinion 2, *Inspection of Subject Property*.

(d) analyze the effect on value, if any, of the assemblage of the various parcels, divided interests, or component parts of a property; the value of the whole must not be developed by adding together the individual values of the various parcels, divided interests, or component parts; and

Comment: When the value of the whole has been established and the appraiser seeks to value a part, the value of any such part must be tested by reference to appropriate market data and supported by an appropriate analysis of such data.

(e) when analyzing anticipated public or private improvements, located on or off the site, analyze the effect on value, if any, of such anticipated improvements to the extent they are reflected in market actions.

Standards Rule 6-7

In reconciling a mass appraisal an appraiser must:

(a) reconcile the quality and quantity of data available and analyzed within the approaches used and the applicability and relevance of the approaches, methods and techniques used; and

(b) employ recognized mass appraisal testing procedures and techniques to ensure that standards of accuracy are maintained.

Comment: It is implicit in mass appraisal that, even when properly specified and calibrated mass appraisal models are used, some individual value conclusions will not meet standards of reasonableness, consistency, and accuracy. However, appraisers engaged in mass appraisal have a professional responsibility to ensure that, on an overall basis, models produce value conclusions that meet attainable standards of accuracy. This responsibility requires appraisers to evaluate the performance of models, using techniques that may include but are not limited to, goodness-of-fit statistics, and model performance statistics such as appraisal-to-sale ratio studies, evaluation of hold-out samples, or analysis of residuals.

Standards Rule 6-8

A written report of a mass appraisal must clearly communicate the elements, results, opinions, and value conclusions of the appraisal.

Each written report of a mass appraisal must:

(a) clearly and accurately set forth the appraisal in a manner that will not be misleading.

(b) contain sufficient information to enable the intended users of the appraisal to understand the report properly.

Comment: Documentation for a mass appraisal for ad valorem taxation may be in the form of (1) property records, (2) sales ratios and other statistical studies, (3) appraisal manuals and documentation, (4) market studies, (5) model building documentation, (6) regulations, (7) statutes, and (8) other acceptable forms.

(c) clearly and accurately disclose all assumptions, extraordinary assumptions, hypothetical conditions, and limiting conditions used in the assignment

Comment: The report must clearly and conspicuously:

- state all extraordinary assumptions and hypothetical conditions; and
- state that their use might have affected the assignment results.

(d) state the identity of the client and any intended users, by name or type;[64]

(e) state the intended use of the appraisal,[65]

(f) disclose any assumptions or limiting conditions that result in deviation from recognized methods and techniques or that affect analyses, opinions, and conclusions.

(g) set forth the effective date of the appraisal and the date of the report.

Comment: In ad valorem taxation the effective date of the appraisal may be prescribed by law. If no effective date is prescribed by law, the effective date of the appraisal, if not stated, is presumed to be contemporaneous with the data and appraisal conclusions. The effective date of the appraisal establishes the context for the value opinion, while the date of the report indicates whether the perspective of the appraiser on the market and property as of the effective date of the appraisal was prospective, current, or retrospective.[66]

(h) state the type and definition of value and cite the source of the definition.

Comment: Stating the type and definition of value also requires any comments needed to clearly indicate to intended users how the definition is being applied.[67]

When reporting an opinion of market value, state whether the opinion of value is:

- In terms of cash or of financing terms equivalent to cash; or
- Based on non-market financing with unusual conditions or incentives.

When an opinion of market value is not in terms of cash or based on financing terms equivalent to cash, summarize the terms of such financing and explain their contributions to or negative influence on value.

(i) identify the properties appraised including the property rights.

Comment: The report documents the sources for location, describing and listing the property. When applicable, include references to legal descriptions, addresses, parcel identifiers, photos, and building sketches. In mass appraisal this information is often included in property records. When the property rights to be appraised are specified in a statute or court ruling, the law must be referenced.

[64] See Statement on Appraisal Standards No. 9, *Identification of the Intended Use, and Intended Users.*

[65] See Statement on Appraisal Standards No. 9, *Identification of the Intended Use, and Intended Users.*

[66] See Statement on Appraisal Standards No. 3, *Retrospective Value Opinions*, and Statement on Appraisal Standards No. 4, *Prospective Value Opinions*.

[67] See Statement on Appraisal Standards No. 6, *Reasonable Exposure Time in Real Property and Personal Property Opinions of Value*. See also Advisory Opinion 7, *Marketing Time Opinions.*

(j) describe the scope of work used to develop the appraisal;[68] exclusion of the sales comparison approach, cost approach, or income approach must be explained.

Comment: Because intended users' reliance on an appraisal may be affected by the scope of work, the report must enable them to be properly informed and not misled. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

When any portion of the work involves significant mass appraisal assistance, the appraiser must describe the extent of that assistance. The signing appraiser must also state the name(s) of those providing the significant mass appraisal assistance in the certification, in accordance with Standards Rule 6-9.[69]

(k) describe and justify the model specification(s) considered, data requirements, and the model(s) chosen.

Comment: The appraiser must provide sufficient information to enable the client and intended users to have confidence that the process and procedures used conform to accepted methods and result in credible value conclusions. In the case of mass appraisal for ad valorem taxation, stability and accuracy are important to the credibility of value opinions. The report must include a discussion of the rationale for each model, the calibration techniques to be used, and the performance measures to be used.

(l) describe the procedure for collecting, validating, and reporting data.

Comment: The report must describe the sources of data and the data collection and validation processes. Reference to detailed data collection manuals must be made, as appropriate including where they may be found for inspection.

(m) describe calibration methods considered and chosen, including the mathematical form of the final model(s); describe how value conclusions were reviewed; and, if necessary, describe the availability of individual value conclusions.

(n) when an opinion of highest and best use, or the appropriate market or market level was developed, discuss how that opinion was determined.

Comment: The mass appraisal report must reference case law, statute, or public policy that describes highest and best use requirements. When actual use is the requirement, the report must discuss how use-value opinions were developed. The appraiser's reasoning in support of the highest and best use opinion must be provided in the depth and detail required by its significance to the appraisal.

(o) identify the appraisal performance tests used and set forth the performance measures attained.

(p) describe the reconciliation performed, in accordance with Standards Rule 6-7; and

(q) include a signed certification in accordance with Standards Rule 6-9.

[68] See Advisory Opinion 28, *Scope of Work Decision, Performance, and Disclosure* and Advisory Opinion 29, *An Acceptable Scope of Work.*

[69] See Advisory Opinion 31, *Assignments Involving More than One Appraiser*.

Standards Rule 6-9

Each written mass appraisal report must contain a signed certification that is similar in content to the following form:

I certify that, to the best of my knowledge and belief:

- **the statements of fact contained in this report are true and correct.**
- **the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.**
- **I have no (or the specified) present or prospective interest in the property that is the subject of this report, and I have no (or the specified) personal interest with respect to the parties involved.**
- **I have performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.**
- **I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.**
- **my engagement in this assignment was not contingent upon developing or reporting predetermined results.**
- **my compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.**
- **my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice.***
- **I have (or have not) made a personal inspection of the properties that are the subject of this report. (If more than one person signs the report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)[70].**
- **no one provided significant mass appraisal assistance to the person signing this certification. (If there are exceptions, the name of everyone providing significant mass appraisal assistance must be stated.)**

Comment: The above certification is not intended to disturb an elected or appointed assessor's work plans or oaths of office. A signed certification is an integral part of the appraisal report. An appraiser, who signs any part of the mass appraisal report, including a letter of transmittal, must also sign this certification. In an assignment that includes only assignment results developed by the real property appraiser(s), any appraiser(s)

who signs a certification accepts full responsibility for all elements of the certification, for the assignment results, and for the contents of the appraisal report. In an assignment that includes personal property assignment results not developed by the real property appraiser(s), any real property appraiser(s) who signs a certification accepts full responsibility for the real property elements of the certification, for the real property assignment results, and for the real property contents of the appraisal report. In an assignment that includes only assignment results developed by the personal property appraiser(s), any appraiser(s) who signs a certification accepts full responsibility for all elements of the certification, for the assignment results, and for the contents of the appraisal report. In an assignment that includes real property assignment results not developed by the personal property appraiser(s), any personal property appraiser(s) who signs a certification accepts full responsibility for the personal property elements of the certification, for the personal property assignment results, and for the personal property contents of the appraisal report. When a signing appraiser(s) has relied on work done by appraisers and others who do not sign the certification, the signing appraiser is responsible for the decision to rely on their work.

The signing appraiser(s) is required to have a reasonable basis for believing that those individuals performing the work are competent. The signing appraiser(s) also must have no reason to doubt that the work of those individuals is credible. The names of individuals providing significant mass appraisal assistance who do not sign a certification must be stated in the certification. It is not required that the description of their assistance be contained in the certification, but disclosure of their assistance is required in.

USPAP 2012-2015 Edition

APPENDIX

STATUTORY REQUIREMENTS

G.S. 105-286. Time for general reappraisal of real property.

(a) Octennial Plan. -Unless the date shall be advanced as provided in subdivision, (a) (2), below, each county of the State, as of January 1 of the year prescribed in the schedule set out in subdivision (a)(l), below, and every eighth year thereafter, shall reappraise all real property in accordance with the provisions of G.S. 105-283 and 105-317.

(1) Schedule of Initial Reappraisals. -
Division Six - 1977: --EDGECOMBE

Edgecombe County last conducted a countywide reappraisal in 2017. The 'Division Six' cycle established reappraisals to be done at least in the years 1985, 1993, 2001, 2009 and 2017. The next reappraisal, per cycle, would be in 2024: the effective date of 'this reappraisal.

G.S. 105-296. Powers and duties of assessor:

(b) Within budgeted appropriations, he shall employ listers, appraisers, and clerical assistants necessary to carry out the listing, appraisal, assessing, and billing functions required by law. The assessor may allocate responsibility among such employees by territory, by subject matter, or on any other reasonable basis. Each person employed by the assessor as a real property appraiser or personal property appraiser shall during the first year of employment and at least every other year thereafter attend a course of instruction in his area of work. At the end of the first year of their employment, such persons shall also achieve a passing score on a comprehensive examination in property tax administration conducted by the Department of Revenue.

GS 105-299. Employment of experts:

The board of county commissioners may employ appraisal firms, mapping firms or other persons or firms having expertise in one or more of the duties of the assessor to assist him or her in the performance of such duties. The county may make available to such persons any information it has that will facilitate the performance of a contract entered pursuant to this section. Persons receiving such information shall be subject to the provisions of G.S. 105-289(e) and G.S. 105-259 regarding the use and disclosure of information provided to them by the county. Any person employed by an appraisal firm whose duties include the appraisal of property for the county shall be required to demonstrate that he or she is qualified to carry out such duties by achieving a passing grade on a comprehensive examination in the appraisal of property administered by the Department of Revenue. In the employment of such firms, primary consideration shall be given to the firms registered with the Department of Revenue pursuant to the provisions of G.S. 105-289(i). A copy of the specifications to be submitted to potential bidders and a copy of the proposed contract may be sent by the board to the Department of Revenue for review before the invitation or acceptance of any bids. Contracts for the employment of such firms or persons shall be deemed to be contracts for personal services and shall not be

subject to the provisions of Article 8, Chapter 143, of the General Statutes. (1939, c. 310, s. 408; 1971, c. 806, s.1; 1973, c. 476, s. 193; 1975, c 508, s 2; 1983, c 813, s 4; 1985, c. 601, s. 2; 1989, c. 79; 2002-184, s. 7; 2003-416, s.9)

G.S. 105-317. Appraisal of real property; adoption of schedules, standards, and rules.

(a) Whenever any real property is appraised, it shall be the duty of the persons making appraisals:

(1) In determining the true value of land, to consider as to each tract, parcel, or lot.
separately listed at least its advantages and disadvantages as to location; zoning; quality of soil; waterpower; water privileges; dedication as a nature preserve; conservation or preservation agreements; mineral, quarry, or other valuable deposits; fertility; adaptability for agricultural, timber-producing, commercial, industrial, or other uses; past income; probable future income; and any other factors that may affect its value except growing crops of a seasonal or annual nature.

(2) In determining the true value of a building or other improvement, to consider at least its location; type of construction; age; replacement cost; cost; adaptability for residence, commercial, industrial, or other uses; past income; probable future income; and any other factors that may affect its value.

(3) To appraise partially completed buildings in accordance with the degree of completion on January 1.

(b) In preparation for each revaluation real property required by G.S. 105-286, it shall be the duty of the assessor to see that:

(1) Uniform schedules of values, standards, and rules to be used in appraising real property at its true value and at its present-use value are prepared and are sufficiently detailed to enable those making appraisals to adhere to them in appraising real property.

(2) Repealed by Session Laws 1981, c. 678, s. 1.

(3) A separate property record prepared for each tract, parcel, lot, or group of contiguous lots, which record shall show the information required for compliance with the provisions of G.S. 105-309 insofar as they deal with real property, as well as that required by this section. (The purpose of this subdivision is to require that individual property records be maintained in sufficient detail to enable property owners to ascertain the method, rules, and standards of value by which property is appraised.)

(4) The property characteristics considered in appraising each lot, parcel, tract, building, structure and improvement, in accordance with the schedules of values, standards, and rules, be accurately recorded on the appropriate property record.

(5) Upon the request of the owner, the board of equalization and review, or the board of county commissioners, any lot, parcel, tract, building, structure, or improvement be actually visited and observed to verify the accuracy of property characteristics on record for that property.
(6) Each lot, parcel, tract, building, structure, and improvement be separately appraised by a competent appraiser, either one appointed under the provisions of G.S. 105-296 or one employed under the provisions of G.S. 105-299.
(7) Notice is given in writing to the owner that he is entitled to have an actual visitation and observation of his property to verify the accuracy of property characteristics on record for that property.

(c) The values, standards, and rules required by subdivision (b) (1) shall be reviewed and approved by the board of county commissioners before January 1 of the year they are applied. The board of county commissioners may approve the schedules of values, standards, and rules to be used in appraising real property at its true value and at its present-use value either separately or simultaneously. Notice of the receipt and adoption by the board of county commissioners of either or both the true value and present-use value schedules, standards, and rules, and notice of a property owner's right to comment on and contest the schedules, standards, and rules shall be given as follows:

(1) The assessor shall submit the proposed schedules, standards, and rules to the board of county commissioners not less than 21 days before the meeting at which they will be considered by the board. On the same day that they are submitted to the board for its consideration, the assessor shall file a copy of the proposed schedules, standards, and rules in his office where they shall remain available for public inspection.
(2) Upon receipt of the proposed schedules, standards, and rules, the board of commissioners shall publish a statement in a newspaper having general circulation in the county stating:
    a. That the proposed schedules, standards, and rules to be used in appraising real property in the county have been submitted to the board of county commissioners and are available for public inspection in the assessor's office; and
    b. The time and place of a public hearing on the proposed schedules, standards, and rules that shall be held by the board of county commissioners at least seven days before adopting the final schedules, standards, and rules.
(3) When the board of county commissioners approves the final schedules, standards, and rules, it shall issue an order adopting them. Notice of this order shall be published once a week for four successive weeks in a newspaper having general circulation in the county, with the last publication being not less than seven days before the last day for

challenging the validity of the schedules, standards, and rules by appeal to the Property Tax Commission. The notice shall state:

a. That the schedules, standards, and rules to be used in the next scheduled reappraisal of real property in the county have been adopted and are open to examination in the office of the assessor.
and;
b. That a property owner who asserts that the schedules, standards, and rules are invalid may except to the order and appeal there from to the Property Tax Commission within 30 days of the date when the notice of the order adopting the schedules, standards, and rules was first published.

(d) Before the board of county commissioners adopts the schedules of values, standards, and rules, the assessor may collect data needed to apply the schedules, standards, and rules to each parcel in the county.

G.S. 105-283. Uniform appraisal standards.

All property, real and personal, shall as far as practicable be appraised or valued at its true value in money. When used in this Subchapter, the words "true value" shall be interpreted as meaning market value, that is, the price estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used. For the purposes of this section, the acquisition of an interest in land by an entity having the power of eminent domain with respect to the interest acquired shall not be considered competent evidence of the true value in money of comparable land.

§ 105-284. Uniform assessment standard.

(a) Except as otherwise provided in this section, all property, real and personal, shall be assessed for taxation at its true value or use value as determined under G.S. 105-283 or G.S. 105-277.6, and taxes levied by all counties and municipalities shall be levied uniformly on assessments determined in accordance with this section.
(b) The assessed value of public service company system property subject to appraisal by the Department of Revenue under G.S. 105-335(b)(1) shall be determined by applying to the allocation of such value to each county a percentage to be established by the Department of Revenue. The percentage to be applied shall be either:
(1) The median ratio established in sales assessment ratio studies of real property conducted by the Department of Revenue in the county in the year the county conducts a reappraisal of real property and in the fourth and seventh years thereafter; or

(2) A weighted average percentage based on the median ratio for real property established by the Department of Revenue as provided in subdivision (1) and a one hundred percent (100%) ratio for personal property. No percentage shall be applied in a year in which the median ratio for real property is ninety percent (90%) or greater. If the median ratio for real property in any county is below ninety percent (90%) and if the county assessor has provided information satisfactory to the Department of Revenue that the county follows accepted guidelines and practices in the assessment of business personal property, the weighted average percentage shall be applied to public service company property. In calculating the weighted average percentage, the Department shall use the assessed value figures for real and personal property reported by the county to the Local Government Commission for the preceding year. In any county which fails to demonstrate that it follows accepted guidelines and practices, the percentage to be applied shall be the median ratio for real property. The percentage established in a year in which a sales assessment ratio study is conducted shall continue to be applied until another study is conducted by the Department of Revenue.
(c) Notice of the median ratio and the percentage to be applied for each county shall be given by the Department of Revenue to the chairman of the board of commissioners not later than April 15 of the year for which it is to be effective. Notice shall also be given at the same time to the public service companies whose property values are subject to adjustment under this section. Either the county or an affected public service company may challenge the real property ratio, or the percentage established by the Department of Revenue by giving notice of exception within
30 days after the mailing of the Department's notice. Upon receipt of such notice of exception, the Department shall arrange a conference with the challenging party or parties to review the matter. Following the conference, the Department shall notify the challenging party or parties of its final determination in the matter. Either party may appeal the Department's determination to the Property Tax Commission by giving notice of appeal within 30 days after the mailing of the Department's decision.
(d) Property that is in a development financing district and that is subject to an agreement entered into pursuant to G.S. 159-108 shall be assessed at its true value or at the minimum value set out in the agreement, whichever is greater.(1939, c. 310, s. 500; 1953, c. 970, s. 5; 1955, c. 1100, s. 2; 1959, c. 682; 1967, c. 892, s. 7; 1969, c. 945, s. 1; 1971, c. 806, s. 1; 1973, c. 695, s. 12; 1985, c. 601, s. 1; 1987 (Reg. Sess., 1988), c. 1052, s. 1; 2003-403, s. 20.)

Note: The Machinery Act of North Carolina is considered an integral part of these Uniform Schedules of Value, Standards, and Rules. Any applicable law or standard not recited within this text is hereafter included by reference as part of the schedules.

Manufactured Housing

G.S. 105-273

(13) "Real property," "real estate," and "land" mean not only the land itself, but also buildings, structures, improvements, and permanent fixtures on the land, and all rights and privileges belonging or in any way appertaining to the property. These terms also mean a manufactured home as defined in G.S. 143-143.9(6) if it is a residential structure; has the moving hitch, wheels, and axles removed; and is placed upon a permanent foundation either on land owned by the owner of the manufactured home or on land in which the owner of the manufactured home has a leasehold interest pursuant to a lease with a primary term of at least 20 years for the real property on which the manufactured home is affixed and where the lease expressly provides for disposition of the manufactured home upon termination of the lease. A manufactured home as defined in G.S. 143-143.9(6) that does not meet all of these conditions is considered tangible personal property.

All of the following requirements must be met for the unit to be considered “real property”:

1. It must be a residential unit.
2. It must have the moving hitch, wheels and axles removed.
3. It must be placed on a permanent foundation.
4. It must be located on land owned by the owner of the unit or have a leasehold interest pursuant to a lease.

Which homes are real?

All manufactured homes which meet the four requirements listed above must be assessed as real property and those which do not must be assessed as personal property.

What if the home is not a residential unit but a business unit?

It would be assessed as personal property.

What if the hitch, wheel, and axles are not removed?

It would be assessed as personal property.

What is considered a permanent foundation?

The Department of Insurance has issued building codes for the installation of manufactured homes. The only foundation required by the building code for a manufactured home is footings and piers. The footings are poured either concrete or pre-cast solid concrete pads. The size and depth of the footing depends on the type of home and the location of the home. The building code states, "The bottom of all footings shall be below the frost line or a minimum of 4 inches below finished grade, whichever is greater." The piers are either single staked or double stacked. All manufactured homes have a permanent foundation if their installation follows the building code.

What if the home is located on the land of someone other than the owner of the home?

Manufactured homes must be located on land owned by the owner of the home or have a leasehold interest pursuant to a lease in order to be assessed as real property.

What about modular homes?

Modular homes are built under the North Carolina Building Code just like site-built homes and should be appraised and assessed as real property. Even those that may be on the land of someone other than the owner of the home should be considered real property.

DEFINITIONS

EXTERIOR WALLS

ALUMINIM SIDING - Flat or corrugated aluminum sheets fastened to a wood or metal frame as direct replacement or cover for horizontal wood siding.

ASBESTOS SHINGLE WALL - Refers to asbestos shingle laid over wood frame with sheathing. The principal composition of these shingles is asbestos which is a mineral fiber occurring in long and delicate fibers or fibrous masses. It is incombustible, non-conducting and chemically resistant. Typically, these shingles are hard and brittle in nature with a noticeable grain or texture.

BOARD AND BATTEN ON PLYWOOD WITH STRIPS - Sheathing placed on walls in a vertical position and the joints covered by battens (which are narrow wooden strips). This form of siding commonly used on small buildings.

BOARD AND BATTEN 12" BOARDS - With 12" boards nailed to sheathing in a vertical position and the joints covered by battens (which are narrow wooden strips). This form of siding commonly used on small buildings.

CEDAR OR REDWOOD SIDING - Horizontal cedar or redwood lap siding or panel siding normally unfinished or naturally stained which is desirable because of color and maintenance free characteristics. Usually, the lap siding has above average excellent type construction.

CEMENT BRICK - Cement brick is normally a 4" cement brick wall backed with masonry or wood. Cement bricks lack the reddish clay color of common brick.

COMPOSITION OR WALL BOARD - Refers to composition siding which comes in varied thickness and rolls and is usually fastened over wood framing by nailing. Can be any of the various man-made materials on wood or metal framing such as "Homosote", or "Cleotex", or other trade name products. These must be treated or painted to withstand weather. Generally, in expensive construction.

CONCRETE OR CINDER BLOCK – The standard concrete or cinder block which can range in size from 8 to 26 inches.

CORRUGATED ASBESTOS - Sometimes called by trade names such as "Transite", this is asbestos manufactured in corrugated sheets which can be fastened to wood or metal framing.

CORRUGATED METAL (LIGHT) - An inexpensive steel or galvanized siding with minimum thickness. This is usually manufactured in sheets which can be fastened to wood or metal framing.

CORRUGATED METAL (HEAVY) - An expensive steel or galvanized siding generally used for commercial construction.

FACE BRICK - The better quality of brick such as that used on exposed parts of a building and is usually color treated and finished.

GLASS/THERMOPANE - A glass sandwich designed for use on exterior walls. Usually tinted and with an aluminum or metal framing system. This normally occurs only on large commercial office buildings.

MASONITE - Hardboard siding 6 to 12 inches wide. Six-inch horizontal siding is considered as siding maximum.

MODULAR METAL - This refers to the type walls used in mobile homes and commercial construction and other similar prefab metal walls.

PRECAST PANEL - A modular construction material usually with a washed pebble finish. Such panels are precast and brought to the site to be erected. Normally used as the major exterior wall finish, it is most often found on commercial buildings.

PREFINISHED METAL - This refers to the enameled or anodized metal which is commonly used on service stations and other metal, commercial structures.

REINFORCED CONCRETE - Structural frame of concrete which has been reinforced with steel bars and used as exterior walls.

SIDING AVERAGE - Used to describe infrequent unusual combinations not otherwise described and reflects average quality material of workmanship.

SIDING MAXIMUM - A mixture of expensive siding or 6" Masonite, cedar shakes, etc.

SIDING MINIMUM - Used to describe infrequent unusual combinations not otherwise described and reflects very low-quality materials.

SINGLE SIDING WITH WOOD FRAMING NOT SHEATHING - Denotes inexpensive wood framing without sheathing. Example (T1-11)

STONE - Refers to various good stone or stone veneers, usually on masonry.

STUCCO ON CONCRETE BLOCK – A wall of concrete block with cement stucco applied to the exterior creating a textured surface.

STUCCO ON TILE OR WOOD FRAME - Tile stucco refers to terra cotta tile with cement stucco applied to the exterior. Wood frame stucco is a type of wall which is formed by applying cement stucco to a framework of wood with wire or wood lath. (Stucco is a coating in which

cement is used for covering walls and is put on wet, but when dry it becomes exceeding hard and durable.)

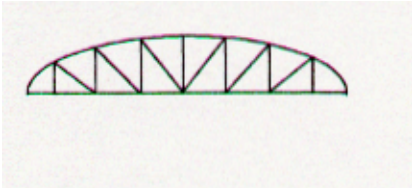
WOOD ON SHEATHING OR PLYWOOD - Wood is either lapped or 4 x 8 panels. Horizontal wood siding which is normally lapped over the sheathing and painted, or a wood paneled (plywood) nailed to the sheathing.

WOOD SHINGLE - These are usually cedar or redwood shingles and usually appear on expensive homes – the irregular shaped cedar shakes being the most expensive.

DEFINITIONS

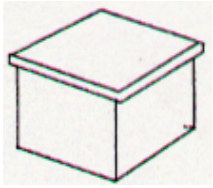
ROOFING STRUCTURE

BOWSTRING TRUSS - A large, curved truss common to airplane hangars and Quonset huts.



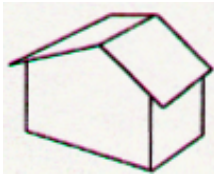
Bowstring Truss

FLAT ROOF – A flat roof refers to a structural material, which spans a horizontal or nearly horizontal position from wall-to-wall or beam-to-beam.



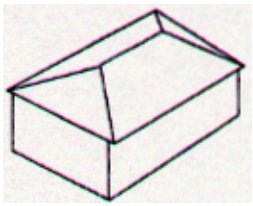
Flat

GABLE - A gable roof is pitched (pitch is the slope of the roof) in two directions.



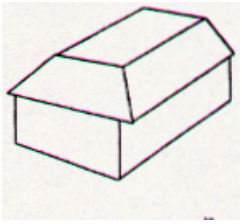
Gable

GAMBREL – A type of roof which has its slope broken by an obtuse angle, so that the lower slope is steeper than the upper slope; a roof with two pitches such as is common on a barn.



Gambrel

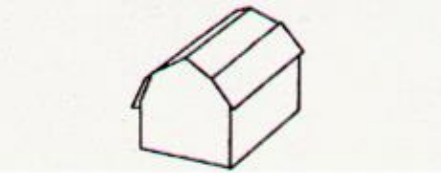
HIP ROOF - the hip roof is usually pitched in four directions.



Hip

IRREGULAR ROOF - Any of a variety of unusual slopes, which do not have the same rise per foot, run throughout.

MANSARD - A roof with two slopes on all four sides, the lower slope very steep, the upper slope almost flat.



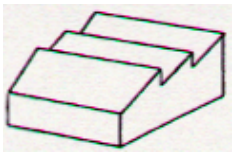
Mansard

PRESTRESSED CONCRETE - Roofs that are made up of concrete, which has been made up elsewhere, pre-stressed, and erected in place with cranes. Pre-stressing makes it possible to use less steel and usually less bulky than reinforcing.

REINFORCED CONCRETE ROOF - Roof framing where concrete is formed and poured in place with a system of steel rods or mesh for absorbing tensile and shearing stresses. Roof framing of this type has been formed and poured on the ground, and through a system of hydraulic jacks raised to proper position.

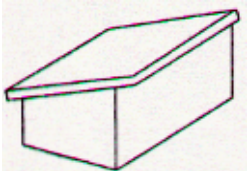
RIGID FRAME WITH BAR JOIST - Bar joists are fabricated steel open trusses that have been set close together and serve as roof beams or ceiling joists. The span of these is limited due to their lightness and depth. Bar joists limit roof shape to flat or shed and is to be used in place of flat or shed roofs on commercial buildings with medium spans.

SAW TOOTH ROOF - A roof that is formed of a number of trusses having unequal slopes. When viewed form the end, such a roof presents a serrated profile similar to the teeth of a saw.



Saw Tooth

SHED ROOF - Like flat roof except that it has a noted sloped in one direction.



Shed

STEEL FRAME OR TRUSS - A truss made up of various, shapes of steel members either bolted or welded together, and which can, due to strength of steel and depth of truss cover large spans in either flat, shed, hip, gable, mansard or gambrel shapes and is to be used on commercial buildings with heavy loads or wide spans in place of flat, shed, gable, hip, mansard or gambrel shapes.

Steel Frame

WOOD TRUSS – This is made up of various size lumber or timber, such as beams, bars and ties usually arranged in triangular units to form a rigid framework and may be flat, shed or pitched. Spans are limited due to the strength of the material. This is to be used in place of the flat or shed on commercial buildings with limited spans.

DEFINITIONS

ROOFING COVER

ASBESTOS SHINGLE - Shingles made of rigid, fireproof asbestos products which come in individual shingles and are fastened down in the same manner as wood or composition.

ASPHALT OR COMPOSITION SHINGLE – Refers to shingles made from asbestos felt saturated with asphalt. These are pliable shingles which are fastened down by nailing to some type of sheathing.

BUILT UP TAR AND GRAVEL - Gravel embedded in tar is hot mopped over various types of composition concrete, metal or gypsum roofing. This product requires a very low pitched or flat roof shape. Built up refers to the building up of waterproof layers with the mopped tar.

CEDAR SHAKES - Comes in random widths, lengths and very expensive.

CLAY OR BERMUDA TILE - Clay tile is usually a half-round clay product which has been kiln baked to a hardness which gives a wearing surface that needs no paint. Bermuda roofing is formed from light weight cement and/or gypsum products to give the appearance of a heavy, wide lapped roof.

CONCRETE TILE - A cement product in either flat or half-round form, which is laid over a built-up surface, and painted.

CORRUGATED ASBETOS - This is asbestos manufactured in sheets which can be fastened to either wood or metal.

ENAMEL METAL SHINGLE - This refers to metal shingles with an enamel coating. This type of shingle is usually predrilled and fastened down by nailing to some type of sheathing on strips.

MINIMUM ROOFING, CORRUGATED OR SHEET METAL - Sheet metal is either flat, corrugated or V-crimp metal of either aluminum or steel products, and is fastened over wood or steel framing.

ROLLED OR BUILT-UP COMPOSITION - A roofing consisting of asbestos, felt saturated with asphalt, and assembled with asphalt cement, which comes in rolls and is fastened down to a wood, composition or gypsum decking with tar and nails.

SLATE - Shingles made of slate fastened down to sheathing or strips.

WOOD SHINGLE - These are usually cedar or redwood shingles and usually appear on expensive homes.

DEFINITIONS

INTERIOR WALL CONSTRUCTION

DRYWALL - A sandwich of plaster with paper surfaces normally available in 4' X 8' sheets which are cut to fit. It is fastened to studding or furring strips, and requires a seal where joists occur, and only paint as a finish. It has become popular due to ease of installation and to the fact that no plastering, as such, is necessary.

MASONRY INTERIOR WALL - Normally exterior walls which serve as an interior wall face usually of brick or block material which are usually unfinished although they may be painted.

PLASTERED - This refers to all plaster on lath interior walls.

PLYWOOD PANEL - These are mostly inexpensive 4' X 8' plywood panels which are decorative in nature and characteristically a veneer.

WALL BOARD OR WOOD WALL - Wall boards come in many marks or trade names, but all are made up of a composition of materials to form boards which are usually 4' X 8' in size. These are treated paper such as "Celotex", plaster boards, or other paper products pressed together.

WOOD PANEL OR CUSTOM - Very high-grade plywood veneers or solid hardwoods in tongue and groove which are used as interior finished.

DEFINITIONS

INTERIOR FLOORING

ASPHALT TILE - This applies to the various composition tiles that are laid over wood or concrete floors and includes the concrete or wood.

CARPET - Carpeting is the floor finish where the base is prepared and the carpet acts as the finish and includes the underlay. Carpet is fastened to the floor.

CERAMIC CLAY TILE - Refers to ceramic or baked clay tile set in grout or concrete.

CONCRETE ABOVE GRADE - Same as finished concrete except raised usually to a loading dock level.

CONCRETE FINISHED - Same as finished where the concrete is troweled, or a hardener applied with no other floor covering.

CORK OR VINYL TILE - All types of solid vinyl or cork tile.

HARDWOOD - A layer of hard wood usually over subflooring.

MARBLE - Refers to various expensive stones set in grout on concrete.

PARQUET - Refers to a wearing surface made up of small pieces of hardwood set in patterns or designs over a subflooring. Can also be made-up in blocks and laid in mastic over concrete.

PINE OR SOFT WOODS - Floor finish of pine or other similar soft wood.

PLYWOOD, LINOLEUM - A single layer of light wood, usually of small thickness laid on floor joists; a composition material known as linoleum, which comes in sheets or tiles and is used as a floor covering.

PRECAST CONCRETE - Applies in this case to either prestressed or poured concrete floors which are suspended as in multi-story commercial buildings.

QUARRY OR HARD TILE - Refers to tiles which are machine made and unglazed.

SHEET VINYL - A smooth, seamless floor covering material, manufactured with a resilient backing usually to either concrete or wood subflooring.

SLATE FLOOR - Refers to cut or random broken slate set in grout over concrete.

TERRAZZO EPOXY STRIP - A ground and polished terrazzo where metal strips with a finite modular spacing are incorporated in the poured terrazzo.
TERRAZZO MONOLITHIC - A ground and polished floor finish of terrazzo bed without joints or strips.

VINYL ASBESTOS - A tough, strong, non-crystalline, thermoplastic tile.

HEATING FUEL

ELECTRIC - Electrical

GAS - Natural or manufactured gas

OIL - Oil fired.

SOLAR - Use of sun’s radiation to heat.

DEFINITIONS

HEATING TYPE

CONVECTION - This refers to heating units which employ no mechanical methods to circulate the heated air.

FORCED AIR – DUCTED - A central type of heating system that provides for the distribution of the air through ducts or conduits to the various parts of the building.

FORCED AIR – NOT DUCTED - A heating element and fan and/or blower enclosed in a common housing for circulating the heated air but no ducted distribution system.

HEAT PUMP - A reverse cycle refrigeration unit which can be used for heating or cooling.

HOT WATER - (Steam Heat) A system of heating a building, usually commercial, by means of hot water and/or steam circulating through pipes, coils and radiators placed in rooms for that purpose.

RADIANT ELECTRIC - A heating system which heats a room only by use of the floor, ceiling or walls as heating panels. Most contemporary radiant-heating systems have extensive pipe coils in the floor structure or in the walls and ceilings which are to be used as heating panels.

RADIANT WATER - Same as radiant electric only the fuel or radiant source is from heated water as opposed to electric current. (Usually used with solar heat.)

DIRECT STEAM HEAT - This heating system uses radiators in the rooms to be heated, the steam or vapor being delivered from boiler to radiators through one of several arrangements of piping. The one-pipe gravity vapor system is used for larger installations.

DEFINITIONS

AIR CONDITIONING TYPE

CENTRAL - Refers to a central cooling system with duct work, thermostats and forced cold air.

CHILLED WATER - Usually a commercial air conditioning system utilizing a cooling tower as a heat exchanger and associated compressors with ducting.

PACKAGED ROOF TOP - Usually found in commercial buildings. The air conditioning unit is located on the roof of the property.

WINDOW UNIT - (Wall unit) A unit air conditioning system self-contained usually placed in a window although sometimes placed in an exterior wall. Not considered central air.

QUALITY ADJUSTMENT

MINIMUM - To be used on the lowest quality of construction in use.

BELOW AVERAGE - To be used on construction which is not quite average.

AVERAGE - To be used on average construction as prevalent and general throughout that county.

ABOVE AVERAGE - To be used on construction which is slightly above average.

GOOD - To be used on construction which is slightly higher than above average.

EXCELLENT - To be used on the best quality of construction.

DEFINITIONS

STRUCTURAL FRAME

FIREPROOF STEEL - A steel structural frame which has been encased in fire resistive material.

MASONRY - Structural frame of stone, brick, cement, concrete, etc., which is not reinforced.

PREFAB – Structural frame of metal with steel reinforced bars.

REINFORCED CONCRETE - Structural frame of concrete which has been reinforced with steel bars.

SPECIAL - Used where the structural frame is more costly due to complicated combinations or uses of any of the structural frames.

STEEL - Structural frame of steel.

WOOD FRAME - Wooden structural frame supporting the floors, walls, roofs and partitions.

CEILING AND INSULATION QUALITY

CEILING INSULATED ONLY:

1 Suspended Acoustical Ceilings
2 Non-suspended Ceilings
9 No Finished Ceiling

WALLS INSULATED ONLY:

3 Suspended Acoustical Ceilings
4 Non-suspended Ceilings
10 No Finished Ceiling

CEILING AND WALLS INSULATED:

5 Suspended Acoustical Ceilings
6 Non-suspended Ceilings
11 No Finished Ceiling

NO INSULATION:

7 Suspended Acoustical Ceilings
8 Non-suspended Ceilings
00 No Finished Ceiling

NONSTANDARD WALL HEIGHT - Record the height in feet, of all non-single family residential walls more than 10 feet in height. The height of the base area only is to be recorded.

DEFINITIONS

DEPRECIATION

ACTUAL YEAR BUILT - The last two digits of the Actual year built. To be used if the actual year built can be determined and the same as the Effective Year if the Actual Year Built cannot be determined. Zero filled if built before 1900.

EFFECTIVE YEAR BUILT - To be used to adjust the age of an improvement when extensive refinishing has taken place or to estimate the age when the Year Built are to be entered in the same manner as the Actual Year Built.

ECONOMIC OBSOLESCENCE – A percentage to be added to the normal depreciation to account for increased depreciation on due to the impairment of desirability or useful life of the property from an external factor such as changes in the neighborhood.

FUNCTIONAL OBSELESCENCE - A percentage to be added to the normal depreciation to account for increased depreciation due to the impairment of desirability or usefulness brought about by changes in design, art or construction techniques and including zoning over present use.

BATHS OR RESTROOMS

NUMBER OF BATHROOMS - The total number of bathrooms in the building. A full bath consists of bath or shower, bowl, and basin. A half bath is any lesser combination having a bowl and one other feature.

FIXTURE – Plumbing accessories (sinks, commodes, water heater, pipes, etc.) attached to the property that is not covered under the standard base rates.

MISCELLANEOUS

NUMBER OF BEDROOMS - Check the appropriate number of bedrooms for single family homes.

NUMBER OF SINGLE FAMILY RESIDENTIAL STORIES - Check the appropriate number of stories for single family homes.

CODE

FIREPLACES

1. None
2. Prefab-framed metal flue 1st single
3. One story single stack with one outlet
4. Two story single stack or a double fireplace
5. Two or more fireplaces
6. Massive – A large hearth and stack with stone or brick usually wider than six feet. One story single stack with one outlet.
7. Massive – Two or more fireplaces

OUTBUILINGS AND EXTRA FEATURES

CONDITIONS:

NEW	-Brand new
GOOD	-Requires no maintenance or repairs.
AVERAGE	-Some minor repair with some wear and tear
FAIR	-Appears somewhat unsound but still usable; a lot of wear and tear and needs many repairs.
POOR	-Building is usable but borders on unusable, a lot of repairs.
VERY POOR	-Usable, salvage value

FREQUENTLY USED TERMS ARCHITECTURAL

Apartment hotel	a building designed for non-transient residential use, divided into dwelling units like an apartment house, but having such hotel apartment hotel accommodations as room furnishings, lounges, public dining room, maid service, etc.
Apartment house	a multi-family residence containing three or more non-transient residential living units and generally providing them with several common facilities and services.
Basement	a building story which is wholly or partly below the grade level.
Bay	(1) a horizontal area division of a building usually defined as the space between columns or division walls. (2) an internal recess formed by causing a wall to project beyond its general line.
Bay window	a window, or group of continuous windows, projecting from the main wall of a building.
Beam	a long structural load-bearing member which is placed horizontally or nearly so, and which is supported at both ends or, infrequently, at intervals along its length.
Beam, spandrel	a wall beam supporting the wall, above, as well as the floor.
Building	any structure partially or wholly above ground which is designed to afford shelter to persons, animals, or goods. See also *construction.*

Building, fireproof a building in which all parts carrying loads or resisting stresses and all exterior and interior walls, floors, and staircases are made of incombustible materials, and in which all metallic structural members are encased in materials which remain rigid at the highest probable temperature in case its contents are burned, or which provide ample insulation from such a temperature.

Building, loft a building having three or more stories with few or no interior bearing walls and designed for storage, wholesaling, or light industrial purposes.

Building, single-purpose a building designed for a specific purpose, which cannot be used for another purpose without substantial alterations; e.g., a theater or church.

Bungalow a one-story dwelling unit which is somewhat more pretentious than a cottage.

Column a structurally isolated vertical member which is at least 8 to 10 times as long as its least lateral dimension and which is designed to carry loads. Compare *pier*.

Conduit a tube, pipe, or small artificial tunnel used to enclose wires or pipes or to convey water or other fluids.

Construction, brick a type of construction in which the exterior walls are bearing walls (q.v.) made of solid brick or brick and tile masonry.

Construction, brick veneer a type of construction in which the exterior walls are one-layer brick curtain walls backed by a wood frame.

Construction, fireproof *see fireproof building.*

Construction, mill a type of construction in which the exterior walls are substantial masonry bearing walls, in which the structural members are of heavy timber, and which is further characterized by an open design and by other safeguards against fire hazards. Sometimes called "slow-burning construction."

Construction, reinforced concrete a type of construction in which the principal structural members, such as the floors, columns, beams, etc., are made of concrete poured around isolated steel bars or steel meshwork in such manner that the two materials act together in resisting forces.

Construction, steel frame a type of construction in which there is a framework of steel structural members for the support of all loads and the resistance of all stresses.

Construction, wood frame a type of construction in which there is a framework of wooden structural members for the support of all loads and the resistance of all stresses. Loosely called "frame construction."

Coping a special capping at the top of a wall, serving principally as a watershed.

Cornice a projecting element at the top of a wall, serving principally as a decoration or as part of the coping (q.v.).

Cottage a one story to two story dwelling unit of small size and humble character.

Course a uniform horizontal layer of brick, stone, terra cotta, shingles, or some other structural material extending continuously around a building or along a wall.

Court an open space bordered on two or more sides by the walls of a single building, or of two or more buildings, and by a lot line or a yard on any side not so bordered.

Dormer (1) a relatively small structure projecting from a sloping roof. (2) a window set upright in the face of such a structure.

Dwelling any building or portion thereof designed or occupied in whole or in part as a place of residence.

Dwelling, attached a multi-family dwelling in which the dwelling units are separated vertically by means of common or party walls. See *terrace.*

Dwelling, double a two-family dwelling in which the dwelling units are separated vertically, by means of a common or party wall. Synonymous with "semi-detached dwelling."

Dwelling, duplex a two-family dwelling in which the two dwelling units are separated horizontally with a private street entrance for each, i.e., a two-family flat.

Dwelling, Multi-family a building designed as a place of residence for more than two families or households, e.g., an apartment house or tenement.

Dwelling, row any one of a series of similar single family, two family, or multi-family dwellings having one or more contiguous common or party walls. Compare *terrace, dwelling, double.*

Dwelling unit any room or group of rooms designed as the living quarters of one family or household, equipped with cooking and toilet facilities, and having an independent entrance from a public hall or from the outside.

Eaves portion of a sloping roof which projects beyond the outside walls of a building.

Elevation a drawing which represents a projection of any one of the vertical sides or vertical cross-sections of a building or of any other object. Compare plan.

Facade the face of a building.

Finished attic a finished attic is extra space you can use for a playroom, bedroom, or storage area. Typically accessed by a full stairwell and can be considered a livable space.

Firewall a wall of fire-resisting material erected between two parts of a building to prevent the spread of fire from one part to the other.

Flashing small metal strips used to prevent leaking of roofs around chimneys, dormers, hips, and valleys.

Flat (1) any one floor of a building two or more stories high, each floor of which constitutes a single dwelling unit and has a private street entrance. (2) the building containing two or more such floors. Compare *dwelling, duplex.*

Footing a spreading base to a wall, column, or other supporting member, which serves to widen the ground area to which structural loads are transmitted.

Foundation the structural members below grade level, or below the first tier of beams above grade level, which transmit the load of a superstructure to the ground.

Gable (1) the triangular portion of a wall between the slopes of a double-sloping (i.e., gable) roof. (2) the whole of the wall containing such a triangular portion. (3) a portion of a buildings extending from the remainder of the building and covered with a gable roof.

Girder a large or principal beam (q.v.) used to support concentrated loads at isolated points along its length. (Girders usually support the beams and structure above).

Header (1) a structural member which is laid perpendicularly to a parallel series of similar members and against which the latter members abut. (2) a brick or other piece of masonry which is laid in a wall in such manner that its longest dimension extends along the thickness of the wall. Contrast *stretcher.*

Hip (1) a sloping line along which two roof surfaces meet to form an external angle of more than 180 degrees. (2) a hip rafter (q.v.) Compare *ridge, valley.*

Hotel a building designed for transient or semi-transient residential use, divided into furnished single rooms and suites, and having such accommodations as lounges, public dining rooms and maid service, etc.

Hotel, apartment see *apartment hotel.*

Joist one of a series of small parallel beams laid on edge and used to support floor and ceiling loads, and usually supported in turn by larger beams and girders.

Lintel a beam over a wall opening, such as a door or windows, designed to carry the load of the wall over such opening.

Loft an unpartitioned or relatively unpartitioned upper story of a building, designed for storage, Wholesaling, or light manufacturing. See also *loft building.*

Louver (or louvre) a ventilator containing slats which are placed lengthwise across the ventilator opening, each slat being slanted in such manner as to overlap the next lower slat and to permit ventilation but exclude rain.

Marquee a flat roof-like structure which shelters a doorway, which has no floor beneath it, and which is usually supported wholly from the walls or the building.

Mezzanine a low story formed by placing a floor between what would ordinarily be the floor and ceiling of a high story, *Note:* the mezzanine floor frequently has a smaller area than other floors and, if present at all, is usually between the first and second stories.

Millwork all the wooden portions of a building, whether frame construction or otherwise, which are customarily purchased in finished form from a planing mill, such as doors, windows, trim, balusters, etc.

Overhang a finished portion of a building having full story height which extends beyond the foundation wall line if part of the ground story, or beyond the exterior walls of the ground story if part of any higher story.

Overhead Structure like overhang above ground story, such as O.H. Bridge or passage, O.H. walk, O.H. Addition.

Partition see *wall, partition.*

Pier (1) a thick, solid mass of masonry which is fully or partially isolated from a structural standpoint and which is designed to transmit vertical loads to the earth. (2) a structure projecting from land into water for use in loading and unloading vessels. Compare column.

Pilaster a flat-faced pillar projecting somewhat from, but engaged in, the wall of a building and used for decorative purposes or to help support truss and girder loads or both.

Pile a heavy timber, metallic, or masonry pillar forced into the earth to form a foundation member.

Pitch the slope of any structural member, such as a roof or rafter, usually expressed as a simple fraction representing the rise per lateral foot.

Plan a drawing representing a projection of any one of the floors or horizontal cross-sections of a building or of the horizontal plane of any other object or area. Compare elevation.

Purlin a beam running along the underside of a sloping roof surface and at right angles to the rafters, used to support the common rafters, and usually supported in turn by larger structural members, such as trusses or girders (usually run along length of building).

Rafter a structural member placed, as a rule, in a sloping position and used as the supporting element for the structural material forming the plane of the roof. See also purlin.

Rafter, hip a rafter placed in an inclined position to support the edges of two sloping roof surfaces which meet to form an external angle of more than 180 degrees.

Rafter, valley a rafter placed in an inclined position to support the edges of two sloping roof surfaces which meet to form an external angle of less than 180 degrees.

Ramp an inclined walk or passage connecting two different floor levels and used in lieu of steps.

Residence see *dwelling.*

Ridge a horizontal line along which the upper edges of two roof surfaces meet to form an external angle of more than 180 degrees. Compare *hip, valley.*

Rise (1) in general, any vertical distance. (2) specifically, the rise of a roof being the distance between the top of an exterior wall and the peak of the roof; the rise of a stair being the distance from tread to tread.

Roof the top portion of a structure. Types of roofs include double pitch, flat, gable, gambrel, hip, lean-to, single pitch.

Roof, curb (Or curbed) a roof with a ridge at the center and a double slope on each if its two sides.

Roof, flat a roof which is flat or sloped only enough to provide proper drainage.

Roof, gable a double-sloped roof having a cross section similar in general to the shape of the inverted letter "V".

Roof, gambrel a ridged roof with two slopes on each side, the lower having a steeper pitch.

Roof, hip (Or hipped) (1) in general, any roof having one or more hips (q.v.) (2) usually, a roof with four sloping sides meeting along four hips or along four hips and a ridge. Compare *roof, pyramid.*

Roof, lean-to (1) a roof having a single sloping side which is supported at the upper edge by the wall of an attached building or of a larger and higher portion of the same building (preferred). (2) any roof with a single slope. Compare *roof, flat,*

Roof, mansard a special type of curb roof (q.v.) in which the pitch of the upper part of each of the four equally sloping sides is small or negligible and that of the lower part is very great, a series of dormers projects from the lower part.

Roof, monitor a type of gable roof commonly found on industrial buildings - having a small, raised portion along the ridge, with openings for the admission of light and air.

Roof, pyramid a hip roof having four sloping triangular sides, usually of equal pitch, meeting together at the peak.

Roof, ridged a roof having one or more ridges (q.v.).

Roof, sawtooth a roof with a series of parallel sloping surfaces interspersed between a series of vertical surfaces which rise from the lower edges of such sloping surfaces, and which contain windows for the admission of light and air.

Roof, single pitch any roof with a single slope, other than a lean-to roof.

Sash the wooden or metal framework in which the glass of a door or window is set.

Sheathing the covering, usually of rough lumber, placed immediately over studding or rafters.

Sill (1) the lower horizontal part of a door-case (the threshold) or of a window. (2) the lowest horizontal structural member of a frame building, upon which the superstructure is supported.

Sleeper a structural member laid horizontally on the ground or upon a masonry base as a support to a floor or other superstructures.

Specifications a detailed description of the dimensions, materials, quantities, structural procedures, etc. applicable to a projected or completed piece of construction.

Story that portion of a building enclosed by a floor, a ceiling, and the exterior walls.

Story, ground the first story lying wholly above the ground level. Synonymous with "first story."

Story, half (Or one-half) (1) for buildings with a mansard or gambrel roof, a finished portion of a building which lies above the wall plate or cornice and which has a usable floor area substantially less than that of the next lower story. (2) for all other buildings, a finished portion of a building which is above one or more full stories, which is wholly or partly within the roof frame, and which has one or more exterior walls substantially lower than the full height of the story.

Story, one a building having no finished story above the ground story.

Stretcher a brick or other piece of masonry which is laid lengthwise in a wall. Contrast header.

Strut any structural member, which holds apart two **or** more other members by counteracting a pressure, which tends to bring them together. Contrast tie.

Stud one of a series of small slender structural members placed vertically and used as the supporting element of exterior or interior walls. (Plural: studs or studding)

Subfloor the flooring laid directly on top of the floor joists, but beneath the finish floor.

Tenement a building, usually of obsolete nature, designed primarily for non-transient residential use and divided into three or more dwelling units having common stairs, halls, and street entrances, and sometimes-common bath and toilet rooms. Compare *apartment house; flat; terrace.*

Terrace (1) an unroofed level area covered with grass or masonry, or both raised above the surrounding ground level, and having a vertical or sloping front. (2) a multi-family dwelling in which the dwelling units are separated vertically by means of common or party walls. Compare *dwelling, row, dwelling, double.*

Terra cotta a hard-baked ceramic clay molded into decorative tiles, bricks, etc., and used particularly for facing and trim on buildings.

Tie any structural member, which binds together two or more members by counteracting a stress which tends to draw them apart. Contrast *strut.*

Trim (1) the wooden portions of a plastered room, such as the doors, windows, wainscoting, and molding, or the corresponding portions of a room finished otherwise than with plaster. (2) the contrasting elements on the exterior of a building which serve no structural purpose, but are intended to enhance its appearance, e.g., the cornice. (3) occasionally, the hardware of a house, such as locks, hinges, doorknobs, etc.

Truss a combination of structural pieces fastened together into a rigid open member which is supported at both ends and upon which loads are superimposed. Compare *girder.*

Unfinished attic an unfinished attic has not been designed to be livable but has the potential for conversion. Unfinished attics can function as storage rooms. A partially finished attic is more complete than an unfinished one but isn't ready to function as a living space. Typically accessed by a full stairwell.

Valley a sloping line along which two roof surfaces meets to form an external angle of less than 180 degrees. Compare *hip, ridge.*

Veneer a thin ornamental or protective facing which does not add appreciably to the strength of the body to which it is attached.

Wainscot (Or wainscoting) (1) a wooden facing on the lower portion of a contrasting interior wall. (2) by extension, a facing of marble tile, or the like, on the lower portion of interior walls.

Wall a vertical structure serving to enclose, support, divide, such as one of the vertical enclosing sides of a building or room.

Wall, bearing a wall designed primarily to withstand vertical pressure in addition to its own weight.

Wall, common a wall owned by one or two parties and jointly used by both, one or both of whom is entitled to such use under the provisions of ownership.

Wall, curtain a non-bearing wall which is supported by columns, beams, or other structural members, and whose primary function is to enclose space.

Wall, fire *see firewall.*

Wall, partition an interior bearing or non-bearing wall which separates portions of a story. Synonymous *with partition.*

Wall, party a wall jointly used by two parties under easement agreement and erected at or upon a line separating two parcels of land held under different ownership.

Wall, retaining a wall designed primarily to withstand lateral pressures of earth or other filling or backing deposited behind it after construction.

Window, bay see *bay window.*

Window, dormer see dormer.

Wing a subordinate part of a building extending from the main part, or any one of two or more substantially co-ordinate parts of a building which extend out from one or more common junctions.

FREQUENTLY USED TERMS
REAL ESTATE APPRAISAL

Abstract a computer-printed report of appraised and/or assessed values for each parcel of real property in a given taxing district; generally sequenced geographically.

Accrued depreciation *see depreciation.*

Actual age the number of years elapsed since the original construction, as of the effective valuation date. Compare with *effective age.*

Ad valorem tax in reference to property, a tax based upon the value of the property.

Aesthetic value a value, intangible in nature, which is attributable to the pleasing appearance of a property.

Agricultural property land and improvements devoted to or best adaptable to produce crops, fruits, and timber, and the raising of livestock.

Air rights the right to the use of a certain specified space within the boundaries of a parcel of land and above a specified elevation.

Alley influence the enhancement to the value of a property rising out of the presence of an abutting alley; most generally applicable to commercial properties.

Amenities in reference to property, the intangible benefits arising out of ownership; *amenity value* refers to the enhancement of value attributable to such amenities.

Appraisal an estimate, usually in written form, of the value of a specifically described property as of a specified date; may be used synonymously with *valuation or appraised value.*

Appraisal schedules any standardized schedules and tables used in conjunction with a revaluation program, such as replacement cost pricing schedules, depreciation tables, land depth tables, etc.

Appraised value *see appraisal.*

Appraiser one who estimates value. More specifically, one who possesses the expertise to execute or direct the execution of an appraisal.

Assessed value *see assessment.*

Assessing the act of valuing a property for the purpose of establishing a tax base.

Assessment the value of taxable property to which the tax rate is to be applied to compute the amount of taxes; may be used synonymously with *assessed value, taxable value,* and *tax base.*

Assessment district an assessor's jurisdiction; it may or may not be an entire tax district.

Assessment period the period during which the assessment of all properties within a given assessment district must be completed, the period between tax lien dates.

Assessment ratio the ratio of assessed value to a particular standard of value, generally the appraised value. A percentage to be applied to the appraised value to derive the assessed value.

Assessment roll the official listing of all properties within a given taxing jurisdiction by ownership, description, and location showing the corresponding assessed values for each; also referred to as *tax list, tax book, tax duplicate,* and *tax roll.*

Assessor the administrator charged with the assessment of property for ad valorem taxes; his precise duties differ from state to state depending upon state statutes.

Aesthetic value a value, intangible in nature, which is attributable to the pleasing appearance of a property.

Average deviation in a distribution of values, the average amount of deviation of all the values from the mean value, equal to the total amount of deviation from the mean divided by the number of deviations. As applied to an assessment-to-sale ratio distribution, the average amount which all the ratios within the distribution deviate from the mean ratio.

Base price a value or unit rate established for a certain specified model, and subject to adjustments to account for variations between that model and the subject property under appraisement.

Blighted area a declining area characterized by marked structural deterioration and/or environmental deficiencies.

Board of Equalization a non-jurisdictional board charged with the responsibility of reviewing assessments across properties and taxing districts and to assure that said properties and districts are assessed at a uniform level, either raising or lowering assessments; accordingly, also referred to as *Board of Appeals,* and *Board of Review.*

Building residual technique a building valuation technique which requires the value of the land to be a known factor; the value of the buildings can then be indicated by capitalizing the residual net income remaining after deducting the portion attributable to the land.

Capitalization a mathematical procedure for converting the net income which a property can produce into an indication of its current value. See income *approach.*

CDU rating a composite rating of the overall condition, desirability, and usefulness of a structure as developed by the Cole-Layer-Trumble Company and used nationally as a simple, direct, and uniform method of estimating accrued depreciation.

Central business district the center of a city - in which the primary commercial, governmental, and recreational activities are concentrated.

Certified assessment Evaluator a professional designation (C.A.E.) conferred upon qualifying assessors by the International Association of Assessing Officers (IAAO).

Classified property tax an ad valorem property tax under which the assessment ratio varies for different property classes.

Component part-in -place method the application of the unit-in-place method to unit groupings or construction components. See *unit-in-place method.*

Corner influence the enhancement to the value of a property due to its corner location, most generally applicable to commercial properties.

Cost approach one of the three traditional approaches to determination of the value of a property; arrived at by estimating the value of the land, the replacement or reproduction cost new of the improvement, and the amount of accrued depreciation to the improvement. The estimated land value is then added to the estimated depreciated value of the improvements to arrive at the estimated property value. Also referred to as the "cost-to- market approach" to indicate that the value estimates are derived from market data abstraction and analysis.

Cost factor a factor or multiplier applied to a replacement or reproduction cost to account for variations in location and time, as well as for other elements of construction costs not otherwise considered.

Cubic content the cubic volume of a building within the outer surface of the exterior walls and roof and the upper surface of the lowest floor.

Deed a written instrument, which conveys an interest in real property. A *quitclaim deed* conveys the interest described therein without warranty of title. A *trust deed* conveys interest described therein to a trustee. A *warranty deed* conveys the interest described therein with the provisions that the freehold is guaranteed by the grantor, his heirs, or successors.

Depreciation loss in value from all causes; may be further classified as *physical*, referring to the loss of value caused by physical deterioration; *functional*, referring to the loss of value caused by obsolescence inherent in the property itself; and economic, referring to the loss of value caused by factors extraneous to the property. *accrued* depreciation refers to the actual depreciation existing in a particular property as of a specified date. *normal* depreciation refers to that amount of accrued depreciation one would normally expect to find in buildings of certain construction, design, quality, and age.

Depreciation allowance a loss of value expressed in terms of a percentage of replacement or reproduction cost new.

Depth factor a factor or multiplier applied to a unit land value to adjust the value in order to account for variations in depth from an adopted standard depth.

Depth table a table of depth factors.

Design factor a factor or multiplier applied to a computed replacement cost as an adjustment to account for cost variations attributable to the design of the subject property which were not accounted for in the particular pricing schedule used.

Deterioration impairment of structural condition evidenced by the wear and tear caused by physical use and the action of the elements, also referred to as *physical depreciation.*

Economic depreciation *See depreciation.*

Economic life the life expectancy of a property during which it can be expected to be profitably utilized.

Economic obsolescence obsolescence caused by factors extraneous to the property. Also referred to as *economic depreciation.*

Economic rent the rent which a property can be expected to bring in the open market as opposed to *contract rent* or the rent the property is realizing at a given time.

Effective age an age assigned to a structure based upon its condition as of the effective valuation date; it may be greater or less than the structure's actual age. Compare with *actual age.*

Effective depth in reference to property valuation, that depth, expressed in feet, upon which the selection of the depth factor is based.

Effective frontage in reference to property valuation, that total frontage, expressed in lineal feet, to which the unit land value is applied, it may or may not be the same as the actual frontage.

Effective gross income the estimated gross income of a property less an appropriate allowance for vacancies and credit losses.

Effective valuation Date in reference to a revaluation program, the date as of which the value estimate is applicable.

Encroachment the displacement of an existing use by another use.

Environmental deficiency a neighborhood condition such as adverse land uses, congestion, poorly designed streets, etc., operating to cause economic obsolescence and, when coupled with excessive structural deterioration, blight.

Equalization Program a mass appraisal (or reappraisal) of all property within a given taxing jurisdiction with the goal of equalizing values in order to assure that each taxpayer is bearing only his fair share of the tax load; may be used synonymously with a *revaluation program.*

Equity in reference to property taxes, a condition in which the tax load is distributed fairly or *equitably;* opposite of *inequity* which refers to a condition characterized by an unfair or un-equitable distribution of the tax burden. *Inequity* is a natural product of changing economic conditions, which can only be effectively cured by periodic equalization programs.
In reference to value, it is that value of the property remaining after deducting all liens and charges against it.

Excessive frontage frontage, which because of the particular utility of the lot does not serve to add value to the lot.

Exempt property see *tax exemption.*

Fee appraisal see *mass appraisal.*

Field crew the total professional staff assigned to a specific appraisal project, including listers, reviewers, staff appraisers, and clerical and administrative supporting personnel.

Functional depreciation	*see depreciation.*
Functional Obsolescence	obsolescence caused by factors inherent in the property itself. Also referred to as *functional depreciation.*
Functional utility	the composite effect of a property's usefulness and desirability upon its marketability.
Grade	the classification of an improvement based upon certain construction specifications, and quality of materials and workmanship.
Grade factor	a factor or multiplier applied to a base grade level for the purpose of interpolating between grades or establishing an intermediate grade.
Grantee	a person to whom property is transferred and property rights are granted by deed, trust instrument, or other similar documents. Compare with *grantor.*
Grantor	a person who transfers property or grants property rights by deed, trust instrument, or other similar documents. Compare with *grantee.*
Gross area	the total floor area of a building measured from the exterior of the walls.
Gross income	the scheduled annual income produced by the operation of a business or by the property itself.
Gross income Multiplier	a multiplier representing the relationship between the gross income of a property and its estimated value.
Gross sales	the total amount of invoiced sales before making any deductions for returns, allowances, etc.
Ground lease	a document entitling the lessee certain specified rights relating to the use of the land.
Ground rent	net rent from a ground lease; that portion of the total rent which is attributable to the land only.
Improved land	land developed for use by the erection of buildings and other improvements.

Income approach one of the three traditional approaches to determination of value; measures the present worth of the future benefits of a property by the capitalization of its net income stream over its remaining economic life. The approach involves making an estimate of the potential net income the property may be expected to yield, and capitalizing that income into an indication of value.

Income property a property primarily used to produce a monetary income.

Industrial park a subdivision designed and developed to accommodate specific types of industry.

Industrial property land, improvements, and/or machinery used or adaptable for use in the production of goods either for materials, or by changing other materials and products...i.e., assembling, processing, and manufacturing ...as well as the supporting auxiliary facilities thereof.

Inequity see *equity*.

Influence factor a factor serving to either devalue or enhance the value of a particular parcel of land, or portions thereof, relative to the norm for which the base unit values were established; generally expressed in terms of a percentage adjustment.

Institutional Property land and improvements used in conjunction with providing public services and generally owned and operated by the government or other nonprofit organizations ... hospitals, schools, prisons, etc. Such property is generally held exempt from paying property taxes.

Interest rate the rate of return from an investment.

Land classification the classification of land based upon its capabilities for use; and/or production.

Land contract a purchase contract wherein the grantee takes possession of the property with the grantor retaining the deed to the property until the terms of the contract are met as specified.

Land residual technique buildings a land valuation technique which requires the value of the to be known; the value of the land can then be indicated by capitalizing the residual net income remaining after deducting the portion attributable to the building(s).

Landscaping natural features such as lawns, shrubs and trees added to a plot of ground or modified in such a way as to make it more attractive.

Land use restrictions legal restrictions regulating the use to which land may be put.

Land value maps	a map used in conjunction with mass appraising; generally drawn at a small scale and showing comparative unit land values on a block to block basis.
Lease **Lessee** **Lessor**	a written contract by which one party (lessor) gives to another party (lessee) the possession and use of a specified property, for a specified time, and under specified terms and conditions.
Leasehold	a property held under the terms of a lease.
Leasehold Improvements	additions, renovations, and similar improvements made to a leased property by the lessee.
Leasehold Value	the value of a leasehold, the difference between the contract rent and the currently established economic or market rent.
Legal description	a description of a parcel of land which serves to identify the parcel in a manner sanctioned by law.
Lister	a field inspector or data collector whose principal duty is to collect and record property data (not an appraiser).
Market data Approach	one of the three traditional approaches to determination of the value of a property; arrived at by compiling data on recently sold property which are comparable to the subject property and adjusting their selling prices to account for variations in time, location, and property characteristics between the comparable and the subject property.
Market value	the price an informed and intelligent buyer, fully aware of the existence of competing properties, and not compelled to act, would be justified in paying for a particular property.
Mass appraisal	appraisal of property on a mass scale - such as an entire community, generally for ad valorem tax purposes, using standardized appraisal techniques and procedures to accomplish uniform equitable valuation with a minimum of detail, within a limited time period, and at a limited cost ... as opposed to a *fee appraisal* which is generally used to refer to a rather extensive, detailed appraisal of a single property or singularly used properties for a specified purpose.
Member Appraisal Institute	a professional designation (M.A.I.) conferred upon qualifying real estate appraisers by the American Institute of Real Estate Appraisers.
Mineral rights	the right to extract subterranean deposits such as oil, gas, coal, and minerals, as specified in the grant.

Minimum rental that portion of the rent in a percentage lease which is fixed.

Model method a method of computing the replacement or the reproduction cost of an improvement by applying the cost of a specified model and adjusting the cost to account for specified variations between the subject improvement and the model.

Modernization the corrective action taken to update a property so that it may conform with current standards.

Mortgage
Mortgagee
Mortgagor a legal document by which the owner of a property (mortgagor) pledges the property to a creditor (mortgagee) as security for the payment of a debt.

Neighborhood a geographical area exhibiting a high degree of homogeneity in residential amenities, land use, economic and social trends, and housing characteristics.

Neighborhood trend three stages in the life cycle of a neighborhood "the *improving stage* characterized by development and growth; the *static stage* characterized by a leveling off of values; and the *declining stage* characterized by infiltration and decay.

Net income the income remaining from the effective gross income after deducting all operating expenses related to the cost of ownership.

Net lease a lease wherein the lessee assumes to pay all applicable operating expenses related to the cost of ownership; also referred to as *net net*, or *net net net lease*.

Net sales gross sales less returns and allowances.

Net sales area the actual floor area used for merchandising, excluding storage rooms, utility, and equipment rooms, etc.

Non-conforming use a use which, because of modified or new zoning ordinances, no longer conforms to current use regulations, but which is nevertheless upheld to be legal so long as certain conditions are adhered to.

Observed depreciation that loss in value which is discernable through physical observation by comparing the subject property with a comparable property either new or capable of rendering maximum utility.

Obsolescence a diminishing of a property's desirability and usefulness brought about by either functional inadequacies and over-adequacies inherent in the property itself, or adverse economic factors external to the property. Refer to *functional depreciation and economic depreciation.*

Operating expenses the fixed expenses, operating costs, and reserves for replacements which are required to produce net income before depreciation, and which are to be deducted from effective gross income in order to arrive at net income.

Average income rental received in addition to the minimum contract rental, based upon a specified percentage of a tenant's business receipts.

Overall rate a capitalization rate representing the relationship of the net income (before recapture) of a property to its value as a single rate; it necessarily contains, in their proper proportions, the elements of both the land and the building capitalization rates.

Over assessed a condition wherein a property is assessed proportionately higher than comparable properties.

Parcel piece of land held in one ownership,

Percentage lease a type of lease in which the rental is stipulated to be a percentage of the tenant's gross or net sales, whichever specified.

Permanent parcel number an identification number which is assigned to a parcel of land to uniquely identify that parcel from any other parcel within a given taxing jurisdiction.

Personal property property, which is not permanently affixed to and a part of the real estate, as specified by state statutes.

Physical depreciation *see depreciation.*

Preferential assessment an assessing system which provides preferential treatment in the form of reduced rates to a particular class of property, such as a system providing for farm properties to be assessed in accordance to their value in use as opposed to their value in the open market.

Property class a division of like properties generally defined by statutes and generally based upon their present use. The basis for establishing assessment ratios in a classified property assessment system. See *classified property tax.*

Property inspection a physical inspection of a property for the purpose of collecting and/or reviewing property data.

Property record card a document specially designed to record, and process specified property data; may serve as a source document, a processing form, and/or a permanent property record.

Public utility property properties devoted to the production of commodities or services for public consumption under the control of governmental agencies such as the Public Utility Commission.

Quantity survey Method a method of computing the replacement or the reproduction cost of an improvement by applying unit costs to the actual or estimated material and labor quantities and adding an allowance for overhead, profit, and all other indirect construction costs.

Real estate the physical land and appurtenances affixed thereto; often used synonymously with *real property.*

Real property all the interests, benefits, and rights enjoyed by the ownership of the real estate.

Reassessment the revaluation of all properties within a given jurisdiction for the purpose of establishing a new tax base.

Rent the amount paid for the use of a capital good. See *economic rent.*

Replacement cost the current cost of reproducing an improvement of equal utility to the subject property; it may or may not be the cost of reproducing a replica property. Compare with *reproduction cost.*

Reproduction cost the current cost of reproducing a replica property. Compare with *replacement cost.*

Reserve for replacements a reserve established to cover renewal and replacements of fixed assets.

Residential property vacant or improved land devoted to or available for use primarily as a place to live.

Revaluation program see *equalization program.*

Sales ratio study a statistical analysis of the distribution of assessment or appraisal-to-sale ratios of a sample of recent sales, made for the purpose of drawing inferences regarding the entire population of parcels from which the sample was abstracted.

Salvage value the price one would be justified in paying for an item of property to be removed from the premises and used elsewhere.

Site development costs all costs incurred in the preparation of a site for use.

Soil productivity the capacity of a soil to produce crops.

Sound value the depreciated value of an improvement.

Sound value estimate — an estimate of the depreciated value of an improvement made directly by comparing it to improvements of comparable condition, desirability, and usefulness without first estimating its replacement cost new.

Standard depth — that lot depth selected as the norm against which other lots are to be compared, generally the most typical depth.

Sublease — see *lease;* the lessee in a prior lease simply becomes a lessor in a sublease.

Tax bill — an itemized statement showing the amount of taxes owed for certain property described therein and forwardable to the party(s) legally liable for payment thereof.

Tax book — *see assessment roll.*

Tax district — a political subdivision over which a governmental unit has authority to levy a tax.

Tax duplicate — see *assessment roll.*

Tax exemption — either total or partial freedom from tax; total exemption such as that granted to governmental, educational, charitable, religious, and similar nonprofit organizations, and partial exemption such as that granted on homesteads, etc.

Tax levy — in reference to property taxes, the total revenue which is to be realized by the tax.

Tax list — *see assessment roll.*

Tax mapping — the creation of accurate representations of property boundary lines at appropriate scales to provide a graphic inventory of parcels for use in accounting, appraising and assessing; such maps show dimensions and the relative size and location of each tract with respect to other tracts.

Tax notice — a written notification to a property owner of the assessed value of certain properties described therein; often mandated by law to be given to each property owner following a revaluation.

Tax rate — the rate - generally expressed in dollars per hundred or dollars per thousand (mills) - which is to be applied against the tax base (assessed value) to compute the amount of taxes. The tax rate is derived by dividing the total amount of the tax levy by the total assessed value of the taxing district.

Tax roll — see *assessment roll.*

Tillable land land suitable for growing annual crops.

Underassessed a condition wherein a property is assessed proportionately lower than computable properties.

Uniformity as applied to assessing, a condition wherein all properties are assessed at the same ratio to market value, or other standard of value depending upon the assessing practices followed.

Unimproved land vacant land; a parcel for which there is no improvement value.

Unit cost or price the price or cost of one item of a quantity of similar items.

Unit-in-place method a method of computing the replacement or reproduction cost of an improvement by applying established unit-in-place rates, developed to include the cost of materials, equipment, labor, overhead and profit, to the various construction units.

Use density the number of buildings in a particular use per unit of area, such as a density of so many apartment units per acre.

Use value the actual value of a commodity to a specific owner, as opposed to its value in exchange or market value.

Vacancy an unrented unit of rental property.

Vacant land unimproved land; a parcel for which there is no improvement value.

Valuation *see appraisal.*

View the scene as viewed from a property.

Water frontage land abutting on a body of water.

Woodland land which is densely covered with trees.

Zoning regulations governmental restrictions relating to the use of land.

FREQUENTLY USED TERMS
STATISTICAL

Aggregate ratio — as applied to real estate, the ratio of the total assessed value to the total selling price.

Average deviation — in a distribution of values, the average amount of deviation of all the values from the mean value equal to the total amount of deviation from the mean divided by the number of deviations.

Cells — the basic units making up a stratified sample; each sale representing a distinct group within the total universe.

Coefficient — a value prefixed as a multiplier to a variable or an unknown quantity.

Coefficient of dispersion — as applied to an assessment-to-sale ratio distribution, a measure of dispersion in a given distribution equal to the average deviation of the ratios from the mean ratio divided by the mean ratio.

Frequency distribution — a display of the frequency with which each value in a given distribution occurs, or in *a grouped frequency distribution*, a display of the frequency with which the values within various intervals, or value groupings, occur.

Mean — a measure of central tendency equal to the sum of the values divided by the number. Also referred to as *arithmetic average or arithmetic mean.*

Median — a measure of central tendency equal to that point in a distribution above which 50% of the values fall and below which 50% of the values fall. The 50th percentile. The 2nd quartile.

Mode — a measure of central tendency equal to that value occurring most frequently in a given distribution. In a grouped frequency distribution, the mode is equal to the midpoint of the interval with the greatest frequency.

Normal distribution — a distribution in which all the values are distributed symmetrically about the mean value, with 68.26% of the values failing between +/- 1 standard deviation, 95.44% between +/- 2 standard deviations, and 99.74% between +/- 3 standard deviations.

Percentile rank — the relative position of a value in a distribution of values expressed in percentage terms; for instance, as applied to an assessment-to-sale ratio distribution, a ratio with a percentile rank of 83 would indicate that 83% of the ratios were lower and 17% of the ratios were higher than that ratio.

Precision as applied to real estate; it refers to the closeness of estimated value to actual selling price on an aggregate basis.

Price related differential as applied to real estate, an analytical measure of the vertical uniformity of values in a given distribution calculated by dividing the mean ratio by the aggregate ratio; a ratio of more than 1 being generally indicative of the relative undervaluation of high-priced properties as compared to the less valuable properties, whereas a ratio of less than 1 would indicate the converse relationship.

Quartile positions in a distribution at 25 percentile intervals; the *first quartile* being equal to the 25th percentile, the *second quartile* being equal to the 50th percentile or the median, and the *third quartile* being equal to the 75th percentile.

Regression analysis a statistical technique for making statements as to the degree of linear association between a criterion (dependent) variable and one or more predicator (independent) variables; a simple linear regression having one independent variable, and multiple linear regression having more than one independent variable.

Range the difference between the highest and the lowest value in a distribution.

Ratio a fixed relationship between two similar things expressed in terms of the number of times the first contains the second; the quotient of one quantity divided by another quantity of the same type, generally expressed as a fraction.

Sample as applied to real estate; a set of parcels taken from a given universe which is used to make inferences about values for the universe.

A probability sample is a sample in which each parcel in the universe is given equal chance of being included. Also referred to as random *sample.*

A non-probability sample is a sample in which each parcel in the universe being chosen by other criteria is not given an equal chance of being included. Essentially all assessment-to-sale ratio studies are non-probability samples.

Sample size as applied to real estate, the number of parcels needed from a universe to achieve a desired level of precision, given the total number of parcels in the universe and the standard deviation thereof.

Standard deviation a measure of dispersion, variability, or scatter of values in a given distribution equal to the square root of the arithmetic mean of the squares of the deviations from the mean.

Standard error of the mean a measure of the statistical variability of the mean equal to the standard deviation of the distribution divided by the square root of the sample size.

Stratified sampling the selection of sample parcels from distinct groups within the total universe based upon the known sizes and characteristics of these distinct groups.

Universe as applied to real estate, all the parcels of a given type in the group under study, i.e., all the parcels of a given neighborhood, district, etc. Also referred to *as population.*

REAL VERSUS PERSONAL PROPERTY

Real versus Personal Property

Business personal property is typically identified as all property used in connection with the production of income that has not been classified as real property. Frequently, it is difficult to draw a fine line between what is treated as real property and what is treated as personal property for property tax purposes. In many cases, the appraiser must rely on the owner's statement of intent. Items that may appear to be permanently attached to realty may not be appraised as realty and should be classified as personal. A good rule-of-thumb is to classify all property and investments necessary for the operation of the machinery and equipment as personal.

Examples of items that may appear to be realty but should be considered personal property in certain situations are:

l. Wiring
2. Venting
3. Flooring
4. Special climate control (Heating and air conditioning systems associated with particular equipment or product)
5. Conveyors
6. Boilers and furnaces
7. Shelving and displays
8. Leasehold improvements (owned by lessee)

When trying to determine if something should be considered Real or Personal Property an appraiser should ask themselves **"is there for the benefit of the process or for the benefit of the employees or the building."**

Generally, business personal property includes, but is not limited to, the following categories:

1. Inventories

A. Raw materials
B. Goods in process of manufacturing
C. Finished goods
D. Supplies (office, maintenance, janitorial, manufacturing)
E. Packaging materials
F. Fuels
G. Spare parts

2. Depreciable Assets (Fixed Assets)

A. Machinery and equipment
B. Office furniture, fixtures, and equipment
C. Construction work in progress (including interest during construction)
D. Leasehold improvements
E. Software packages (tangible)
F. Tools, dies, molds
G. Motor vehicles (including mounted equipment)

H. Pallets and containers

3. Intangible Personal

A. Leasehold interest in exempt real property

It is most important that all taxable property be assessed only once as either real or personal, and that property is classified as either real or personal uniformly throughout each county. Of slightly lesser importance is whether the property is classified as real or personal property. In other words, however property is classified, the assessor must ensure that all taxable property is uniformly assessed.

1) Property used as part of a process, or in place for the equipment is generally considered personal property. Special wiring, foundations, and process piping are examples of this and are typically not appraised as real property in the Schedule of Values.

2) Property used for the building, or for the comfort of employees is generally considered real property. A building appraised as a refrigerated warehouse will include property that helps keep the interior cool. It is helpful to determine what additional property is included in the refrigerated warehouse schedule.

3) The owner's intent is important to consider. If the owner intends property to be permanently attached to the real estate, then that should be considered. Paving will not typically be removed and is not intended to be removed; therefore, it is almost always a real property improvement. A bank vault is usually permanently affixed, even if it is in a leased space. Even in these cases, it should be clearly noted in the schedule of values.

CLASSIFICATION OF SELECTED ITEMS AS REAL OR PERSONAL

In general, machinery and equipment used primarily as part of a manufacturing process (process equipment) is taken as Personal Property. Machinery and equipment which is part of the land or building improvement is taken as Real Property.

Property Type	Real Property	Personal Property	Public Service
Acoustical fire-resistant drapes & curtains		X	
Air Conditioning – building air conditioning	X		
Air Conditioning – window units, package	Package	Window	
Alarm Systems (Security or Fire) & Wiring	Banks	All other	
Appliances (built-in) - Dishwashers		X	
Appliances (built-in) – Garbage Disposals		X	
Appliances (built-in) – Microwave Oven		X	
Appliances (built-in) – Refrigerators		X	
Appliances (built-in) – Range/Stove		X	
Appliances (built-in) – Washer/Dryer		X	
Appliances (free standing/slide-in) – Dishwashers		X	
Appliances (free standing/slide-in) – Garbage Disposals		X	
Appliances (free standing/slide-in) – Microwave Oven		X	
Appliances (free standing/slide-in) – Refrigerators		X	
Appliances (free standing/slide-in) – Range/Stove		X	
Appliances (free standing/slide-in) – Washer/Dryer		X	
Asphalt plants – batch mix, etc., moveable		X	
ATM – All Equipment & Free-Standing Booths	Booth	ATM & Equip	
Auto Exhaust Systems – built-in floor	X		
Auto Exhaust Systems – flexible tube type		X	
Awnings		X	
Balers		X	
Banks – Closed circuit TV – Pneumatic		X	
Banks – Currency lockers		X	
Banks – Drive through canopies	X		
Banks – Drive through windows	X		
Banks – Inner gates	X		
Banks – Night Depository		X	
Banks – Pneumatic tube systems		X	

Property Type	Real Property	Personal Property	Public Service
Banks – Safe Deposit Boxes		X	
Banks – Teller lockers		X	
Banks – Teller service area		X	
Banks – Teller service system		X	
Banks –Vault doors		X	
Banks – Vaults	X		
Banks – Visual pneumatic		X	
Bar and Bar Equipment	Bar	Bar Equip.	
Boiler – for service of building	X		
Boiler – primarily for process		X	
Bowling Alley Lanes		X	
Broadcasting Equipment		X	
Bulk/Tobacco/Long Barns		X	
Cabinets	Apts.	All Other	
Canopies – Attached to building	X		
Canopies – Fabric, Vinyl, Plastic – Ath & Free Stdg.		X	
Canopies – Free Standing	X		
Canopies – Gas Station	X		
Canopies – Lights for	X		
Carpet – wall-to-wall	X		
Car Wash – all equipment		X	
Catwalks for equipment	X		
Cellular Equipment – Building at cell site			X
Cellular Equipment – Fences at cell site			X
Chicken/Poultry Houses	Building	Equipment	
Clean Rooms – Conventional Construction	X		
Clean Rooms – Modular Construction		X	
Clean Rooms – Soft wall Construction		X	
Cold Storage – built–in cold storage rooms	X		
Cold Storage – refrigeration equipment		X	
Communication Tower		X	
Compressed air systems		X	
Computer Room – Air Conditioning	X		
Computer Room – Raised floor	X		
Computer Room – Special Wiring	X		
Control Booth(s)		X	
Concrete Plant – electronic mixing		X	
Control Systems – electronic		X	
Conveyor Systems		X	
Conveyor System – overhead		X	
Cooking Equipment (restaurant, etc.)		X	
Coolers – Super Market all types		X	
Coolers – (walk-in) permanent or free standing	X		

Property Type	Real Property	Personal Property	Public Service
Coolers – (walk-in) prefab, portable		X	
Cooling Towers – primary use for building	X		
Cooling Towers – primary use in manufacturing		X	
Counters/Reception Areas – Built-in	X		
Counters/Reception Areas- Moveable		X	
Cranes		X	
Dance Floor (Bars/Cocktail Lounges)	X		
Dairy Processing Plants – all process items		X	
Diagnostic Center Equipment (automotive)		X	
Display Cases		X	
Dock Levelers		X	
Drinking Fountains	Built-in	Moveable	
Drying Systems (special heating for process)		X	
Duck Impoundments	Building	Equipment	
Dumpsters		X	
Dumpster Enclosures		X	
Dust Catchers, Control Systems, etc.		X	
Electronic Control sys (weighing, mixing, etc.)		X	
Elevators	X		
Escalators	X		
Fans – freestanding		X	
Fast Food Restaurants – Drive thru windows	X		
Feed Barn – Structure permanently affixed	X		
Fencing – Inside buildings (chain link > 6')	X		
Fencing – Outside buildings (chain link > 6')	X		
Fire Alarm Systems		X	
Flagpole		X	
Floors – computer room	X		
Foundations – for machinery & equipment		X	
Furnaces – steel mill process, etc., foundry		X	
Gazebos – not permanently attached to realty		X	
Golf Course Improvements (permanently affixed)	X		
Grain Bins – not permanently attached to realty		X	
Grain Bins – permanently attached to realty	X		
Greenhouse – benches, heating system, etc.		X	
Greenhouse – structure of PVC piping		X	
Greenhouse – structure permanently affixed	X		
Heating Systems – process		X	
Hog/Swine Houses	Building	Equipment	
Hoppers – metal bin type		X	
Hospital Systems –oxygen, equipment, & piping	Piping	Equipment	

Property Type	Real Property	Personal Property	Public Service
Humidifiers – process		X	
Incinerators –moveable, metal type		X	
Industrial Piping – process		X	
Irrigation – moveable equipment		X	
Irrigation – underground equipment		X	
Kilns – heating system		X	
Kilns – metal tunnel, moveable		X	
Lagoons and Settlement Ponds	X		
Laundry Bins		X	
Lifts – other than elevator		X	
Lighting – yard lighting		X	
Milk Handling – milking, cooling, piping		X	
Mineral Rights	X		
Mirror – other than bathrooms		X	
Module Barn	X		
Natural Gas Equipment		X	
Oil Company Equipment – pumps, supplies, etc.		X	
Ovens – food processing		X	
Pack Barn (not portable)	X		
Package and Labeling Equipment		X	
Paging Systems		X	
Paint Spray Booths –built-in	X		
Parking – Decks- Lighting	X		
Parking – Surface Parking Lots – Lighting	X		
Paving	X		
Piping Systems – process		X	
Playground Equipment		X	
Pneumatic Tube Systems		X	
Portable Bldgs. (greenhouse, construction, etc.)		X	
Potato Building	X		
Poultry Equipment – Feeders and Waters		X	
Poultry Equipment – Heaters, fans, vents, etc.		X	
Poultry Equipment – Metal pens and gates		X	
Power Generator Sys (auxiliary, emergency, etc.)		X	
Power Wiring – process		X	
Process Piping		X	
Public Address Systems (intercom, music, etc.)		X	
Racks and/or Shelving – portable, removable		X	
Railroad Sidings (other than railroad-owned)		X	
Refrigerators in Leased Apartments	See	Appliances	
Refrigeration Systems – compressors, etc.		X	
Restaurant – Fans		X	

Property Type	Real Property	Personal Property	Public Service
Restaurant – Furniture and seating packages		X	
Restaurant – Hoods (cooking)		X	
Restaurant – Kitchen Equipment		X	
Restaurant – Kitchen Hot Water Heater		X	
Restaurant – Sinks	Built-in	Movable	
Restaurant – Vent(s)		X	
Rock Crusher		X	
Roll-up Doors	X		
Room Dividers and Partitions (movable)		X	
Safes – Free standing		X	
Safes – wall	X		
Satellite Dishes – Residential use		X	
Satellite Dishes – Com/Ind/Ins use		X	
Scale Houses (not portable)	X		
Scales- In-ground and above-ground		X	
Security Shutters, rolling metal		X	
Screens – Drive-in outdoor theater	X		
Screens –Movie indoor	X		
Seats – theater		X	
Security Systems (Banks only)	X		
Septic Tank	X		
Service Station Equipment – canopies	X		
Service Station Equipment – lifts & other equipment		X	
Service Station Equipment – pumps		X	
Service Station Equipment – underground tanks		X	
Smoke Detectors	X		
Signs – attached to building		X	
Signs – free standing		X	
Silo		X	
Sinks – bathroom	X		
Sinks – kitchen	X		
Solar Panels		X	
Sound Systems		X	
Speakers – built-in		X	
Speakers – freestanding		X	
Special Lighting		X	
Spray Booths (unless built-in)		X	
Sprinkler System – attached to product racks		X	
Sprinkler System – fire protection	X		
Stove, Range – in leased apartments	See	Appliances	
Swimming Pools – above ground		X	
Swimming Pools –in ground	X		

Property Type	Real Property	Personal Property	Public Service
Switchboard (motel, etc.)		X	
Swine Operations – Farrowing crates & equip		X	
Swine Operations – Waters and feeders		X	
Swine Operations – Metal pens & gates		X	
Swine Operations – Nursery equipment		X	
Swine Operation – Fans, vents, heaters, etc.		X	
Tanks – above ground		X	
Tanks- manufacturing, process, etc.		X	
Tanks – service station underground gasoline		X	
Tobacco Shelter	X		
Towers –CATV		X	
Towers – Cellular telephone			X
Towers – microwave		X	
Towers – radio		X	
Towers- TV		X	
Transformer Banks		X	
Tunnels –unless part of process system	X		
Utility Systems – other than State Assessed	X		
Utility Systems – buildings for private	X		
Vacuum Systems –process		X	
Vent Fans –freestanding		X	
Ventilation Systems –building improvement	X		
Ventilation Systems – manufacturing, process		X	
Walk-in Coolers – portable or prefab, etc.		X	
Wallpaper and/or Paint – as wall finish	X		
Walls – partitions, portable		X	
Water Coolers	Built-in	Moveable	
Water Lines – for process above or below ground		X	
Water Tanks – process equipment		X	
Water Tower	X		
Wells	X		
Wells – pumps, motors, equipment		X	
Wiring – power wiring for machinery & equip	Basic Service	Other	

INSERT STATUTES OF MACHINERY ACT

NORTH CAROLINA STATE

PRESENT USE MANUAL

NORTH CAROLINA GENERAL STATUTES PERTAINING TO PRESENT USE VALUE ASSESSMENT AND TAXATION OF AGRICULTURAL, HORTICULTURAL, AND FORESTLANDS

§ 105-277.2. Agricultural, horticultural, and forestland – Definitions.

The following definitions apply in G.S. 105-277.3 through G.S. 105-277.7:

(1) **(Effective for taxes imposed for taxable years beginning before July 1, 2022)** Agricultural land. – Land that is a part of a farm unit that is actively engaged in the commercial production or growing of crops, plants, or animals under a sound management program. For purposes of this definition, the commercial production or growing of animals includes the rearing, feeding, training, caring, and managing of horses. Agricultural land includes woodland and wasteland that is a part of the farm unit, but the woodland and wasteland included in the unit must be appraised under the use-value schedules as woodland or wasteland. A farm unit may consist of more than one tract of agricultural land, but at least one of the tracts must meet the requirements in G.S. 105-277.3(a)(1), and each tract must be under a sound management program. If the agricultural land includes less than 20 acres of woodland, then the woodland portion is not required to be under a sound management program. Also, woodland is not required to be under a sound management program if it is determined that the highest and best use of the woodland is to diminish wind erosion of adjacent agricultural land, protect water quality of adjacent agricultural land, or serve as buffers for adjacent livestock or poultry operations.

(1) **(Effective for taxes imposed for taxable years beginning on or after July 1, 2022)** Agricultural land. – Land that is a part of a farm unit that is actively engaged in the commercial production or growing of crops, plants, or animals under a sound management program. For purposes of this definition, the commercial production or growing of animals includes the rearing, feeding, training, caring, boarding, and managing of horses. Agricultural land includes woodland and wasteland that is a part of the farm unit, but the woodland and wasteland included in the unit must be appraised under the use-value schedules as woodland or wasteland. A farm unit may consist of more than one tract of agricultural land, but at least one of the tracts must meet the requirements in G.S. 105-277.3(a)(1), and each tract must be under a sound management program. If the agricultural land includes less than 20 acres of woodland, then the woodland portion is not required to be under a sound management program. Also, woodland is not required to be under a sound management program if it is determined that the highest and best use of the woodland is to diminish wind erosion of adjacent agricultural land, protect water quality of adjacent agricultural land, or serve as buffers for adjacent livestock or poultry operations.

(1a) Business entity. – A corporation, a general partnership, a limited partnership, or a limited liability company.

(2) Forestland. – Land that is a part of a forest unit that is actively engaged in the commercial growing of trees under a sound management program.

Forestland includes wasteland that is a part of the forest unit, but the wasteland included in the unit must be appraised under the use-value schedules as wasteland. A forest unit may consist of more than one tract of forestland, but at least one of the tracts must meet the requirements in G.S. 105-277.3(a)(3), and each tract must be under a sound management program.

(3) Horticultural land. – Land that is a part of a horticultural unit that is actively engaged in the commercial production or growing of fruits or vegetables or nursery or floral products under a sound management program. Horticultural land includes woodland and wasteland that is a part of the horticultural unit, but the woodland and wasteland included in the unit must be appraised under the use-value schedules as woodland or wasteland. A horticultural unit may consist of more than one tract of horticultural land, but at least one of the tracts must meet the requirements in G.S. 105-277.3(a)(2), and each tract must be under a sound management program. If the horticultural land includes less than 20 acres of woodland, then the woodland portion is not required to be under a sound management program. Also, woodland is not required to be under a sound management program if it is determined that the highest and best use of the woodland is to diminish wind erosion of adjacent horticultural land or protect water quality of adjacent horticultural land. Land used to grow horticultural and agricultural crops on a rotating basis or where the horticultural crop is set out or planted and harvested within one growing season, may be treated as agricultural land as described in subdivision (1) of this section when there is determined to be no significant difference in the cash rental rates for the land.

(4) Individually owned. – Owned by one of the following:

a. An individual.

b. A business entity that meets all of the following conditions:

1. Its principal business is farming agricultural land, horticultural land, or forestland. When determining whether an applicant under G.S. 105-277.4 has as its principal business farming agricultural land, horticultural land, or forestland, the assessor shall presume the applicant's principal business to be farming agricultural land, horticultural land, or forestland if the applicant has been approved by another county for present-use value taxation for a qualifying property located within the other county; provided, however, the presumption afforded the applicant may be rebutted by the assessor and shall have no bearing on the determination of whether the individual parcel of land meets one or more of the classes defined in G.S. 105-277.3(a). If the assessor is able to rebut the presumption, this shall not invalidate the determination that the applicant's principal business is farming agricultural land, horticultural land, or forestland in the other county.

2. All of its members are, directly or indirectly, individuals who are actively engaged in farming agricultural land, horticultural land, or forestland or a relative of one of the individuals who is actively engaged. An individual is indirectly a member of a business entity that owns the land if the individual is a member of a business entity or a beneficiary of a trust that is part of the ownership structure of the business entity that owns the land.
3. It is not a corporation whose shares are publicly traded, and none of its members are corporations whose shares are publicly traded.
4. If it leases the land, all of its members are individuals and are relatives. Under this condition, "principal business" and "actively engaged" include leasing.

c. A trust that meets all of the following conditions:
1. It was created by an individual who owned the land and transferred the land to the trust.
2. All of its beneficiaries are, directly or indirectly, individuals who are the creator of the trust or a relative of the creator. An individual is indirectly a beneficiary of a trust that owns the land if the individual is a beneficiary of another trust or a member of a business entity that has a beneficial interest in the trust that owns the land.

d. A testamentary trust that meets all of the following conditions:
1. It was created by an individual who transferred to the trust land that qualified in that individual's hands for classification under G.S. 105-277.3.
2. At the date of the creator's death, the creator had no relatives.
3. The trust income, less reasonable administrative expenses, is used exclusively for educational, scientific, literary, cultural, charitable, or religious purposes as defined in G.S. 105-278.3(d).

e. Tenants in common, if each tenant would qualify as an owner if the tenant were the sole owner. Tenants in common may elect to treat their individual shares as owned by them individually in accordance with G.S. 105-302(c)(9). The ownership requirements of G.S. 105-277.3(b) apply to each tenant in common who is an individual, and the ownership requirements of G.S. 105-277.3(b1) apply to each tenant in common who is a business entity or a trust.

(4a) Member. – A shareholder of a corporation, a partner of a general or limited partnership, or a member of a limited liability company.

(5) Present-use value. – The value of land in its current use as agricultural land, horticultural land, or forestland, based solely on its ability to produce income and assuming an average level of management. A rate of nine percent (9%) shall be used to capitalize the expected net income of forestland. The capitalization rate for agricultural land and horticultural land

is to be determined by the Use-Value Advisory Board as provided in G.S. 105-277.7.

(5a) Relative. – Any of the following:

a. A spouse or the spouse's lineal ancestor or descendant.
b. A lineal ancestor or a lineal descendant.
c. A brother or sister, or the lineal descendant of a brother or sister. For the purposes of this sub-subdivision, the term brother or sister includes stepbrother or stepsister.
d. An aunt or an uncle.
e. A spouse of an individual listed in paragraphs a. through d. For the purpose of this subdivision, an adoptive or adopted relative is a relative and the term "spouse" includes a surviving spouse.

(6) Sound management program. – A program of production designed to obtain the greatest net return from the land consistent with its conservation and long-term improvement.

(7) Unit. – One or more tracts of agricultural land, horticultural land, or forestland. Multiple tracts must be under the same ownership and be of the same type of classification. If the multiple tracts are located within different counties, they must be within 50 miles of a tract qualifying under G.S. 105-277.3(a). (1973, c. 709, s. 1; 1975, c. 746, s. 1; 1985, c. 628, s. 1; c. 667, ss. 1, 4; 1987, c. 698, s. 1; 1995, c. 454, s. 1; 1995 (Reg. Sess., 1996), c. 646, s. 17; 1998-98, s. 24; 2002-184, s. 1; 2004-8, s. 1; 2005-313, ss. 1, 2; 2008-146, s. 2.1; 2015-263, s. 12(a); 2022-55, s. 6(a).)

§ 105-277.3. Agricultural, horticultural, and forestland – Classifications.

(a) Classes Defined. – The following classes of property are designated special classes of property under authority of Section 2(2) of Article V of the North Carolina Constitution and must be appraised, assessed, and taxed as provided in G.S. 105-277.2 through G.S. 105-277.7.

(1) Agricultural land. – Individually owned agricultural land consisting of one or more tracts, one of which satisfies the requirements of this subdivision. For agricultural land used as a farm for aquatic species, as defined in G.S. 106-758, the tract must meet the income requirement for agricultural land and must consist of at least five acres in actual production or produce at least 20,000 pounds of aquatic species for commercial sale annually, regardless of acreage. For all other agricultural land, the tract must meet the income requirement for agricultural land and must consist of at least 10 acres that are in actual production. Land in actual production includes land under improvements used in the commercial production or growing of crops, plants, or animals.

To meet the income requirement, agricultural land must, for the three years preceding January 1 of the year for which the benefit of this section is claimed, have produced an average gross income of at least one thousand dollars ($1,000). Gross income includes income from the sale of the agricultural products produced from the land, grazing fees for livestock, the sale of bees or products derived from beehives other than honey, any payments received under a governmental soil conservation or land retirement program, and the amount paid to the taxpayer during the taxable year pursuant to P.L. 108-357, Title VI, Fair and Equitable Tobacco Reform Act of 2004.

(2) Horticultural land. – Individually owned horticultural land consisting of one or more tracts, one of which consists of at least five acres that are in actual production and

that, for the three years preceding January 1 of the year for which the benefit of this section is claimed, have met the applicable minimum gross income requirement. Land in actual production includes land under improvements used in the commercial production or growing of fruits or vegetables or nursery or floral products. Land that has been used to produce evergreens intended for use as Christmas trees must have met the minimum gross income requirements established by the Department of Revenue for the land. All other horticultural land must have produced an average gross income of at least one thousand dollars ($1,000). Gross income includes income from the sale of the horticultural products produced from the land and any payments received under a governmental soil conservation or land retirement program.

(3) Forestland. – Individually owned forestland consisting of one or more tracts, one of which consists of at least 20 acres that are in actual production and are not included in a farm unit.

(b) Individual Ownership Requirements. – In order to come within a classification described in subsection (a) of this section, land owned by an individual must also satisfy one of the following conditions:

(1) It is the owner's place of residence.

(2) It has been owned by the current owner or a relative of the current owner for the four years preceding January 1 of the year for which the benefit of this section is claimed.

(3) At the time of transfer to the current owner, it qualified for classification in the hands of a business entity or trust that transferred the land to the current owner who was a member of the business entity or a beneficiary of the trust, as appropriate.

(b1) Entity Ownership Requirements. – In order to come within a classification described in subsection (a) of this section, land owned by a business entity must meet the requirements of subdivision (1) of this subsection and land owned by a trust must meet the requirements of subdivision (2) of this subsection.

(1) Land owned by a business entity must have been owned by one or more of the following for the four years immediately preceding January 1 of the year for which the benefit of this section is claimed:

a. The business entity.

b. A member of the business entity.

c. Another business entity whose members include a member of the business entity that currently owns the land.

(2) Land owned by a trust must have been owned by the trust or by one or more of its creators for the four years immediately preceding January 1 of the year for which the benefit of this section is claimed.

(b2) Exceptions to Ownership Requirements. – Notwithstanding the provisions of subsections (b) and (b1) of this section, land may qualify for classification in the hands of the new owner if all of the conditions listed in either subdivision of this subsection are met, even if the new owner does not meet all of the ownership requirements of subsections (b) and (b1) of this section with respect to the land.

(1) Continued use. – If the land qualifies for classification in the hands of the new owner under the provisions of this subdivision, then any deferred taxes remain a lien on the land under G.S. 105-277.4(c), the new owner becomes liable for the deferred taxes, and the deferred taxes

become payable if the land fails to meet any other condition or requirement for classification. Land qualifies for classification in the hands of the new owner if all of the following conditions are met:

a. The land was appraised at its present use value at the time title to the land passed to the new owner.
b. The new owner acquires the land and continues to use the land for the purpose for which it was classified under subsection (a) of this section while under previous ownership.
c. The new owner has timely filed an application as required by G.S. 105-277.4(a) and has certified that the new owner accepts liability for any deferred taxes and intends to continue the present use of the land.

(2) Expansion of existing unit. – Land qualifies for classification in the hands of the new owner if, at the time title passed to the new owner, the land was not appraised at its present-use value but was being used for the same purpose and was eligible for appraisal at its present-use value as other land already owned by the new owner and classified under subsection (a) of this section. The new owner must timely file an application as required by G.S. 105-277.4(a).

(c) Repealed by Session Laws 1995, c. 454, s. 2.

(d) Exception for Conservation Reserve Program. – Land enrolled in the federal Conservation Reserve Program authorized by 16 U.S.C. Chapter 58 is considered to be in actual production, and income derived from participation in the federal Conservation Reserve Program may be used in meeting the minimum gross income requirements of this section either separately or in combination with income from actual production. Land enrolled in the federal Conservation Reserve Program must be assessed as agricultural land if it is planted in vegetation other than trees, or as forestland if it is planted in trees.

(d1) Conservation Exception. – Property that is appraised at its present-use value under G.S. 105-277.4(b) shall continue to qualify for appraisal, assessment, and taxation as provided in G.S. 105-277.2 through G.S. 105-277.7 without regard to actual production or income requirements of this section as long as (i) the property is subject to a qualifying conservation easement that meets the requirements of G.S. 113a-235(a); and (ii) the taxpayer received no more than seventy-five percent (75%) of the fair market value of the donated property interest in compensation. Notwithstanding G.S. 105-277.3(b) and (b1), subsequent transfer of the property does not extinguish its present-use value eligibility as long as the property remains subject to a qualifying conservation easement. The exception provided in this subsection applies only to that part of the property that is subject to the easement.

(d2) Wildlife Exception. – When an owner of land classified under this section does not transfer the land and the land becomes eligible for classification under G.S. 105-277.15, no deferred taxes are due. The deferred taxes remain a lien on the land and are payable in accordance with G.S. 105-277.15.

(d3) Site Infrastructure Exception. – When an owner of land classified under this section (i) does not transfer the land and the land becomes eligible for classification under G.S. 105-277.15A or (ii) does transfer the land but the land becomes eligible for

classification under G.S. 105-277.15A within six months of the transfer, no deferred taxes are due. The deferred taxes remain a lien on the land and are payable in accordance with G.S. 105-277.15A.

(e) Exception for Turkey Disease. – Agricultural land that meets all of the following conditions is considered to be in actual production and to meet the minimum gross income requirements:

(1) The land was in actual production in turkey growing within the preceding two years and qualified for present use value treatment while it was in actual production.
(2) The land was taken out of actual production in turkey growing solely for health and safety considerations due to the presence of Poult Enteritis Mortality Syndrome among turkeys in the same county or a neighboring county.
(3) The land is otherwise eligible for present use value treatment.

(f) Sound Management Program for Agricultural Land and Horticultural Land. – If the property owner demonstrates any one of the following factors with respect to agricultural land or horticultural land, then the land is operated under a sound management program:

(1) Enrollment in and compliance with an agency-administered and approved farm management plan.
(2) Compliance with a set of best management practices.
(3) Compliance with a minimum gross income per acre test.
(4) Evidence of net income from the farm operation.
(5) Evidence that farming is the farm operator's principal source of income.
(6) Certification by a recognized agricultural or horticultural agency within the county that the land is operated under a sound management program.

Operation under a sound management program may also be demonstrated by evidence of other similar factors. As long as a farm operator meets the sound management requirements, it is irrelevant whether the property owner received income or rent from the farm operator.

(g) Sound Management Program for Forestland. – If the owner of forestland demonstrates that the forestland complies with a written sound forest management plan for the production and sale of forest products, then the forestland is operated under a sound management program. (1973, c. 709, s. 1; 1975, c. 746, s. 2; 1983, c. 821; c. 826; 1985, c. 667, ss. 2, 3, 6.1; 1987, c. 698, ss. 2-5; 1987 (Reg. Sess., 1988), c. 1044, s. 13.1; 1989, cc. 99, 736, s. 1; 1989 (Reg. Sess., 1990), c. 814, s. 29; 1995, c. 454, s. 2; 1997-272, s. 1; 1998-98, s. 22; 2001-499, s. 1; 2002-184, s. 2; 2005-293, s. 1; 2005-313, s. 3; 2007-484, s. 43.7T(c); 2007-497, s. 3.1; 2008-146, s. 2.2; 2008-171, ss. 4, 5; 2011-9, s. 1; 2013-130, s. 2; 2014-3, s. 14.14(a); 2017-108, s. 3(a); 2022-13, s. 6.1.)

§ 105-277.4. Agricultural, horticultural and forestland – Application; appraisal at use value; appeal; deferred taxes.

(a) Application. - Property coming within one of the classes defined in G.S. 105-277.3 is eligible for taxation on the basis of the value of the property in its present use if a timely and proper application is filed with the assessor of the county in which the property is located. The application must clearly show that the property comes within one of the classes and must also contain any other relevant information required by the assessor to properly appraise the property at its present-use value. An initial application must be filed during the regular listing period of the year for which the benefit of this classification is first claimed, or within 30 days of the date shown on a notice of a change in valuation made pursuant to G.S. 105-286 or G.S. 105-287. A new application is not required to be submitted unless the property is transferred or becomes ineligible for use-value appraisal because of a change in use or acreage. An application required due to transfer of the land may be submitted at any time during the calendar year but must be submitted within 60 days of the date of the property's transfer.

(a1) Late Application. - Upon a showing of good cause by the applicant for failure to make a timely application as required by subsection (a) of this section, an application may be approved by the board of equalization and review or, if that board is not in session, by the board of county commissioners. An untimely application approved under this subsection applies only to property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. Decisions of the county board may be appealed to the Property Tax Commission.

(b) Appraisal at Present-use Value. - Upon receipt of a properly executed application, the assessor must appraise the property at its present-use value as established in the schedule prepared pursuant to G.S. 105-317. In appraising the property at its present-use value, the assessor must appraise the improvements located on qualifying land according to the schedules and standards used in appraising other similar improvements in the county. If all or any part of a qualifying tract of land is located within the limits of an incorporated city or town, or is property annexed subject to G.S. 160A-37(f1) or G.S. 160A-49(f1), the assessor must furnish a copy of the property record showing both the present-use appraisal and the valuation upon which the property would have been taxed in the absence of this classification to the collector of the city or town. The assessor must also notify the tax collector of any changes in the appraisals or in the eligibility of the property for the benefit of this classification. Upon a request for a certification pursuant to G.S. 160A-37(f1) or G.S. 160A-49(f1), or any change in the certification, the assessor for the county where the land subject to the annexation is located must, within 30 days, determine if the land meets the requirements of G.S. 160A-37(f1)(2) or G.S. 160A-49(f1)(2) and report the results of its findings to the city.

(b1) Notice and Appeal. - If the assessor determines that the property loses its eligibility for present-use value classification for a reason other than failure to file a timely application required due to transfer of the land, the assessor shall provide written notice of the decision as required by G.S. 105-296(i). The notice shall include the property's tax identification number, the specific reason for the disqualification, and the date of the decision. Decisions of the assessor regarding the qualification or appraisal of property under this section may be appealed to the county board of equalization and review or, if that board is not in session, to the board of county commissioners. An appeal must be made within 60 days after date of the written notice of the decision of the assessor. If an owner

submits additional information to the assessor pursuant to G.S. 105-296(j), the appeal must be made within 60 days after the assessor's decision based on the additional information. Decisions of the county board may be appealed to the Property Tax Commission.

A new appeal to a decision of the assessor regarding the disqualification of property for which notice was received is not required to be submitted for subsequent tax years while the appeal of that disqualifying event is outstanding. When a property's present-use value classification is reinstated upon appeal of the disqualifying event, it is reinstated retroactive to the date the classification was revoked, as provided under G.S. 105-296(j).

If, while an assessor's decision that a property has lost its eligibility for present-use value classification is under appeal to the county board or to the Property Tax Commission, the assessor determines that the property is no longer eligible for present-use value classification because of an additional disqualifying event independent of the one that is the basis of the disqualification under appeal, the assessor shall follow the notice and appeal procedure set forth in this subsection with regard to the subsequent disqualification.

(c) Deferred Taxes. - Land meeting the conditions for classification under G.S. 105-277.3 must be taxed on the basis of the value of the land for its present use. The difference between the taxes due on the present-use basis and the taxes that would have been payable in the absence of this classification, together with any interest, penalties, or costs that may accrue thereon, are a lien on the real property of the taxpayer as provided in G.S. 105-355(a). The difference in taxes must be carried forward in the records of the taxing unit or units as deferred taxes. The deferred taxes for the preceding three fiscal years are due and payable in accordance with G.S. 105-277.1F when the property loses its eligibility for deferral as a result of a disqualifying event. A disqualifying event occurs when the land fails to meet any condition or requirement for classification or when an application is not approved.

(d) Set Exception. - Notwithstanding the provisions of subsection (c) of this section, if property loses its eligibility for present use value classification solely due to a change in income caused by enrollment of the property in the federal conservation reserve program established under 16 U.S.C. Chapter 58, then no deferred taxes are due and the lien for the deferred taxes is extinguished.

(d1) Variable Exception. - Notwithstanding the provisions of subsection (c) of this section, if property loses its eligibility for present-use value classification because the property is conveyed to a nonprofit organization and qualifies for exclusion from the tax base pursuant to G.S. 105-275(12) or G.S. 105-275(29) or to the State, a political subdivision of the State, or the United States, then deferred taxes are due as follows:

(1) If the property is conveyed at or below present-use value, then no deferred taxes are due, and the lien for the deferred taxes is extinguished.

(2) If the property is conveyed for more than present-use value, then a portion of the deferred taxes for the preceding three fiscal years is due and payable in accordance with G.S. 105-277.1F. The portion due is equal to the lesser of the amount of the deferred taxes or the deferred taxes multiplied by a fraction, the numerator of which is the sale price of the property minus the present-use value of the property and the denominator of which is the true value of the property minus the present-use value of the property.

(e) Repealed by Session Laws 1997-270, s. 3, effective July 3, 1997.

(f) The Department shall publish a present-use value program guide annually and make the guide available electronically on its Web site. When making decisions regarding the qualifications or appraisal of property under this section, the assessor shall adhere to the Department's present-use value program guide. (1973, c. 709, s. 1; c. 905; c. 906, ss. 1, 2; 1975, c. 62; c. 746, ss. 3-7; 1981, c. 835; 1985, c. 518, s. 1; c. 667, ss. 5, 6; 1987, c. 45, s. 1; c. 295, s. 5; c. 698, s. 6; 1987 (Reg. Sess., 1988), c. 1044, s. 13.2; 1995, c. 443, s. 4; c. 454, s. 3; 1997-270, s. 3; 1998-98, s. 23; 1998-150, s. 1; 2001-499, s. 2; 2002-184, s. 3; 2005-313, s. 4; 2006-30, s. 4; 2008-35, s. 2.3; 2015-263, s. 12(b); 2016-76, s. 1; 2020-18, s. 8.)

§ 105-277.5. Agricultural, horticultural and forestland – Notice of change in use.

Not later than the close of the listing period following a change which would disqualify all or a part of a tract of land receiving the benefit of this classification, the property owner shall furnish the assessor with complete information regarding such change. Any property owner who fails to notify the assessor of changes as aforesaid regarding land receiving the benefit of this classification shall be subject to a penalty of ten percent (10%) of the total amount of the deferred taxes and interest thereon for each listing period for which the failure to report continues. (1973, c. 709, s. 1; 1975, c. 746, s. 8; 1987, c. 45, s. 1.)

§ 105-277.6. Agricultural, horticultural and forestland – Appraisal; computation of deferred tax.

(a) In determining the amount of the deferred taxes herein provided, the assessor shall use the appraised valuation established in the county's last general revaluation except for any changes made under the provisions of G.S. 105-287.

(b) In revaluation years, as provided in G.S. 105-286, all property entitled to classification under G.S. 105-277.3 shall be reappraised at its true value in money and at its present use value as of the effective date of the revaluation. The two valuations shall continue in effect and shall provide the basis for deferred taxes until a change in one or both of the appraisals is required by law. The present use-value schedule, standards, and rules shall be used by the tax assessor to appraise property receiving the benefit of this classification until the next general revaluation of real property in the county as required by G.S. 105-286.

(c) Repealed by Session Laws 1987, c. 295, s. 2. (1973, c. 709, s. 1; 1975, c. 746, ss. 9, 10; 1987, c. 45, s. 1, c. 295, s. 2.)

§ 105-277.7. Use-Value Advisory Board.

(a) Creation and Membership. - The Use-Value Advisory Board is established under the supervision of the Agricultural Extension Service of North Carolina State University. The Director of the Agricultural Extension Service of North Carolina State University shall serve as the chair of the Board. The Board shall consist of the following additional members, to serve ex officio:

(1) A representative of the Department of Agriculture and Consumer Services, designated by the Commissioner of Agriculture.

(2) A representative of the North Carolina Forest Service of the Department of Agriculture and Consumer Services, designated by the Director of that Division.

(3) A representative of the Agricultural Extension Service at North Carolina Agricultural and Technical State University, designated by the Director of the Extension Service.

(4) A representative of the North Carolina Farm Bureau Federation, Inc., designated by the President of the Bureau.

(5) A representative of the North Carolina Association of Assessing Officers, designated by the President of the Association.

(6) The Director of the Property Tax Division of the North Carolina Department of Revenue or the Director's designee.

(7) A representative of the North Carolina Association of County Commissioners, designated by the President of the Association.

(8) A representative of the North Carolina Forestry Association, designated by the President of the Association.

(b) Staff. - The Agricultural Extension Service at North Carolina State University must provide clerical assistance to the Board.

(c) Duties. - The Board must annually submit to the Department of Revenue a recommended use-value manual. In developing the manual, the Board may consult with federal and State agencies as needed. The manual must contain all of the following:

(1) The estimated cash rental rates for agricultural lands and horticultural lands for the various classes of soils found in the State. The rental rates must recognize the productivity levels by class of soil or geographic area, and the crop as either agricultural or horticultural. The rental rates must be based on the rental value of the land to be used for agricultural or horticultural purposes when those uses are presumed to be the highest and best use of the land. The recommended rental rates may be established from individual county studies or from contracts with federal or State agencies as needed.

(2) The recommended net income ranges for forestland furnished to the Board by the Forestry Section of the North Carolina Cooperative Extension Service. These net income ranges may be based on up to six classes of land within each Major Land Resource Area designated by the United States Soil Conservation Service. In developing these ranges, the Forestry Section must consider the soil productivity and indicator tree species or stand type, the average stand establishment and annual management costs, the average rotation length and timber yield, and the average timber stumpage prices.

(3) The capitalization rates adopted by the Board prior to February 1 for use in capitalizing incomes into values. The capitalization rate for forestland shall be nine percent (9%). The capitalization rate for agricultural land and horticultural land must be no less than six percent (6%) and no more than seven percent (7%). The incomes must be in the form of cash rents for agricultural lands and horticultural lands and net incomes for forestlands.

(4) The value per acre adopted by the Board for the best agricultural land. The value may not exceed one thousand two hundred dollars ($1,200).

(5) Recommendations concerning any changes to the capitalization rate for agricultural land and horticultural land and to the maximum value per acre for the best agricultural land and horticultural land based on a calculation to be determined by the Board. The Board shall annually report these recommendations to the Revenue Laws Study Committee and to the President Pro Tempore of the Senate and the Speaker of the House of Representatives.

(6) Recommendations concerning requirements for horticultural land used to produce evergreens intended for use as Christmas trees when requested to do so by the Department. (1973, c. 709, s. 1; 1975, c. 746, s. 11; 1985, c. 628, s. 2; 1989, c. 727, s. 218(44); c. 736, s. 2; 1997-261, s. 109; 1997-443, s. 11A.119(a); 2002-184, s. 4; 2005-313, s. 5; 2005-386, s. 1.3; 2011-145, s. 13.25(oo); 2013-155, s. 7.)