

LAND SCHEDULES**LAND VALUATION GUIDELINES**

Land values across Northampton County are as varied as the properties they reflect. The use of a wide range of land types and rates to effectively value these properties is a necessity.

Specific land values are based on typical rates for classes of property, land, soil types and road definitions within a neighborhood or pricing area. Base rates are established to accommodate the majority of land types found within these areas. Each tract of land is analyzed to determine the necessary land segment types and appropriate rates.

Road definitions are as follows:

P – Paved Primary Road means covered by asphalt or concrete or some other type of permanent surfacing and is State maintained.

S – Paved Secondary means covered by asphalt or concrete or some other type of permanent surfacing as is State maintained.

G – Gravel State means right-of-way of adequate width, ditched and normally an all-weather road that is maintained. Base may be sand, soil, gravel, or stone and has no permanent type surface but is State maintained.

D – Dirt State means right-of-way of adequate width, ditched, and normally an all-weather road. Base may be sand or soil and is State maintained.

R – Paved Private means right-of-way covered by asphalt or concrete or some other type of permanent surfacing that is maintained by private individual.

T – Dirt Private means right-of-way (path or lane) which is open and is normally maintained by a private individual.

TA- Dirt Private (best use agriculture or woodland) means right-of-way (path or lane) which is open and is normally maintained by a private individual.

N – No Road means right-of-way which is not open for normal road use.

W – No Right-of-Way means property without access, such as right-of-way or easement. Also include islands surrounded by water without normal access by scheduled Ferry or Roads.

In areas of commercial or industrial sites, tracts for residential development, excessive road frontage, useable water frontage, and well-located small tracts, or any other factors that influences land value pricing will be site valued to reflect the proper assessment. Likewise, factors that affect tracts located in areas that make them unfeasible to manage and practically inaccessible will cause reduction in price to reflect the proper assessment.

Utility factors for home site include septic tank with a well or public water - \$4,000 and Public Sewage with public water - \$800.

NEIGHBORHOOD DELINEATION AND ANALYSIS

Purpose

Neighborhood Delineation and Analysis is a study of forces or influences from outside which could be considered to have an effect on property value. Neighborhood Delineation and Analysis also involves conclusions on the typical housing, economic, social, and demographic characteristics of the geographic area considered as a homogeneous neighborhood. A “neighborhood”, for analysis purposes, is defined as the largest geographic grouping of properties where the significant economic forces of these properties are generally uniform. The selected ratings should be a reasonable selection for at least 50 to 75 percent of the dwellings located in the delineated neighborhood. Difficulty in assigning a general neighborhood rating indicates that the delineated area is not a reasonable statistical measuring area and should be reconfigured. A neighborhood containing a minority of structures with relatively modest deviation from typical conditions can be used.

The ability to record data from various neighborhoods serve three main functions:

1. Provide an opinion of the typical structure, economic factors and conditions within an area considered to be a neighborhood, for the reviewer to use. The collection of this data provides a benchmark for comparing each property within the neighborhood to each other.
2. Provide a generally similar geographic area to use as a statistical base for sales comparison, both during the initial revaluation and years later to measure change and update values accordingly.
3. Provide a basis to allow development of computer assisted mass appraisal (CAMA) tables.

Significant characteristics considered:

1. Physical Boundaries
 - a. Natural – rivers, mountains, woods, streams, etc.
 - b. Man-made - roads, highways, railroads, streets, corporation lines, etc.
2. Housing characteristics - type, quality, age, and condition
3. Occupancy – percentages of homeowners – occupied or tenant-occupied percentage of vacant dwellings, etc.
4. Predominant land use and anticipated changes
5. Typical land size and land valuation

LAND VALUATION ADJUSTMENTS

The technique of land pricing, as described in other sections of this manual, provides for the development of unit land rates for all classes of real property within a given area or neighborhood. These land rates are developed from verified, recent sales and are expected to reflect market value for various prevalent land types as of the effective valuation date for each given area.

Land rates will be developed for parcels in the following categories:

- Square Footage – places a value the square footage contained within the parcel
- Front Foot – generally used for, but not limited to urban lots; these lots are valued by a dollar amount for each foot of road frontage (width), then factored accordingly to their depth
- Lot – commonly used in the valuation of urban parcels in which the dimensions of the parcel – frontage and depth are utilized
- Acreage – commonly used in rural locations where the parcels are predominant acreage tracts identified as agricultural and forestry
- Site – this method can be used in subdivisions where, regardless of the lot size, all the parcels are equal to the appropriate value based on qualified sales

It is significant to point out that assigned land rates are based on typical or normal conditions for that class of property and land type within a specific neighborhood or area. It is likely that some number of specific parcels within a neighborhood will have unique factors affecting the value of that land parcel. These “Land Influences Factors” may affect the value of a specific parcel beneficially or detrimentally (i.e., plus or minus compared to the norm for the neighborhood).

Proper appraisal practice indicates that a land rate adjustment or “Land Influence Factor” should be applied by the review appraiser to properly reflect the unique considerations for a parcel with significant physical or economic characteristics, deviating from the normal conditions reflected by the neighborhood land rates.

The primary goal of a Revaluation Program is equalization; it is strongly recommended that users of this manual exercise proper judgment and caution in the application of land influence factors.

LAND INFLUENCE FACTORS**Topography**

This category allows the reviewer’s judgment of the degree of difficulty due to poor topography in erecting a suitable improvement on the subject parcel.

Normally, if a suitable improvement is present on the subject lot, the topography problem has been corrected. Therefore, an improved lot normally should have no allowance for topography.

However, a topography influence may need to be applied in significant cases of unimproved lots or tracts where poor topography represents an actual detriment to the presumed utilization of the parcel.

Topography factors include: irregular land contour, poor drainage, potential subsidence, subsurface rock ledge, potential erosion, and flood plain areas.

The following is presented as a guide:

TOPOGRAPHY INFLUENCE FACTOR GUIDE

	CONDITION	FACTOR
Normal	Problem corrected or not significant	0%
Slight	Problem is a moderate handicap to full utilization of the lot but is correctable. The lot is buildable, but less desirable than typical lots in the area due to topography problem	10% - 25%
Severe	Problem is significant but correctable in that it prevents the development of the lot until the topography problem is corrected	25% - 75%
Unbuildable	The topography problem is so severe it is not economically feasible to develop the lot. Example: a lot that cannot pass health and safety perk tests	75% - 90%

Shape/Size

The shape/size factor is normally a negative adjustment to account for loss of value due to highly irregular shape or insufficient size for the presumed utilization of the parcel.

Utilizing the shape/size factor is a review judgment and may apply to all land types. The basis for any factor is a negative adjustment reducing the subject lot value to the amount and degree of land utility applicable for the presumed utilization.

The following is presented as a guide:

SIZE/SHAPE INFLUENCE FACTOR GUIDE

	CONDITION	FACTOR
Normal	Shape or size is no significant detriment to the presumed utilization of the parcel.	0%
Minor	The lot is buildable and/or economically usable for the presumed utilization but irregular shape or insufficient size precludes the full utilization of the parcel.	10% - 25%
Major	Irregular shape or insufficient size represents a significant handicap to the presumed utilization and/or development of the land category is restricted to a significant under-improvement or under-utilization of the parcel.	25% - 75%
Unbuildable	The shape or size problem is so severe that it renders the land category unusable and/or unbuildable for the presumed utilization. Example: an undersized lot subject to minimum zoning restrictions which effectively prevents any economical utilization.	75% - 90%

Restrictions

A negative land influence adjustment for restrictions is applicable for cases where the property is subject to a legal or physical restriction to its utilization. Typical examples would include:

Utility easements, such as power lines and sewer lines.

Zoning or deed restrictions to the property, limiting the utilization to a less than normal use for typical lots in the neighborhood.

Physical barriers to the property (ridges, highway medians, fences or abutment).

The following is presented as a guide:

RESTRICTIONS INFLUENCE FACTOR GUIDE

	CONDITION	FACTOR
Normal	No significant restriction to the property.	0%
Minor	A restriction of moderate significance – legal or physical – exists which causes the property to be less desirable than similar lots in the area which are not subject to this restriction, but does not prevent utilization of the property for the presumed use.	10% - 25%
Major	A restriction of major significance – legal or physical – exists which causes the property to be restricted to a less than ideal utilization compared to similar lots in the area, which are not subject to this restriction. Example: power lines bisecting a lot which prevent the building of a dwelling but would be suitable for a garage or secondary structure.	25% - 75%
Unbuildable	A restriction of very severe impact – legal or physical – exists which causes the property to be rendered virtually unusable for any significant utilization compared to similar lots in the area which are not subject to this restriction. Example: a lot rendered inaccessible by a highway right-of-way.	75% - 90%

Economic Mis-Improvement

This category is reserved as a reviewer’s judgment of the comparative loss of value (either under-improvement or over-improvement). In essence, this judgment is expressing the appraiser’s opinion that the existing structure represents an encumbrance to the full utilization of the land.

The application of a mis-improvement factor for residential/agricultural property is possible but very rare. Most instances occur in commercial or industrial situations where market evidence indicates a different economic utilization of the land than the current utilization. It is important to recognize in the application of economic mis-improvement factors that the land is presumed to be valued on the basis of typical “highest and best” utilization and the existing structure is non-contributory to this most economical utilization. Obviously, vacant tracts are not encumbered by any structure, and are not subject to economic mis-improvement factors. Further, the appraiser should recognize that the economic mis-improvement condition is “curable” (i.e., if the structure

is removed, the previously applied economic mis-improvement factor is normally no longer applicable).

The following is presented as a guide and typical examples include:

Dwellings in areas converting to commercial development

An old warehouse located in an area where market evidence indicates modern office complex development.

MIS-IMPROVEMENT INFLUENCE FACTOR GUIDE

	CONDITION	FACTOR
Normal	The property is unimproved (no major structures present) or the existing structure is consistent with the economical utilization of the land.	0%
Minor	The land is encumbered with a structure that represents an economic mis-improvement and the structure has an assigned value of 25% to 50% of the land value at highest and best use.	25% - 50%
Major	The land is encumbered with a structure that represents an economic mis-improvement and the structure has an assigned value of 50% or more of the land value at the highest and best use.	50% - 75%

Corner and/or Alley Influence

This category is reserved for the recognition of the enhancement in land value attributable to the potential utilization of a corner lot, over and above the value of an otherwise comparable interior site. The enhancement due to the presence of a rear or side alley is normally common to all lots in a given area or block. Therefore, recommended procedure for enhancement due to alley influence, if any, is to consider this factor in the land rate itself.

The amount of enhancement, if any, to a corner lot must be based on the individual merits of each corner location.

Normally, corner influence is not applicable to residential/ agricultural property. Corner influence factors should be applied to only those cases of commercial or industrial property where the corner is an actual enhancement to the land.

The following is presented as a guide:

CORNER INFLUENCE FACTOR GUIDE

	CONDITION	FACTOR
Normal	The presence of a corner or alley has no significant enhancement or impact to the property.	0%
Minor	The lot value is moderately enhanced by the presence of corner or alley exposure. Example: Intersection of two secondary streets or a major arterial street and a secondary street	+10% - 25%
Major	The lot value is significantly enhanced by the presence of corner or alley exposure. Example: the intersection of two major arterial streets	+25% - 100%

View Influence

This factor is normally a positive adjustment for lots or parcels where the land value is significantly enhanced by the presence of a scenic or waterfront view when compared to similar lots in the area where no significant view is present. This factor also applies to golf course lots.

It is highly recommended that the appraiser exercise due caution in the application of view influence. It is useful to remember that while the subject may have an appealing view, if this condition is common to the most parcels in the area, then comparatively there is probably no real view enhancement. The appraiser should also consider the permanency of the view (i.e., the probability of potential obstruction).

The following is presented as a guide:

VIEW INFLUENCE FACTOR GUIDE

	CONDITION	FACTOR
Normal	The view is considered common to the area, and market evidence indicates no actual value enhancement exists.	0%
Minor	The subject property has a moderate enhancement due to an appealing view,	+10% to 25%

	and market evidence supports value enhancement.	
Major	The subject property has a significant enhancement due to an appealing view. The view enhancement is not common to similar lots in the area and there is little or no potential for obstruction of the view by other structures.	+25% to 250%
Negative	For properties with less than normal or typical views, the appraiser should apply negative factors to the affected properties as indicated by market analysis and evidence.	-10% to 75%

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, or an 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 right as well as the allowable exceptions in order to equitably reflect the value of the property.

The Northampton County Tax Office, with the support of the North Carolina Department of Revenue-Property Tax Division, has decided to consider the issue of conservation easement on an individual case basis, working through the appraisal process, notifying the property owner of the results of the assessment, and allowing an adequate period of time for both the discussion and appeal of the valuation.

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

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.

Base Rate Land Valuation Technique

The Base Rate Land Valuation Technique allows the appraiser to establish land rates using either a price per acre, price per square foot, price per front foot, price per lot, or site pricing for each parcel located within an individual neighborhood unit. This method also allows the appraiser to develop base land sizes for each land segment type within the neighborhood.

Incremental and decremental rates are developed as a percentage of the Base Land Rates to allow for size adjustments for those parcels which are either smaller or larger than the indicated base sizes established for the neighborhood.

PRIVATE CEMETERY OR BURIAL GROUND PROPERTY

According to North Carolina General Statute 105-278.2(a), real property set apart for burial purposes shall be exempt from taxation unless it is owned and held for purposes of sale or rental or sale of burial rights therein.

It is the intention of the Northampton County Tax Department to cooperate with any individual or organization in any attempt to recognize and exclude from taxation acreage that can be identified as a family or community burial ground that may be a portion of a privately owned and otherwise taxable parcel of land. It is not the intention of the Northampton County Tax Department to become involved in any issue of ownership of such property or to attempt to satisfy any disputes that may arise between or among individuals or organizations that may be party to any such contentions.

Private cemeteries or burial grounds shall be listed as a separate land entry on the parcel record for the property where the cemetery or burial ground is located. The area shall be identified as to actual size as accurately as possible.

NOTE: Northampton County Tax Office will add or delete parcels from the cemetery grouping, as necessary.

LAND TYPES AND SAMPLE RANGES OF VALUE

TYPE OF LAND	MENSURATION	PRICE RANGE
HOMESITE UNDER 1 ACRE	ACRE	\$2,000 TO \$55,000
RURAL HOMESITE	ACRE	\$3,000 TO \$80,000
OPEN LAND	ACRE	\$60 TO \$16,000
HORTICULTURE LAND	ACRE	\$600 TO \$16,000
WOODED LAND	ACRE	\$600 TO \$15,000
RESIDENTIAL FRONT FOOT	FRONT FOOT	\$10 TO \$2,000
RESIDENTIAL ACRE SITE	ACRE	\$500 TO \$95,000
RESIDUAL ACRE	ACRE	\$500 TO \$50,000
WATERFRONT FRONT FOOT 1	FRONT FOOT	\$100 TO \$5,000
WATERFRONT ACRE	ACRE	\$10,000 TO \$800,000
INTERIOR LAND (ACRE)	ACRE	\$1,000 TO \$250,000
WATERFRONT FRONT FOOT 2	FRONT FOOT	\$2,500 TO \$6,000
WATERFRONT ACRE	ACRE	\$25,000 TO \$1,250,000
COMMERCIAL ACRE	ACRE	\$10,000 TO \$200,000
COMMERCIAL RESIDUAL ACRE	ACRE	\$2,000 TO \$50,000
COMMERCIAL FRONT FOOT	FRONT FOOT	\$25 TO \$2,500
COMMERCIAL RESIDUAL FF	FRONT FOOT	\$5 TO \$250
COMMERCIAL SQUARE FOOT	SQUARE FOOT	\$1 TO \$50
COMMERCIAL RESIDUAL S F	SQUARE FOOT	\$.25 TO \$10
INDUSTRIAL FRONT FOOT	FRONT FOOT	\$25 TO \$300
INDUSTRIAL RESIDUAL FF	FRONT FOOT	\$1 TO \$100
INDUSTRIAL ACRE	ACRE	\$2,000 TO \$75,000
INDUSTRIAL RESIDUAL ACRE	ACRE	\$1,000 TO \$20,000
LAKE/POND	FRONT FOOT	\$25 TO \$2,500
LAKE/POND	ACRE	\$300 TO \$10,000

LAND TYPES AND RANGES OF VALUE

SOLAR FARMS

A solar farm is an installation or area of land in which a large number of solar panels are set up in order to generate electricity.

§ 105-275. Property classified and excluded from the tax base. The following classes of property are designated special classes under Article V, Sec. 2(2), of the North Carolina Constitution and are excluded from tax:

(45) Eighty percent (80%) of the appraised value of a solar energy electric system. For purposes of this subdivision, the term "solar energy electric system" means all equipment used directly and exclusively for the conversion of solar energy to electricity.

The land designated as a solar farm will be valued at a rate of **\$10,000** per acre.

CELL TOWERS

A cell tower site is a cellular telephone site where antennae and electronic communications equipment are placed, usually on a radio mast, tower, or other elevated location, to establish a cellular network.

The cellular components are listed as personal property. They usually consist of the cell tower, individual company's cellular antenna, operating equipment, equipment shelters and security fencing.

The land supporting the cell tower will be valued at **\$45,000** per acre.