

Summary of Jefferson County 2012 Annual Adjustment Methodology

Method

The sales comparison method using local market data was used to adjust the assessed values in Jefferson County for 2012. The annually adjusted values used in the 2012 ratio study were developed based on updated land values, updated cost schedules and any changes in parcel characteristics discovered during the 2012 general reassessment. The sales used for the 2012 annual adjustments primarily occurred from March 2, 2010 to March 1, 2012. Additional years have been added when there were an insufficient number of sales in a particular property class. The land base rates and neighborhood factors were examined in each neighborhood and property class. Neighborhoods with an insufficient number of sales were compared to significantly similar neighborhoods. The criteria for comparison were geographic location, similarity of land size and improvement type and age, and any other factors deemed relevant. Comparisons were also made between adjoining neighborhoods and townships to insure the continuity of land base rates and neighborhood factors.

Commercial and Industrial Improved Properties:

Due to low market activity, all sales for improved commercial properties have been combined and include all valid transactions occurring from March 2, 2010 to March 1, 2012. No time adjustment to sale prices was deemed necessary.

No valid industrial improved sales occurred between January 1, 2009 and March 1, 2012.

Commercial and Industrial Land:

Sales for vacant commercial and industrial land have been expanded to include all valid transactions occurring from January 1, 2009 to March 1, 2012. Only 2 arms length transactions took place during that period for commercial improved properties. No time adjustment to sale prices was deemed necessary.

No valid industrial vacant sales occurred during that time period.

Residential Properties:

VACANT: Sales for vacant residential properties include all valid transactions occurring from March 2, 2010 to March 1, 2012. No time adjustments to the sale prices were deemed necessary. Data from all townships with sales were combined in order to enhance the statistical strength of the study.

IMPROVED: Sales for improved residential properties included all valid transactions occurring from March 2, 2010 to March 1, 2012. Madison and Hanover townships were analyzed separately. All other townships with sales were combined in order to provide adequate sampling.