

Summary of Jefferson County 2010 Annual Adjustment Methodology

Method

The sales comparison method was used to verify assessments in Jefferson County for 2010. The sales used for the 2010 annual adjustments were from 2008, 2009 and the first two months of 2010. 2007 sales were added when there were an insufficient number of sales in a particular property class. No changes were made to any land base rates or neighborhood factors for 2010. No time adjustments were deemed necessary based on the distribution of assessed to sale ratios in the ratio study.

Industrial Properties

No valid vacant industrial property sales occurred between 2007 and 2010. Industrial properties and commercial properties populate the same neighborhoods in Jefferson County and therefore share the same base rates. On that basis, the vacant commercial sales were used to verify the vacant industrial assessments. The PRD for vacant industrial properties in Jefferson County is outside the boundaries of statistical tolerance. As a result, the Spearman Rank test was performed and indicated that the assessments of vacant industrial properties in Jefferson County are acceptable.

One valid improved industrial property sale occurred between 2007 and 2010. Industrial properties and commercial properties populate the same neighborhoods in Jefferson County and therefore are subject to the same influences. On that basis, the improved industrial sales were combined with the improved commercial sales to verify the assessments of the improved industrial properties.

Commercial Properties

Five valid vacant commercial property sales occurred in Jefferson County between 2007 and 2010. Due to the small sample of sales, all vacant commercial township data was combined. The PRD for vacant commercial properties in Jefferson County is outside the boundaries of statistical tolerance. As a result, the Spearman Rank test was performed and indicated that the assessments of vacant commercial properties in Jefferson County are acceptable.

Residential Properties

There were an insufficient number of vacant residential sales in Graham, Lancaster, Milton, Republican, Saluda, Shelby, and Smyrna Townships between 2008 and 2010. Due to their similarity, the data for Graham, Republican, and Saluda Townships was combined to verify the assessments of those townships as well as Lancaster, Milton, Shelby, and Smyrna Townships. The PRD for the combined data for Graham, Republican, and Saluda Townships is outside the boundaries of statistical tolerance. As a result, the Spearman Rank test was performed and indicated that the assessments of

vacant residential properties in Graham, Republican, and Saluda Townships are acceptable.

There were an insufficient number of improved residential sales in Milton, Monroe, Republican, Shelby, and Smyrna Townships between 2008 and 2010. Due to their similarity, the data for Milton, Monroe, Republican, Shelby, and Smyrna Townships was combined.