

Question 1:

Regarding the Vendor Preference Certificate, can subcontractor staff, in addition to prime contractor staff, be used to compute the number of employees residing in West Virginia?

**Answer 1:**

**Yes, but there must be a total of 100 employees who have been West Virginia residents continuously for at least two (2) years. After that requirement has been met, then 75% of employees working on this particular project have been West Virginia residents continuously for at least two (2) years.**

Question 2:

For Section F, p. 8, Review of Land Valuation, can you confirm that all parcels within the county shall be reviewed? Or conversely, does this requirement pertain only to parcels that have transferred within the last year?

**Answer 2:**

**Only those properties that have sold during the past 12 months. If a valid sale has not occurred in a neighborhood within that 12-month period, you are to then use valid sales for the previous 12-month period.**

Question 3:

For parcels that have not been transferred, is the contractor to confirm the retro tax assessed value in place at the time of transfer? Are we correct in our assumption that the state wants updated land value recommendation or confirmation of tax assessed value?

**Answer 3:**

**Yes, that is correct. The contractor is to either confirm the appraised land value or provide recommended land values.**

Question 4:

For Section F, p. 9, Review of Neighborhood Boundaries, please describe the criteria currently used to establish neighborhood boundaries? Is the criteria variable by county or is it consistent across the state?

**Answer 4:**

**The current procedures for neighborhood delineation are contained in Attachment 1 and all counties are directed to follow these procedures.**

Question 5:

Is the data on the property record cards consistent across all counties? If property attributes are missing, are we correct in our assumption that the property will be excluded from this analysis?

**Answer 5:**

**Yes, the property record data is in a consistent format across all counties. Yes, if data is missing it should be noted and another sample will be provided.**

Question 6:

For Section F, Review of Data Collection, for studies requiring samples, is the sample size to be applied separately for residential, industrial and commercial property groups so that each will have statistically significant results or is the statistically significant sample to be collected from all parcels regardless of type?

**Answer 6:**

**The sample size will be applied separately, i.e. 5% for residential, 5% of commercial and 5% of industrial.**

Question 7:

For requirements to obtain statistically significant results, we are assuming that the sample should be selected at random. Can you confirm?

**Answer 7:**

**The State Tax Department will, through random sampling, select the sample and provide the samples to the contractor.**

Question 8:

Page 10, Final Report, can a sample Final Report be provided as an example of this deliverable?

**Answer 8:**

**A sample is unavailable; however, the final report is to include, by county, a summary of the findings and recommendations for each activity mandated within the RFQ.**

Question 9:

For Section F, Review of Sold vs. Unsold Properties, can you further define "sales chasing". Is there a metric used to identify the existence of sales chasing?

**Answer 9:**

**Below is a discussion of sales chasing. "Sales chasing is the practice of using the sale of a property to trigger a reappraisal of that property at or near the selling price. If sales with such appraisal adjustments are used in a ratio study, the practice causes invalid uniformity results and causes invalid appraisal level results, unless similar unsold parcels are reappraised by a method that produces an appraisal level for unsold properties equal to the appraisal level of sold properties (2) By extension, any practice that causes the analyzed sample to misrepresent the assessment performance for the entire population as a result of acts by the assessor's office. A subtle, possibly inadvertent, variety of sales chasing occurs when the recorded property characteristics of sold properties are differentially changed relative to unsold properties. Then the application of a uniform valuation model to all properties results in the recently sold properties being more accurately appraised than the unsold ones." Standard On Ratio Studies, International Association of Assessing Officers, 2007.**

**Additional discussion is provided as to metrics or sales chasing detection in Attachment 3 that is contained in the Standard On Ratio Studies, Appendix D, International Association of Assessing Officers, 2007.**

**We have chosen to use D.1. Comparison Method and the tolerance level of 6% for sold and 3% for unsold properties.**

Question 10:

For Section F, Review of Sold vs. Unsold Properties, are “unsold properties” those that have not been transferred rather than properties listed for sale that did not sell?

**Answer 10:**

**Yes, that is correct.**

Question 11:

For Section 3, p. 10, State Tax Dept and County Responsibilities, Bullet #6, As evaluation criteria may potentially have pricing implications; can the PVC provide its criteria as part of this Question and Answer process?

**Answer 11:**

**The criteria has not been developed by the PVC, however it is assumed the criteria will be how the vendor performs the duties, activities, and responsibilities as required by the RFQ. For example, did the contractor verify sales; accurately perform a ratio study, etc.**

Question 12:

Please confirm that requirement for a West Virginia registered appraiser can be met by a subcontractor?

**Answer 12:**

**Yes. The requirement for a West Virginia Certified General Appraiser can be met by a subcontractor.**

Question 13:

For Section 3, State Tax Department and County Responsibilities, please confirm that the State Tax Department will provide photocopies of all relevant documents to the contractor as described in Bullet #1. Bullet #7 in this section implies that the contractor will be responsible for obtaining these records from the Assessors. Please clarify.

**Answer 13:**

**Bullet #7 applies to only map cards transfer records. Transfer records such as a property deed that is only available in the county clerks’ office and is available for viewing. Map cards are only available at the assessor’s office and contain a history of transfer or sale of the property and again are available for viewing.**

Question 14:

What data will be delivered to the contractor electronically? Please specify the format and media. Can the data be imported directly into Excel and Access?

- parcel data
- sales data
- assessed values
- property characteristics
- tax maps
- property record cards
- validity questionnaires
- sales listing firms
- regulations & boundaries
- parcels within a neighborhood
- property split information
- legal descriptions
- parcel numbers
- ownership transfers
- building permits

**Answer 14:**

**The property record card containing the following information can be provided in either paper, electronically in textpad, or each contractor will be allowed to access data on the statewide computer network.**

**Parcel data**  
**Sales data**  
**Assessed values**  
**Property characteristics**  
**Legal description**  
**Parcel numbers**

**The following can be provided in either paper or electronically in Excel:**

**Sales data**  
**Parcels within a neighborhood**  
**Assessed values**  
**Property split information**  
**Ownership transfers**

**The following is only available in paper by photocopying:**

**Validity questionnaires**  
**Sales Listing forms**  
**Regulations and boundaries**  
**Building permits**

Question 15:

Since the State handles the manufacturing properties does this imply that the industrial class should not be included?

**Answer 15:**

**No, the industrial class of properties is to be included.**

## Question 16:

Does the reference to 'review' require the Contractor to make an on site visit to each property with an attempt to contact the owner and conduct an interior and exterior inspection as well as verify the objective and subjective data? If not, please describe the level of effort required by the Contractor to satisfactorily meet the State's requirement of 'review'.

**Answer 16:**

**In the review of the data collection only an exterior viewing of the property from the public right of way is required with a visual verification of exterior and a visual exterior verification of the objective and subjective data. Contact with the owner is not required.**

## Question 17:

Review of Sold vs. Unsold Properties: The Contractor(s) shall review at least 10% sampling of the unsold properties to assure the sold and unsold properties are treated equally and therefore "sales chasing" is not occurring. The Contractor(s) shall include more than 10% if needed to obtain statistically significant results. Same question as above or is this visual verification of the subjective data only from the public right of way?

**Answer 17:**

**A visual verification of the subjective data from a public right of way is required.**

## Question 18:

The period for sales validation is unclear; does that State expect the Contractor to validate sales from July 1, 2006 thru June 30, 2007 or July 1, 2007 thru June, 30 2008.

**Answer 18:**

**July 1, 2006 through June 30, 2007.**

## Question 19:

The RFQ indicates that Barbour County has 594 total keyed sales. The West Virginia Assessment Ratio Study Tax Year 2007 indicates only 192 are valid arms length transactions. If this ratio holds true for the next twelve month period, what number of documents would the State provide to the Contractor and what effort is expected by the State of the Contractor to validate these sales?

**Answer 19:**

**The State would provide information related to 594 sales. We expect the contractor to validate the sales based on the instructions provided to the assessor and contained in The West Virginia Assessment Ratio Study Tax Year 2007, Appendix A. This was provided to you at the recent pre-bid conference.**

Question 20:

Does the reference to 467,000 parcels refer to the total population of which only 5% to 10% will actually be reviewed by the Contractor based upon the Scope of Work or is something more expected?

**Answer 20:**

**The 467,000 parcels is the total population, of which only 5% to 10% would be the subject of the scope of work.**

Question 21:

Regarding the 10% Sample of Neighborhood Boundaries, 5% Sample of Residential, Commercial and Industrial Parcels, and the 10% Sample of Sold vs. Unsold Properties: What Sample Methodology will be used?

**Answer 21:**

**The State Tax Dept. will provide the vendor with the various samples which will be selected randomly. See Questions 6 and 7.**

Question 22:

Regarding the 10% Sample of Neighborhood Boundaries, 5% Sample of Residential, Commercial and Industrial Parcels, and the 10% Sample of Sold vs. Unsold Properties: Will the State or the Contractor be selecting the Samples?

**Answer 22:**

**The State Tax Department.**

Question 23:

Regarding the 10% Sample of Neighborhood Boundaries, 5% Sample of Residential, Commercial and Industrial Parcels, and the 10% Sample of Sold vs. Unsold Properties: If the Contractor is selecting the Samples, what information will the State provide to the Contractor prior to the Selection?

**Answer 23:**

**See Question No. 22.**

Question 24:

Regarding the 10% Sample of Neighborhood Boundaries, 5% Sample of Residential, Commercial and Industrial Parcels, and the 10% Sample of Sold vs. Unsold Properties: When will information regarding the Samples be provided by the State?

**Answer 24:**

**At an agreed upon time between the State Tax Dept. and contractor immediately after the contract is awarded.**

Question 25:

Regarding the 10% Sample of Neighborhood Boundaries, 5% Sample of Residential, Commercial and Industrial Parcels, and the 10% Sample of Sold vs. Unsold Properties: What criteria and methodology will be acceptable to substitute or replace selected samples?

**Answer 25:**

**The replacement or substitution of samples selected by the Dept. will be in an agreed upon manner between the Dept. and the contractor selected.**

Question 26:

Regarding the 10% Sample of Neighborhood Boundaries, 5% Sample of Residential, Commercial and Industrial Parcels, and the 10% Sample of Sold vs. Unsold Properties: What is the State's interpretation of the phrase "statistically significant results" when determining if more than the minimum sample is necessary?

**Answer 26:**

**The contractor is only required to complete the mandatory 5-10% samples. If the State Tax Dept. determines additional samples are required for "statistically significant results" the State Tax Dept. will make necessary arrangements to secure the additional samples.**

Question 27:

Regarding the 10% Sample of Neighborhood Boundaries, 5% Sample of Residential, Commercial and Industrial Parcels, and the 10% Sample of Sold vs. Unsold Properties: What additional requirements will there be if valid sales are few or non-existent?

**Answer 27:**

**None, if valid sales do not exist within the prior 24 months. See Question No. 2.**

Question 28:

Regarding the 10% Sample of Sold vs. Unsold Properties Only: What information will the State provide regarding Unsold Properties?

**Answer 28:**

**A property record card. Attachment 4.**

Question 29:

Regarding the 10% Sample of Sold vs. Unsold Properties Only: When will this information be provided?

**Answer 29:**

**See Question No. 24.**

Question 30:

Regarding the 10% Sample of Sold vs. Unsold Properties Only: Will any information regarding Unsold Properties (#/County, #/type, etc.) be provided prior to bid submission?

**Answer 30:**

No.

**Question 31:**

Regarding the 10% Sample of Commercial and Industrial Parcels Only: Given the disparity of type and size of businesses, will any Stratification of Industrial and/or Commercial be part of the sample selection process?

**Answer 31:**

No.

**Question 32:**

Regarding the 10% Sample of Commercial and Industrial Parcels Only: Given the disparity of type and size of businesses, will any information regarding the Industrial and Commercial parcels be available and/or disseminated prior to bid submission?

**Answer 32:**

No.

**Question 33:**

When will the State be providing the information as specified in #3 of the RFQ?

**Answer 33:**

See Question No. 24.

**Question 34:**

Will any information regarding Commercial and Industrial Parcels (size, location, identification, industry, etc.) be provided prior to bid submission?

**Answer 34:**

No.

**Question 35:**

Given the disparity of type and size of businesses, will a Stratified bid cost be acceptable for Industrial and/or Commercial parcels?

**Answer 35:**

**Yes, however for purposes of comparing bids for commercial and industrial properties we will use the average of the stratified bid costs.**

**Question 36:**

Please define what is meant by and the composition of the following Tax Classes: "Class 2," "Class 3," and "Class 4" (as found in the 2007 Assessment Ratio Study).

**Answer 36:**

**For the purpose of levies, property in West Virginia is classified as follows:**



**Class I. All tangible personal property employed exclusively in agriculture, including horticulture and grazing; all products of agriculture (including livestock) while owned by the producer; all notes, bonds, bills and accounts receivable, stocks and any other intangible personal property.**

**Class II. All property owned, used and occupied by the owner exclusively for residential purposes; all farms, including land used for horticulture and grazing, occupied and cultivated by their owners or bona fide tenants.**

**Class III. All real and personal property situated outside of municipalities, exclusive of Classes I and II.**

**Class IV. All real and personal property situated inside of municipalities, exclusive of Classes I and II.**

Question 37:

Are there any other Tax Classes that would be includable in this contract?

**Answer 37:**

**No.**

Question 38:

What Statistical Analyses, specifically, are required of the Contractor with respect to Land Value Modification and Assessment/Sales Ratio study?

**Answer 38:**

**The contractor is not required to perform land value modification but report on its findings with recommendations as outlined in 2.f. A county sample of the assessment/sales ratio study is contained on page 39 of the West Virginia Assessment Ratio Study, Tax Year 2007, provided to you at the pre-bid conference.**

Question 39:

Will the Contractor be required to submit results in a standardized format such as the data entry requirements found in Appendix A, Sales Information – General Instructions of the 2007 Assessment Ratio Study? If so, what will those requirements be?

**Answer 39:**

**Yes, however the format will be one which will be developed by the State Tax Dept. with the input of the contractor.**

Question 40:

Will the Contractor be required to input the data into a Standardized format?

**Answer 40:**

**See Question No. 39.**

Question 41:

Will the Contractor be expected to schedule appointments in advance with the owners/designated contacts of the selected sample parcels?

**Answer 41:**

**No.**

Question 42:

What advance notification, if any, will be required of the Contractor, in addition to the Press Release?

**Answer 42:**

**Advance notification shall be given to the State Tax Dept., Project Manager and county assessor.**

Question 43:

What assistance will the State render if either a selected sample contact or County Assessor's Office is slow or unwilling to cooperate with the Contractor?

**Answer 43:**

**In the case of a selected sample contact, the State will consider the selection of another sample. In the case of an assessor's office, the State will intervene in an attempt to resolve the slowness or unwillingness to cooperate.**

Question 44:

Please specify which land parcel types will be included vs. excluded in the RFQ.

**Answer 44:**

**See 2.c of the RFQ.**

Question 45:

Will the Contractor be required to have the News Release printed for mass distribution?

**Answer 45:**

**Yes, the Dept. will provide the sample format and the contractor will provide photocopies to the media and assessor.**

Question 46:

What information regarding the sampling of Neighborhood Boundary parameters will be provided?

**Answer 46:**

- 1. List of neighborhoods.**
- 2. List of all parcels within the neighborhood**
- 3. Neighborhood maps if available at the county level.**
- 4. Neighborhood data forms if available at the county level.**

**NEIGHBORHOOD DELINEATION**  
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# Neighborhood Delineation/Analysis

## *Instructions for Data Form*

### PURPOSE

Neighborhood Delineation/Analysis is a study of forces or influences from *outside* which could be considered to have an effect on property value; and also conclusions on the typical housing, economic, social, and demographic characteristics of the geographic area considered a homogenous neighborhood. A "neighborhood" for analysis purposes is defined as the largest geographic grouping of properties where the significant economic forces on those properties are generally uniform.

The Neighborhood Data sheets 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 for his information and to provide a benchmark to compare 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-driven land valuation rate tables; depreciation tables for residential properties; and income models for commercial properties.

Significant characteristics considered:

1. Physical Boundaries
  - a. Natural – such as rivers, mountains, woods, streams, etc.
  - b. Manmade – such as roads, highways, railroads, streets, corporation lines, etc.
2. Improvement Characteristics – type, quality, age, and condition
3. Occupancy – as percentage of properties owner-occupied or tenant-occupied, percentage of vacant improvements, etc.
4. Predominant land use and anticipated changes
5. Typical land size and land valuation
6. Income potential and uniformity

## West Virginia Neighborhood Data Form Instructions

### Residential/Agricultural

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**COUNTY** – Enter the name of the county in which the neighborhood is located.

**COUNTY ID** – Enter the two-digit numeric code denoting the county identification number.

**NEIGHBORHOOD ID** – A group of eight character positions is available for a neighborhood number: five positions to the left of the decimal point, and three to the right to indicate a subneighborhood within a neighborhood.

### IDENTIFICATION AND REFERENCE

**AREA NAME** – Space is provided to enter a descriptive name by which the neighborhood is commonly known.

*Examples:* “West End,” “Central Business District,” “Bunker Hill,” etc.

**TAXING DISTRICT** – Space is provided to enter the taxing district name where the neighborhood is located. For county-level projects, this will normally be either the township or city name.

**AREA NUMBER** – Space is provided to enter (if applicable) a numeric entry to describe the area.

*Example:* “Ward 03”

**SCHOOL DISTRICT - ELEMENTARY** – Space is provided to enter the name of the primary public elementary school for the area.

*Examples:* “Elm Hill School,” “Public School 51,” etc.

**ELEMENTARY SCHOOL NUMBER** – Space is provided to enter (if applicable) a numeric entry to describe the elementary school.

*Example:* “Public School 51”

**SCHOOL DISTRICT - HIGH SCHOOL** – Space is provided to enter the name of the primary public high school for the area.

**HIGH SCHOOL NUMBER** – Space is provided to enter (if applicable) a numeric entry to describe the high school.

### BOUNDARIES

**NORTH, EAST, SOUTH AND WEST** – Space is provided to enter the boundaries of the neighborhood. Boundaries may be streets, roads, lakes, rivers, city and town lines, railroads, significant properties, or in short, any natural or manmade boundaries.

*Examples:* “Oak Street,” “St. Rte. 109,” “Blue Lake,” “Rapid River,” “Town Line,”  
“B & O Railroad,” “U.S. Steel Plant,” etc.

**NEIGHBORHOOD LIFE CYCLE** -- As mentioned above, neighborhood analysis presumes that all neighborhoods have a life cycle consisting of:

1. **Inception and growth** -- usually rapid and roughly equivalent to the human cycle of birth and rapid early development.
2. **Relative equilibrium** -- roughly equivalent to the rather slow and almost imperceptible change of the mature and fully developed human adult.
3. **Decline** -- the point of marked decay and disintegration normally associated with almost blighted neighborhoods and roughly equivalent to the decline associated with old age.

Circle the code which most accurately describes the current stage of the neighborhood life cycle.

**DEMAND/SUPPLY** -- Circle the code which most accurately describes the availability of properties for sale within the subject neighborhood. The choices are:

1. **Shortage** -- more buyers available than there are properties for sale
2. **In Balance** -- availability approximately equal to buyer demand
3. **Over Supply** -- more properties available for sale than buyers, and representing a temporary or relatively permanent stagnant market condition

**DENSITY** -- Circle the code which most accurately describes the degree of present population and improvement density. Select from:

1. **Low** -- as in rural, recreational, open space land use
2. **Medium** -- as in areas of single family development in the range of 50% to 75% peak development
3. **High** -- as in highly urbanized, virtually 100% developed neighborhoods

**RATE OF TURNOVER** -- Refers to the number of properties currently bought and sold within the subject neighborhood. Circle one of the following:

1. **Low** -- usually less than 5% annually of the total residential properties in the neighborhood
2. **Medium** -- usually approximately 5% annually of the residential properties in the neighborhood
3. **High** -- usually significantly more than 5% annually of the residential properties in the neighborhood

**MARKETING TIME** -- Circle a rate.

## **PREDOMINANT IMPROVEMENT TYPE**

This section generally refers to the structural characteristics of the typical properties located in the neighborhood. Circle the most representative choice for each category.

### **TYPE**

1. **Predominantly 1 or 2 family residential development**
2. **Multi Family** -- predominantly 3 or more family residential development
3. **Other** -- predominantly commercial or industrial development

**PROBABLE NEW USE** – Circle the most accurate choice describing the likely anticipated future land use in the neighborhood. Select from:

1. None
2. Residential
3. Agricultural
4. Commercial
5. Industrial
6. Other

**TYPICAL LAND CATEGORY** – Circle the most appropriate choice:

1. FF – front feet
2. SQ – square feet
3. AC – acreage
4. UNIT
5. GROSS

**LAND BASE SIZE** – Indicate the estimated base size of the land.

### ESTIMATED MARKET VALUE FOR RESIDENTIAL IMPROVED PROPERTY

This section represents an estimate by the field analyst of the current market value of the typical residential property within the neighborhood. Generally, it can be said that the area can be considered highly homogenous if at least 75% of the residential property in the neighborhood falls within the minimum - maximum value range, and the value range does not exceed a 25%± range from the median value.

*Example:* Minimum - 25000  
 Maximum - 35000  
 Median - 32000

**MINIMUM** – Enter, right justified, in \$500 multiples, the estimated *minimum* residential market value for the typical residential property in the neighborhood.

**MAXIMUM** – Enter, right justified, in \$500 multiples, the estimated *maximum* residential market value for the typical residential property in the neighborhood.

**MEDIAN** – Enter, right justified, in \$500 multiples, the estimated *median* residential market value for the typical residential property in the neighborhood.

### OTHER ECONOMIC MARKET INFLUENCES

Circle the best choice. Under "LEVEL OF NUISANCES," indicate the type of nuisance if one is present.

### OBSERVATIONS AND COMMENTS

Space is provided to record any data which you feel may be significant in determining the neighborhood groupings.

## West Virginia Neighborhood Data Form Instructions

### Commercial/Industrial

**COUNTY** – Enter the name of the county in which the neighborhood is located.

**COUNTY ID** – Enter the two-digit numeric code denoting the county identification number.

**NEIGHBORHOOD ID** – A group of eight character positions is available for a neighborhood number: five positions left of the decimal point and three to the right of the decimal point. Use the third character position to the left of the decimal point to identify the location using codes 1 through 9 from the data form with "1" indicating Central Business District, etc. Use the next two character positions to uniquely identify the commercial/industrial neighborhood within the district.

There are three character positions in the suffix, to the right of the decimal point. Use the first position to the right of the decimal point to identify the neighborhood as commercial, "C" or industrial, "I." The second and third positions may be used to identify subneighborhoods within a neighborhood.

Therefore, a commercial neighborhood located on a major strip in District 1 may have a neighborhood number of

0 0 4 0 1 . C 0 0

A commercial neighborhood in the Central Business District in the same taxing district may have a neighborhood number of

0 0 1 0 2 . C 0 0

**TAX MAP NUMBER** – Space is provided to note the tax maps of the area.

### IDENTIFICATION AND REFERENCE

**AREA NAME** – Space is provided to enter a descriptive name by which the neighborhood is commonly known.

*Examples:* "West End," "Central Business District," "Bunker Hill," etc.

**TAXING DISTRICT** – Space is provided to enter the taxing district name where the neighborhood is located. For county-level projects, this will normally be either the township or city name.

**AREA NUMBER** – Space is provided to enter (if applicable) a numeric entry to describe the area.

*Example:* "Ward 03"

**SCHOOL DISTRICT - ELEMENTARY** – Space is provided to enter the name of the primary public elementary school for the area.

*Examples:* "Elm Hill School," "Public School 51," etc.



**PREDOMINANT LAND USE** – One choice required. Circle the code which most accurately describes the *current* predominant land use. The choices are:

1. Residential
2. Agricultural
3. Commercial
4. Industrial
5. Other (recreational, governmental, educational, etc.)

**RATE OF CHANGE IN LIFE CYCLE** – A basic axiom of neighborhood analysis presumes that neighborhoods are subject to inevitable change, and change in the life cycle of a neighborhood is normal and to be expected. Circle the code which most accurately describes the speed or pace of the change taking place in the subject neighborhood. The choices are:

1. Slow – change is almost imperceptible
2. Steady – evidence of significant change taking place, but at a moderate rate  
*Example:* gradual development of a rural area to more intense development
3. Rapid – pronounced and dramatic change taking place within a short time span (one year)  
*Example:* old, blighted area experiencing a rapid urban redevelopment

**NEIGHBORHOOD LIFE CYCLE** – As mentioned above, neighborhood analysis presumes that all neighborhoods have a life cycle consisting of:

1. Inception and growth – usually rapid and roughly equivalent to the human cycle of birth and rapid early development.
2. Relative equilibrium – roughly equivalent to the rather slow and almost imperceptible change of the mature and fully developed human adult.
3. Decline – the point of marked decay and disintegration normally associated with almost blighted neighborhoods and roughly equivalent to the decline associated with old age.

Circle the code which most accurately describes the current stage of the neighborhood life cycle.

**DEMAND/SUPPLY** – Circle the code which most accurately describes the availability of properties for sale within the subject neighborhood. The choices are:

1. Shortage – more buyers available than there are properties for sale
2. In Balance – availability approximately equal to buyer demand
3. Over Supply – more properties available for sale than buyers, and representing a temporary or relatively permanent stagnant market condition

**DENSITY** – Circle the code which most accurately describes the degree of present population and improvement density. Select from:

1. Low – as in rural, recreational, open space land use
2. Medium – as in areas of retail development in the range of 50% to 75% peak development
3. High – as in highly urbanized, virtually 100% developed neighborhoods

## IMPROVEMENT TYPE CHARACTERISTICS AND PERCENT OF MIX

This section generally refers to the structural characteristics of the typical properties located in the neighborhood and the estimated percent of mix.

### IMPROVEMENT TYPE

1. Retail \_\_\_\_\_ %
2. Office \_\_\_\_\_ %
3. Warehouse \_\_\_\_\_ %
4. Apartment \_\_\_\_\_ %

**TYPICAL GRADE** – Estimate the typical quality grade by improvement type within the neighborhood.

1. A or excellent
2. B or good
3. C or average, standard
4. D or cheap, somewhat substandard
5. E or very cheap, well below standard

**TYPICAL RENT** – Estimate the typical rent by improvement type within the neighborhood.

**TYPICAL AGE** (years old)

1. New to 3 years old
2. 4 to 8 years old
3. 9 to 18 years old
4. 19 to 28 years old
5. 29 to 38 years old
6. 39 to 49 years old
7. Over 50 years old

### STRUCTURAL CONDITION

1. VG – very good
2. Good
3. Avg. – average
4. Fair
5. Poor

**PREDOMINANT OCCUPANCY** – Circle “owner” if most of the properties in the neighborhood are owner-occupied. Otherwise, circle “tenant.”

**VACANCY** – Enter the estimated percentage (00% to 99%) of currently unoccupied commercial/industrial properties in the neighborhood.

*Note:* Seasonal commercial properties normally occupied at some time during the year should not be considered vacant.

## Instructions for Neighborhood Delineation Field Analysis

- Step 1** Obtain large scale maps for the community which ideally show all streets, roads, and significant physical features such as rivers, lakes, railroads, etc. Census tracts maps and base maps developed from aerial photography showing photogrammetric features are ideal for this purpose.
- Step 2** Establish preliminary neighborhood boundaries on your base maps using known physical and governmental features as boundaries. The general rule would be to consider all physical separation points, such as rivers, arterial streets, corporation lines, lakes, commercial-industrial areas, highways, etc., as definite neighborhood boundaries.
- Step 3** Assemble and analyze supplementary material for the community which is available and useful.
- Examples:* Zoning maps and zoning restrictions  
 Planning department maps – such as master development plans  
 Census Tracts - block statistics  
 School district maps  
 Redevelopment planning maps and studies  
 Current and planned utility maps (sewers, public water)  
 City, State, or County Engineering maps or studies – such as soil maps, topographic maps, etc.  
 Real estate sales data – such as multi-list sales, revaluation program, sales verified from data collection, Assessor's Office record of transfers  
 Community and Chamber of Commerce area studies and literature – such as population trends, building permits  
 Industrial plant listing, employment base summaries
- Step 4** Now begin the field inspection process by conducting a thorough street-by-street exterior inspection of the community. Based on physical observation and data collected and analyzed to date, establish individual neighborhood boundaries, recognizing the specific delineation points where the particular area exhibits significant physical and economic changes from adjacent areas.
- Step 5** After establishing the boundaries of each neighborhood,  
 a. fill out the neighborhood data form and assign it a temporary number;  
 b. post the established neighborhood boundaries and temporary numbers to a master map.  
 Remember, consistency of choice is our primary objective.
- Step 6** After completing Step 5, it is desirable to conduct a brief overview of the data assembled and make refinements as required. It is highly desirable at this point to solicit the observations and comments of informed departments and groups such as the Chamber of Commerce, Planning Department, Assessor's Office, and others.



**WEST VIRGINIA NEIGHBORHOOD DATA FORM  
COMMERCIAL/INDUSTRIAL**

\_\_\_\_\_ COUNTY COUNTY ID \_\_\_\_\_

FA IE _____	NEIGHBORHOOD ID CODE _____
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**IDENTIFICATION & REFERENCE**

TAXING DISTRICT _____ NO _____	TAX MAP NUMBERS
SCHOOL DISTRICT ELEMENTARY _____ NO. _____	
HIGH SCHOOL _____ NO. _____	
BOUNDARIES NORTH _____ CODE _____ EAST _____ REASON FOR DELINEATION CODE SOUTH _____ 1 PHYSICAL BARRIERS WEST _____ 2 INCOME LEVEL CHANGE 3 VALUE RANGE CHANGE 4 USE OF LAND CHANGE 5 OTHER (EXPLAIN)	

**CHARACTERISTICS**

TYPE	DEMAND/SUPPLY
1 URBAN    2 SUBURBAN    3 SUBDIVISION    4 RURAL    5 RURAL HAMLET	1 SHORTAGE    2 IN BALANCE    3 OVER SUPPLY
PREDOMINANT LAND USE 1 RES.    2 AGR    3 COMM.    4 IND.    5 OTHER	DENSITY 1 LOW    2 MEDIUM    3 HIGH
RATE OF CHANGE IN LIFE CYCLE 1 SLOW    2 STEADY    3 RAPID	RATE OF TURNOVER 1 LOW    2 MEDIUM    3 HIGH
NEIGHBORHOOD LIFE CYCLE 1 INCEPTION & GRDWTN    2 RELATIVE EQUILIBRIUM    3 DECLINE	TYPICAL LAND CATEGORY 1 FF    2 SD    3 AC    4 UNIT    5 GROSS

**LOCATION IDENTIFIERS**

1 CENTRAL BUSINESS DISTRICT	2 PERIMETER CBD	3 BUSINESS CLUSTER	4 MAJOR STRIP	5 SECONDARY STRIP
6 NEIGHBORHOOD OR SPOT	7 COMM./IND. PARK	8 INDUSTRIAL SITE	9 APT./CONDO COMPLEX	

**IMPROVEMENT TYPE CHARACTERISTICS & ESTIMATED % OF MIX (nearest 10%)**

IMPROVEMENT TYPE	TYPICAL GRADE	TYPICAL RENT	TYPICAL AGE (years)							STRUCTURAL COND. (relative to age)				
			1 0-3	2 4-8	3 9-18	4 19-28	5 29-38	6 39-49	7 50+	1 VG	2 GOOD	3 AVG.	4 FAIR	5 POOR
RETAIL _____ %	_____	_____	1 0-3	2 4-8	3 9-18	4 19-28	5 29-38	6 39-49	7 50+	1 VG	2 GOOD	3 AVG.	4 FAIR	5 POOR
OFFICE _____ %	_____	_____	1 0-3	2 4-8	3 9-18	4 19-28	5 29-38	6 39-49	7 50+	1 VG	2 GOOD	3 AVG.	4 FAIR	5 POOR
WAREHOUSE _____ %	_____	_____	1 0-3	2 4-8	3 9-18	4 19-28	5 29-38	6 39-49	7 50+	1 VG	2 GOOD	3 AVG.	4 FAIR	5 POOR
APARTMENT _____ %	_____	_____	1 0-3	2 4-8	3 9-18	4 19-28	5 29-38	6 39-49	7 50+	1 VG	2 GOOD	3 AVG.	4 FAIR	5 POOR

PREDOMINANT OCCUPANCY	1 OWNER	2 TENANT	VACANCY	% VACANT STRUCTURES	CHANGE IN USE	1 NOT LIKELY	2 LIKELY	3 TAKING PLACE
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**OBSERVATIONS AND COMMENTS**


BY: \_\_\_\_\_ DATE: \_\_\_\_\_

## Commercial/Industrial Neighborhood Delineation

Commercial/Industrial Neighborhood Delineation is the process of sectionalizing a taxing district into a number of economic units for income modeling assignments and application of computer-driven land rate tables.

This delineation process consists of a tour of the district, establishing boundaries based on homogenous property characteristics. These characteristics are best defined and should be grouped by the following location identifiers:

1. Central Business District
2. Perimeter Central Business District
3. Business Cluster (major intersection shopping mall area)
4. Major Strip
5. Secondary Strip
6. Neighborhood or Spot (Residential Area)
7. Commercial/Industrial Park
8. Industrial Site
9. Apartment/Condominium Complex

Unlike Residential Delineation in which sale prices dictate boundaries, income potential and uniformity in land values are the prerequisites. Some natural boundaries (such as rivers, railroads, or freeways) assist in the boundary establishing process. More often, though, these groupings must be made simply by determining income potential boundaries.

To assign neighborhood identification numbers to commercial/industrial groupings, consideration must be given to -

- A. The district in which the neighborhood is located
- B. The location identifier (Codes 1-9)
- C. The fact that it is a commercial or industrial neighborhood

## 3667 Appendix D. Sales Chasing Detection Techniques

3668  
3669 As long as sold and unsold parcels are appraised in the same manner and the data describing  
3670 them are coded consistently, statistics calculated in a sales ratio study can be used to infer  
3671 appraisal performance for unsold parcels. However, if parcels that sell are selectively  
3672 reappraised or recoded based on their sale prices or some other criterion (such as listing price)  
3673 and if such parcels are in the ratio study, sales ratio study uniformity inferences will not be  
3674 accurate (appraisals will appear more uniform than they are). In this situation, measures of  
3675 appraisal level also will be unsupported unless similar unsold parcels were appraised by a  
3676 model that produces the same overall percentage of market value (appraisal level) as on the  
3677 parcels that sold based on consistently coded descriptive and locational data.

3678  
3679 Assessors and oversight agencies do not need to employ all the detection techniques  
3680 described in this appendix, but should consider implementing at least one procedure. In some  
3681 cases, access to assessment information for all properties is necessary to perform the  
3682 suggested techniques. Agencies that do not have access to these data are at a disadvantage,  
3683 but should still implement detection techniques, such as those described in sections D.3 and  
3684 D.4, which do not require such comprehensive assessment information.

### 3685 D.1 Comparison of Average Value Changes

3686 If sold and unsold properties within a specified group are appraised in the same way, their  
3687 appraised values should reflect similar average percentage changes from year to year.  
3688 Accordingly, changes in appraised values for sold and unsold parcels can be compared to  
3689 determine whether sold parcels have been selectively appraised. Alternatively, the average  
3690 percent change in value for sample parcels can be compared to that for the population of  
3691 properties within a specified group or stratum for an indication of selective reappraisal.  
3692

3693  
3694 For example, if sold parcels are considered representative of a stratum and appraised values  
3695 increased an average of 10 percent while appraised values for unsold parcels in the same  
3696 stratum increased an average of only 2 percent, "sales chasing" is a likely conclusion. At a  
3697 more sophisticated level, the distribution of value changes for sold and unsold parcels can be  
3698 compared, or statistical tests can be used to determine whether the distributions are different at  
3699 a given level of confidence.

3700  
3701 Statistical significance in the absence of practical significance may be moot. In large samples,  
3702 small differences in the magnitude of assessed value changes on sold and unsold parcels can  
3703 be proven to be statistically significant, yet the actual differences may be slight. Therefore, it is  
3704 prudent to establish some reasonable tolerance, such as 3 percentage points (e.g., a change of  
3705 6 percent for sold properties and 3 percent for unsold properties), before concluding that a  
3706 meaningful problem exists. Such tolerance applies to other detection techniques discussed  
3707 below.

### 3708 D.2 Comparison of Average Unit Values

3709 If sold and unsold parcels are appraised equally, average unit values (for example, value per  
3710 square foot) should be similar. An appropriate test (Mann Whitney or t-test) can be conducted  
3711 to determine whether differences are significant.  
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### D.3 Split Sample Technique

In this technique, two ratio studies are performed, one using sales that occurred before the appraisal date and one using sales after the appraisal date, both adjusted for date of sale as appropriate. Except for random sampling error and any error in time adjustments, results of the two studies should be similar. Sales chasing is indicated if the results of the first study are consistently better than those from the second. In such a case, the second study is still valid; the first study should be rejected.

### D.4 Comparison of Observed versus Expected Distribution of Ratios

Assuming the ratio studies are based on sales that have been properly adjusted for time and other factors, a strong indication of the likelihood of "sales chasing" can be obtained by computing the proportion of ratios that would be expected to fall within a particular narrow range of the mean given the lowest likely standard deviation (although this depends somewhat on the assumption of a normal distribution). For example, with a standard deviation of 5 percent given a normal distribution, about 32 percent of the ratios would be expected to fall within  $\pm 2$  percent of the mean (for example, between 98 and 102 percent, given a mean of 100 percent). Except in highly constrained or well-behaved real estate markets, many appraisers consider such a low standard deviation, corresponding approximately to a COD of 4 percent, to be unachievable. Regardless of the distribution of the ratios, the likelihood is extremely low that there would be a sufficiently representative sample with more than this proportion of ratios in such a narrow range. If such is the case, "sales chasing" is a likely conclusion. Sometimes other processes through which adjustments to assessments on selling parcels are more pronounced than on the population as a whole mimic the effect of sales chasing, such as more intensive reviews of sales than non-sales. Regardless of the practice, the representativeness of the ratio study is called into question and additional tests should be instituted.

Although samples may not be normally distributed, in which case equivalently precise proportions of expected ratios around the median cannot be determined, the 32 percent concentration is very conservative. Finding such a high concentration of ratios around any measure of central tendency is a strong indicator of sales chasing or of a non-representative ratio study. In addition, when the distribution of ratios is bimodal or multimodal, similar significant concentrations of ratios around these modes can indicate selective reappraisal or sales chasing.

Table D-1 demonstrates the conservative nature of the 32 percent concentration. If the minimum achievable COD is, in fact, higher than 4 percent for the strata or property class being analyzed, then even lower concentrations could indicate sales chasing, and previously discussed investigative procedures should be instituted. One disadvantage to this procedure is that it can be misleading when applied to small samples. Therefore the method should not be employed for sample sizes less than 30.



PAGE 1  
CA320WV

RESIDENTIAL REVIEW DOCUMENT

FEB 22, 2008 01:43 PM  
(CA12)-----

DEED BOOK/PAGE 2607 /0922  
MAP/ROUTE 003 00 REVIEW FLAG HMSD FLAG  
TAX DIST 01 BIG SANDY JURISDICTION / AG.USE  
ZONING /  
ROANOKE TR /  
NEIGHBORHOOD 9010 /  
LAND USE CODE 101 /  
LIVING UNITS 1  
TX CLASS 2  
PROP CLASS R  
OWN TYPE /  
(CA12) -PROPERTY FACTORS-  
TOPO 4 / / ROLLING  
UTILITY4 /5 /6 WELL  
STR/RDS2 / / SEMI-IMP  
FRT 9 RESIDENTIAL  
PARKING TYPE QUANTITY  
AVAIL /  
(A11)-----OWNER INFORMATION-----  
LOC 6 NEIGHBOR LAND ADJ  
PROXIMITY /  
LEGAL  
155-66/100A SURF JARRETTS EST  
LITTLE SANDY CK N R ROANE

(CA13) --SALES INFORMATION----  
DATE TYPE PRICESRC VAL  
15-JUL-04 2 122,500 4 0  
RESTRICIONS /  
TAX YEAR 2008 TIEBACK 0000  
(CA21) --- DMEPLING DESCRIPTION I.S  
STORY HEIGHTS 1.5  
EXT WALL 01 FRAME  
STYLE WALL 01 CONVENTIONAL  
YR BLT/RMDL/EFF 1920/  
TOT RM 6 BDRM 3 FRMS 0 / 1990  
PBTHS 1 HBTH 0 ADDN 2TOT-FIX 5  
KIT/BATH RMDL  
BASEMENT 2 CRAWL  
HEATING 2 NON CENTRAL  
FUEL TYPE 2 GAS  
SYSTEM 2 WARM AIR  
ATTIC 1 NONE  
PHYS. COND 3 AVERAGE  
INTERIOR/EXTERIOR 2 SAME  
MASON TRIM AREA 0  
UNFIN. AREA 0  
REC. ROOM AREA 0  
FBLA 0  
Cathedral Ceilings 0  
WFFP STACK 1 OPENINGS 1  
PREFAB FIREPLACE 0 1900  
BSMT. GAR. (NO. CARS) 0  
MISC O.F. DESC QUAN. 0  
MISC O.F. DESC QUAN. 0

(CA16) -ENTRANCE INFORMATION-  
DATE CODEINFO C ID  
08/02/07 4 J 181  
07/03/07 4 3 192  
07/05/06 9 3 114  
03/28/00 3 3 156  
(CA12)-----NOTES-----  
NOTE CD:  
NOTE CD:  
NOTES: CONS WITH PAR' 3 & 4  
NOTES: JEANIES REAL EST  
NOTES:  
NOTES:  
C A L P T A B L E -----  
BASE INCR CHG  
RATE /DECR RSN LAND-VAL  
14070.00 14070.00 10,550  
14070.00 14070.00 31,290  
280.00 280.00  
1386.00 1386.00 5.880  
1386.00 1386.00

(CA14)-----LAND DATA-----  
TY ACRE/SFT/UNITS  
PE LN CD FRONT DEPTH  
A 1 IC 1.000  
HOMESITE 149.000  
A 2 4D 5.660  
WOODLAND  
A 3 8C  
RESIDUAL  
PRICE INFL-FAC SIZE CLASS  
10550 1 14070.00  
210 1 280.00  
1039 1 1386.00  
C A L P T A B L E -----  
BASE INCR CHG  
RATE /DECR RSN LAND-VAL  
14070.00 14070.00 10,550  
14070.00 14070.00 31,290  
280.00 280.00  
1386.00 1386.00 5.880  
1386.00 1386.00

(CA11) ----- OWNER TYPE CODE -----  
TYPE 0 CLASS:  
VIEW RSN ;  
COMPLEX NO:  
ROOF MATERIAL  
INTERIOR FLOOR  
OWNER-OCCUPIED

(CA12) --MISC.IMPROV  
TOTAL OBY & MISC IMPROV 3,390  
GROSS BUILDING SUMMARY VALUE 0  
DESC

TOTAL ACRES 155.6600  
TOTAL SIZE  
ACRES N 20 ZONE 0 LOC 0 UTILITY 0 STREET 2  
LAND ADJ TOTAL LAND-VALUE 47,700

Attachment 3

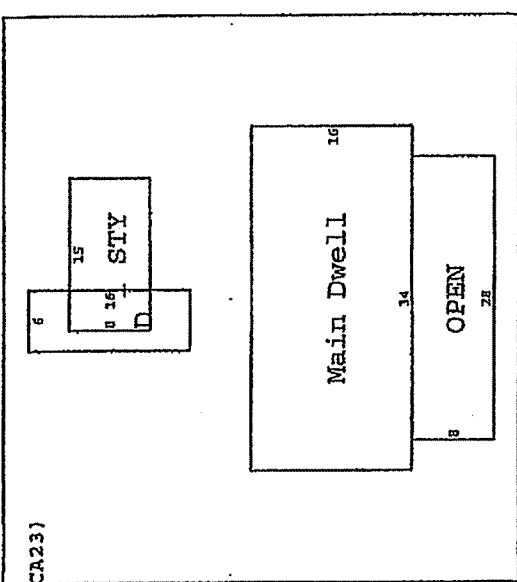
RESIDENTIAL REVIEW DOCUMENT

FEB 22, 2008 01:43 PM  
(CA12)-----  
PARCEL  
ALT ID

MAP/ROUTE 544 (CA23)  
1.072  
CARD NO 1 OF 1 TAX YEAR 2008 TIEBACK 0000  
003 00 REVIEW FLAG RMSD FLAG

(CA22)----- SKETCH VECTORS -----  
A0CR34U16L34D16  
A1R3CD8R28U8J28  
A2U26R14CUBX15  
A3U16R2U6R16CUL16L16D16R6

(CA24)----- OBY VECTORS -----



G.F.L.A.  
S.F.L.A.  
(CA21)--- DWELLING COMPUTATIO  
BASE PRICE 32,150  
BASEMENT 2 CRAWL -1,850  
HEAT -820  
PLUMBING (TOT= 5 ) 0  
ATTIC 1 NONE 0  
OTHER FEATURES 1,900  
C & D FACTOR 0%  
USER FACTOR 1.00  
USUR AMOUNT 0  
DWELLING RCN 31,380  
ADDITIONS RCN 6,400  
TOT RCN 37,780 35.24/SQFT

CDU AV 95%  
TOT RCNLD 33.48/SQFT 35,890

COUNTY MODIFIER 1.34  
PERCENT COMPLETE 100%  
TOTAL DWELLING VALUE 48,100  
O.B. & Y. VALUE 3,390  
MISC BUILDING VALUE 0  
GROSS IMPRV. VALUE 0  
CONDO BASE VALUE 0  
CONDO ADJ. VALUE 0  
TOTAL CARD VALUE 51,490

LINE	LOW	LST	2ND	3RD	A	D	I	T	I	O	N	S	CDU	%COMP	RSN	VALUE
0																544
1																224
2																120
3																96

(CALL) - PARCEL SUMMARY COST VALUE--  
TOTAL LAND VALUE 47,700  
TOTAL BLDG VALUE 51,500  
TOTAL COST VALUE 99,200

(CA11)-----  
CURRENT LAND 47,700 BUILDING 51,500 TOTAL 99,200  
ASSESSED LAND 28,520 BUILDING 30,900 TOTAL 59,420  
REVIEW CODE 1 COST APPROACH REVIEW REASON 02 Final Value - Cos  
REVIEW DATE REVIEWER ID REVIEWER ID

(CA24)----- OTHER BUILDING & YARD IMPROVEMENTS -----  
CLASS EFF SIZE QTY MOD C F % MKT VALUE  
TYP YEAR CLASS YR AREA GRD CODES D U COMP ADJ VALUE  
RGL 1940 RGL 1940 D 1 12X16 D 1 80 3390  
FRAME OR C RSN:

ESTIMATE LAND BUILDING TOTAL  
REVIEW CODE REVIEW REASON  
REVIEW DATE REVIEWER ID

REVIEW STATUS 7  
DATA WALLER: SENT 00/00/0 RECEIVED 00/00/00 MAINTAINED 26-OCT-07