

KENAI PENINSULA BOROUGH

2020

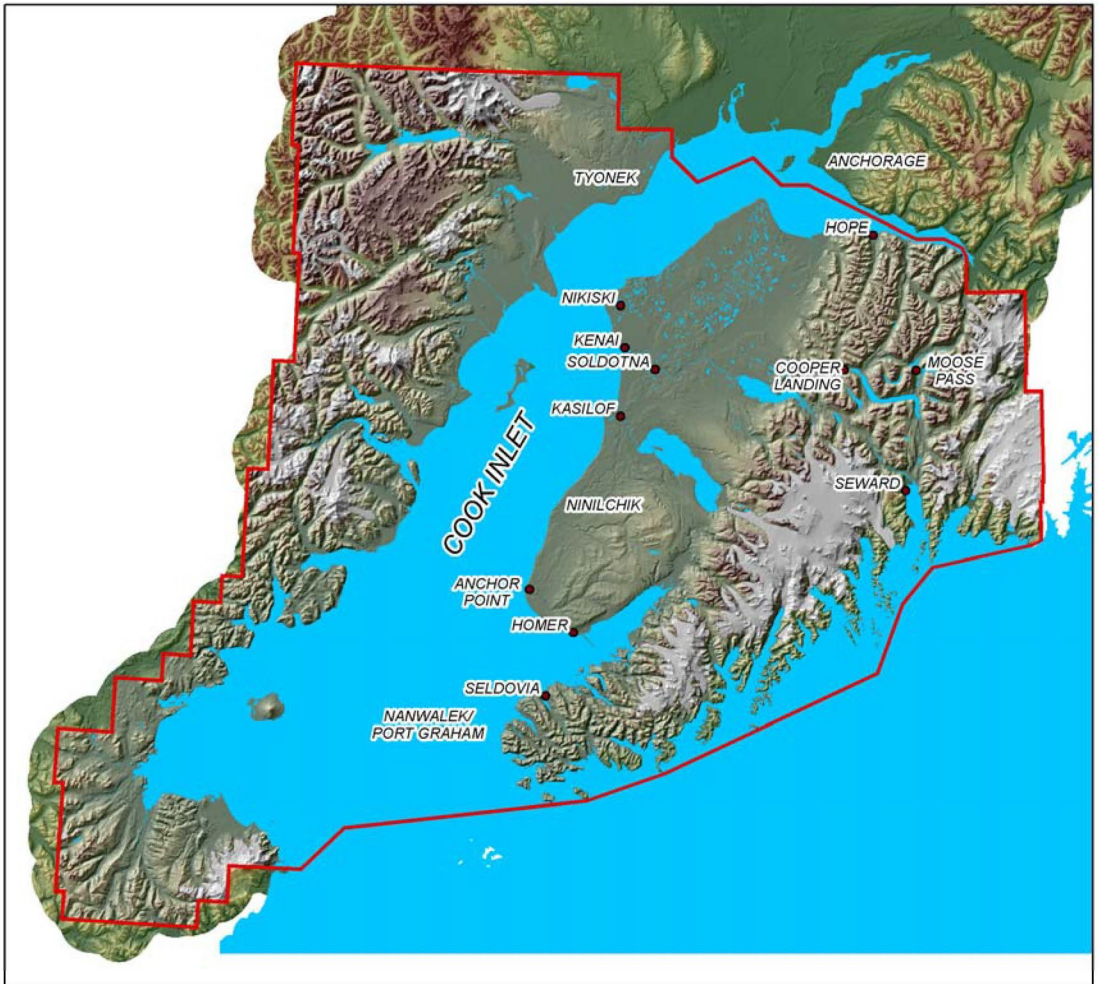
BOARD OF EQUALIZATION

INFORMATION

PACKET

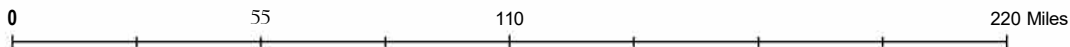
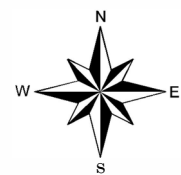
April, 2020

Prepared by the Assessing Department



KENAI PENINSULA BOROUGH

TOTAL AREA: 25,600 SQUARE MILES



THE ASSESSMENT FUNCTION

In order for local governments to function, they must be able to generate revenue to pay for the services they provide. They can employ a number of different mechanisms to do this as authorized by law, which may include property tax, sales tax, severance tax and fees, just to name a few. For many municipalities, the primary source for this revenue is the property tax, which typically has the advantage of being a very stable source of revenue. The property tax is an ad valorem tax, that is, a tax levied according to value. An ad valorem or property tax is based upon the principle that the amount of tax paid should depend on the value of the property owned.

It is hard to overstate the importance of assessors to the administration of the property tax and, indirectly, the vitality of local governments. Assessed values determine the distribution of property tax levies among taxpayers, and only if these values are correct will tax limits, debt limits, and the distribution of state aid to municipalities be as the legislature intended.

The primary responsibility of the assessor is to ensure that valuations used for property tax purposes are accurate so that the property tax which is levied on those values is fair and equitable to all property owners. The assessor is also responsible to all property owners in ensuring that no property escapes the assessment process, thus shifting the tax burden unfairly to other property owners.

A summary of the duties of the assessor, which is common in most states, is contained in the following list.

1. Locate and identify all property in the jurisdiction.
2. Obtain copies of recorded documents to ascertain the ownership of property.
3. Inventory of all taxable property, including quantity, quality, and important property characteristics.
4. Determination of the extent of taxability of each property.
5. Estimation and calculation of the market value of each taxable property.
6. Notification to property owners of the assessed value of their property.
7. Appearance and defense of the assessed values before the Board of Equalization, upon appeal by the property owner.
8. Preparation and certification of the assessment roll of the entire jurisdiction.
9. The Assessment Process is repeated annually.

RELEVANT ALASKA STATUTES

Sec. 29.45.110. Full and true value.

(a) The assessor shall assess property at its full and true value as of January 1 of the assessment year. The full and true value is the estimated price that the property would bring in an open market and under the then prevailing market conditions in a sale between a willing seller and a willing buyer both conversant with the property and with prevailing general price levels.

Market Value

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in an open and competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.
(Appraisal of Real Estate 11th Edition - Appraisal Institute)

Sec. 29.45.160. Assessment roll.

(a) The assessor shall prepare an annual assessment roll. The roll shall contain

1. a description of all taxable property;
2. the assessed value of the taxable property;
3. the names and addresses of persons with property subject to assessment and taxation.

(b) The assessor may list real property by any description that may be made certain. Real property is assessed to the record owner. The district recorder shall at least monthly provide the assessor a copy of each recorded change of ownership showing the name and mailing address of the owner and the name and mailing address of the person recording the change of ownership. Other persons having an interest in the property may be listed on the assessment records with the owner. The person in whose name property is listed as owner is conclusively presumed to be the legal record owner. If the property owner is unknown, the property may be assessed to "unknown owner". An assessment is not invalidated by a mistake, omission, or error in the name of the owner, if the property is correctly described.

~~Sec. 29.45.160. Appeal~~
Sec. 29.45.160. Appeal. whose name appears on the assessment roll or the agent or assigns of the person may appeal to the board of equalization for relief from an alleged error in valuation not adjusted by the assessor to the taxpayer's satisfaction.

- (b) The appellant shall, within 30 days after the date of mailing of notice of assessment, submit to the assessor a written appeal specifying grounds in the form that the board of equalization may require. Otherwise, the right of appeal ceases unless the board of equalization finds that the taxpayer was unable to comply.
- (c) The assessor shall notify an appellant by mail of the time and place of hearing.
- (d) The assessor shall prepare for use by the board of equalization a summary of assessment data relating to each assessment that is appealed.
- (e) A city in a borough may appeal an assessment to the borough board of equalization in the same manner as a taxpayer. Within five days after receipt of the appeal, the assessor shall notify the person whose property assessment is being appealed by the city.

RELEVANT ALASKA STATUTES (cont.)

Sec. 29.45.210. Hearing.

(b) The appellant bears the burden of proof. The only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing. If a valuation is found to be too low, the board of equalization may raise the assessment.

Sec. 29.45.290 Validity.

Certified assessment and tax rolls are valid and binding on all persons, notwithstanding a defect, error, omission, or invalidity in the assessment rolls or proceedings pertaining to the assessment roll.

RELEVANT KENAI PENINSULA BOROUGH ORDINANCES

5.12.060 (P)

P. The burden of proof is on the appellant. The only grounds for the board to adjust the assessment are proof of unequal, excessive, improper, or under valuation, based on facts proven at the appeal hearing. The board may not alter the assessment of a property unless a timely written appeal has been filed concerning the property. If an appellant has refused or failed to provide the assessor or the assessor's agent full access to property or records related to assessment of the property, upon notice from the assessor to the appellant and the clerk, the appellant shall be precluded from offering evidence on the issue or issues affected by that lack of access. Before a ruling is issued on the admissibility of such evidence, the appellant shall be provided with a reasonable opportunity by the board chair to present its case as to why this sanction should not be imposed, and the assessor shall have a reasonable opportunity to respond.

KPB ASSESSOR'S POLICY STATEMENT

As a matter of policy and in an attempt to be transparent, the Assessing Department goes to great lengths to demonstrate the steps taken to arrive at market values by showing qualified sales in ratio studies, quality charts, sketches, measuring techniques, accounting for damage to structures, explaining market research, etc.

THE APPRAISAL PROCESS

There are three recognized approaches to valuing properties in the appraisal process. These are the **Cost Approach**, **Income Approach** and the **Comparable Sales Approach**. Not all three approaches to value are relevant and useful in the valuation of all properties. For instance, the cost approach is not applicable in the valuation of vacant land. The comparable sales approach may be eliminated in the valuation of a zoo, where no sales information is available. The following is a brief description of the steps in each approach.

- 1) **Cost Approach:** The cost approach is based upon the idea that the value of a property is the value of the land plus the replacement cost of the improvements less depreciation. The economic principle of substitution is pertinent in this approach. It is based upon the assumption that the value of the property equals the cost of acquiring an equally desirable substitute property.
- 2) **Sales Comparison Approach:** The sales comparison (or comparable sales) approach uses sales prices as evidence of the value of similar properties. The price at which a particular property sells is the point at which the prevailing supply and demand curves intersect in the market place. Because no two real properties are exactly alike, systematic methods must be used to adjust the prices of sold properties (referred to as comparables) to match the characteristics of the property being appraised (the subject). When properly measured, these adjustments reflect the reactions of buyers and sellers in the market place. Like the cost approach, this approach also is consistent with the economic principle of substitution, whereby a purchaser, acting prudently, will not pay more for a property than the cost of acquiring an equally desirable substitute in the market place.
- 3) **Income Approach:** The economic principle of substitution is also the foundation of the income approach. The market value of a given property will not be greater than the investment required to produce an equivalent income stream from an alternate investment of similar risk. This approach reflects the present worth of future benefits expected to be derived from ownership. Direct capitalization uses a market-derived capitalization rate to convert a single year's net operating income into an estimate of a property's market value. Another method, discounted cash flow, uses capitalization rates to convert all anticipated future cash flows to net present value.

* A borough has discretion to appraise by whatever recognized method of valuation it chooses, so long as there is no fraud or clear adoption of a fundamentally wrong principal of valuation. Hoblitt v. Greater Anchorage Area Borough, Sup. Ct. Op. No. 636 (File No. 1214), 473 P.2d 630 (Alaska 1970).

Appraisal Terminology

Sales Ratio - The assessed value of the property divided by the sales price.

Formula		Example	
<u>Assessed Value</u>		<u>\$ 100,000</u>	
Sales price	= Sales Ratio	\$ 103,000	= 97%

Comparable Sales – Recently sold properties that are similar to the Subject property in location, size, quality, and time of sale.

Qualified Sales – Current sales that have been analyzed and determined to meet the conditions an arm's length transaction. Improved qualified sales have been reinspected and all features have been verified in the CAMA System.

Market Value The most probable price which a property should bring in an open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably with a reasonable time allowed for exposure in the open market, and assuming the price is not affected by undue stimulus.

CAMA System – Computer-Assisted Mass Appraisal System. Property data is gathered and entered into the computerized database which calculates property values based on market models calibrated to the local real estate market.

Depreciation – Accrued loss in property value relative to its replacement cost new, due to physical deterioration and functional or economic obsolescence.

Physical Depreciation – Loss of value due to wear and tear.

Functional Obsolescence – Loss of value in a property resulting from poor or inappropriate design, preferences, technical innovations, or market standards.

External/Economic Obsolescence Loss of value in a property that stems from factors outside the property.

Effective Age – The age indicated by the condition and utility of a structure.

Median Ratio The median ratio is the middle ratio when the ratios are arrayed in order of magnitude. If there is an even number of ratios, the median is the average of the two middle ratios. The median always divides the data into two equal parts and is less affected by extreme ratios than the other measures of central tendency. Because of these properties, the median is the generally preferred measure of central tendency for evaluating overall appraisal level, determining reappraisal priorities, or evaluating the need for a reappraisal.

Appraisal Terminology (cont)

COD (Coefficient of Dispersion) The most generally useful measure of variability or uniformity is the COD.

The COD measures the average percentage deviation of the ratios from the median ratio. The COD has the desirable feature that its interpretation does *not* depend on the assumption that the ratios are normally distributed. In general, more than half the ratios fall within one COD of the median. The COD should not be calculated about the mean ratio.

PRD (Price Related Differential) One form of inequity can be systematic differences in the appraisal of low- and high-value properties, termed “vertical” inequities. When low-value properties are appraised at greater percentages of market value than high-value properties, assessment *regressivity* is indicated. When low-value properties are appraised at smaller percentages of market value than high-value properties, assessment *progressivity* is the result. Appraisals made for tax purposes of course should be neither regressive nor progressive. An index statistic for measuring vertical equity is the PRD, which is calculated by dividing the mean ratio by the weighted mean ratio. This statistic should be close to 1.00. Measures considerably above 1.00 tend to indicate assessment regressivity; measures below 1.00 suggest assessment progressivity. When samples are small or the weighted mean is heavily influenced by several extreme sales prices, the PRD may not be a sufficiently reliable measure of vertical inequities. A scatter plot of ratios versus appraised values or sale prices is a useful diagnostic tool. A downward (or upward) trend to the data indicates systematic regressivity (or progressivity). Assuming representativeness, high PRDs generally indicate low appraisals on high-priced properties. If not sufficiently representative, extreme sales prices can be excluded in calculation of the PRD. Similarly, when samples are very large, the PRD may be too insensitive to show small pockets in which there is significant vertical inequity.

The following table is taken from the IAAO Standard On Ratio Studies and is a guideline for acceptable statistical measures:

Table 1-3. Ratio Study Uniformity Standards indicating acceptable general quality*

Type of property—General	Type of property—Specific	COD Range**
Single-family residential (including residential condominiums)	Newer or more homogeneous areas	5.0 to 10.0
Single-family residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing, 2–4 unit family housing	5.0 to 20.0
Income-producing properties	Larger areas represented by large samples	5.0 to 15.0
Income-producing properties	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant land		5.0 to 25.0
Other real and personal property		Varies with local conditions

These types of property are provided for guidance only and may not represent jurisdictional requirements.

** Appraisal level for each type of property shown should be between 0.90 and 1.10, unless stricter local standards are required.*

PRD's for each type of property should be between 0.98 and 1.03 to demonstrate vertical equity.

PRD standards are not absolute and may be less meaningful when samples are small or when wide variation in prices exist.

In such cases, statistical tests of vertical equity hypotheses should be substituted (see table 1-2).

*** CODs lower than 5.0 may indicate sales chasing or non-representative samples.*

RESIDENTIAL CODES (House Types)

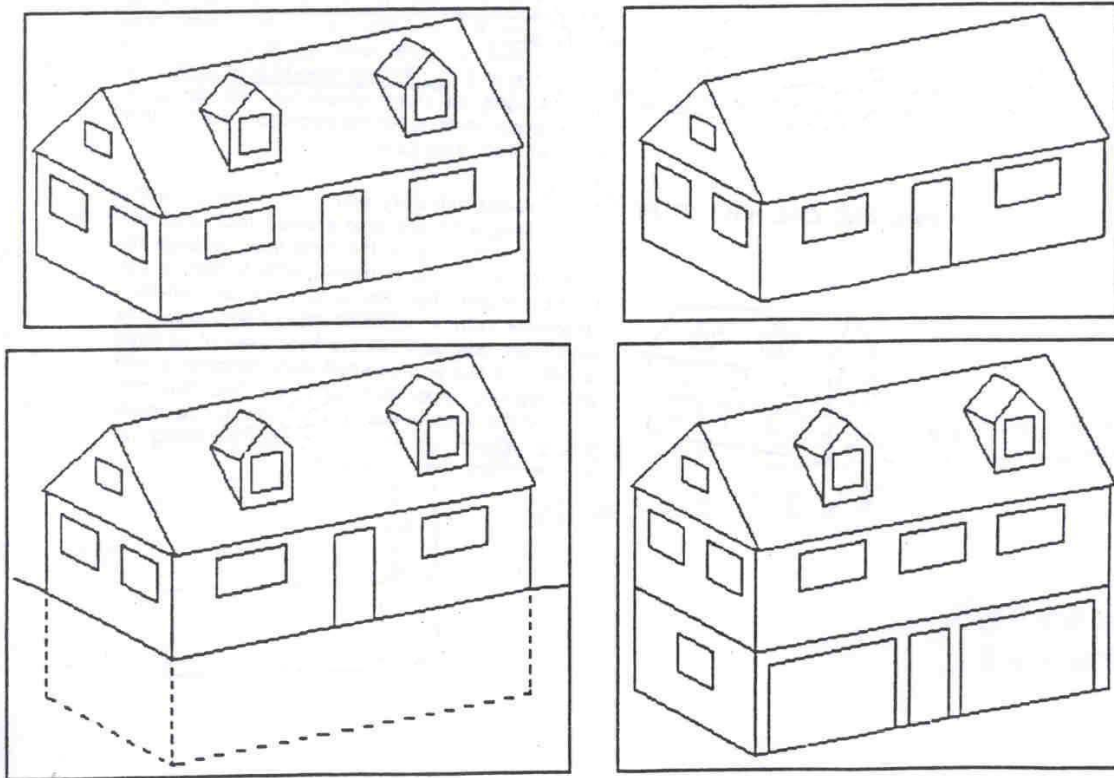
1 L	1 Level Above Grade 801 s/f +
2 +L	2 Or More Levels Above Grade 801 s/f +
BI-L	Bi-Level/Split Foyer 801 s/f +
1 1/2 L	1 ½ or 1 ¾ Stories Above Grade 801 s/f +
SPLIT/TRI-L	Split Level 801 s/f +
CABIN	Very Small—0 to 500 s/f Above Grade
COTTAGE 1 L	Small—501-800 s/f 1 Level Above Grade
COTTAGE MULTI L	Same as Cottage 1 L Except Has More Than 1 Level Above Grade
DUPLEX	Designed As Two Units Built As One Building (Usually Side By Side)
TWN END	Townhouse Style End Unit
TWN INT	Townhouse Style Interior Unit
MULTI-FAMILY	Tri Plex to Four Plex Buildings
MHS	Single Wide Manufactured Home
MHD	Double Wide Manufactured Home
AOG	An upper ½ Story or an upper ¾ Story over a detached garage when the living area is finished out.

Residential Type/Class Description

1 ½ L

One and One-Half Story

One and One-Half Story residences have two levels of living area normally characterized by a steep roof slope and/or dormers. Or, when any portion of the roof slope is part of the exterior wall resulting in less than an 8-foot wall height. A ½ story code is used when this upper living area is accessed by an interior stairway of standard width, slope, and headroom. If no dormers or “pony” walls are present and the upper living area is accessed by a pull-down or stationary ladder, or by a stairway not meeting minimum building code specifications, then an A(Fin) or A code for finished or unfinished attics should be used.

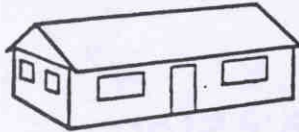


Kenai Peninsula Borough Assessing Dept.

SQUARE FOOT METHOD

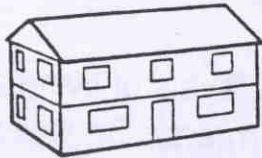
SINGLE FAMILY, DETACHED

ONE STORY:



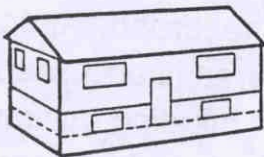
One-story residences have one level of living area. The roof structure has a medium slope. The attic space is limited and is not intended for living area.

TWO STORY:



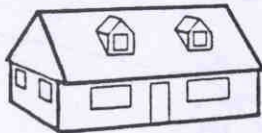
Two-story residences have two levels of finished living area. The area of each floor is approximately the same. The roof structure has a medium slope. The attic space is limited and is not designed for usable living area.

TWO STORY BI-LEVEL:



Two-story, bi-level (raised ranch) residences have two levels of living area, but unlike a conventional two story, the lower level, which may be partially below grade, is partially unfinished. A distinguishing characteristic is its split-foyer entry. Enter the cost table with the square footage of the above-grade floor area only. For the lower level use the appropriate cost (type and square footage) from the Basement cost table and add for the amount of finish.

ONE AND ONE HALF STORY:



One-and-one-half-story residences have two levels of living area. Characterized by a steep roof slope and dormers, the area of the upper level, whether finished or unfinished, is usually 40% to 60% of the lower level. For one-and-one-half-story residences with a finished upper level, enter the respective cost table at the total floor area of both levels. For one-and-one-half-story residences with an unfinished upper level, enter the applicable cost table at the first floor area only.



TWO AND ONE HALF STORY:



Two-and-one-half-story residences have three levels of living area and also a steep roof slope with dormers. The area of the third floor, whether finished or unfinished, is usually 40% to 60% of that of the second floor. For a two-and-one-half-story residence with a finished upper level, enter the respective cost table at the floor area of all three levels. For two-and-one-half-story residences with an unfinished upper level, enter the Two Story cost table at the area of the first two levels, and make the necessary cost adjustment from the Basic Description name for that quality.

Building Levels

Basements--Below grade but not "L" or Lower Levels (See below). Coded B on sketch. If it has a walkout feature code it as B-wo. If the basement is finished, code as B-wo (Fin). If no walkout but it is finished living area, code as B (Fin). Different areas of the basement can be drawn separately if needed to distinguish between finished and unfinished. Also, you can put % finished on the drawing for a basement that will eventually be finished living area but has yet to be completed. On new homes, it is best to put the basement area as 100% finished living area, but consider the fact that it is not complete in the overall percent complete box. On older homes or those where the above grade levels are complete and the basement is yet to be completed, show the percent complete box for the house as 100% but reflect the level of finished area for the basement on the sketch. For instance, you could just show the basement as B and not have any finish if no finish work has been done. Or you could show it as "B (Fin) 50%" if half of its area is finished living area or if all of its area will be finished living area but it is currently half complete.

Egress Windows--Add the number of egress windows except on those basements that have a walkout feature. If the basement does have a walkout feature but also has an additional exposed side or sides, the egress windows on the additional side, or sides, can be added up and put on the inspection sheet. DO NOT add egress windows on "L" levels.

Lower Levels—Coded as "L" on the sketch. Below grade but approximately only half way. Typically for split foyer entry or Split/Tri Level house types. If you have any hesitation about calling it an "L" level, it probably should be ran as a "B" level. Those basements that have a half submerged basement but not a split foyer entry should be ran as "B" (see above) and add for egress windows.

1SFR--Normally the level of the house that is at grade. It is an abbreviation for 1 story frame. If the house has masonry framing such as cinderblock, you would label the sketch as 1S MAS.

1SFR Upper--Any upper levels with full exterior wall height.

½ SFR Upper--Upper half story. Upper ½ stories currently default to 60% finished living area. If you feel the finished area of an upper ½ story has more or less than 60% finished living area, you can reflect that as well. Some houses will be better classified this way rather than giving them an attic or loft. Attics and lofts are mentioned below. If you need to reflect the percentage of finished area as something other than the default of 60% on the upper half, just write that percentage on the sketch. When you have the file returned to you, check to be sure the input was done correctly. You will need to calculate what the finished area would be and check that against ProVal. Add dormers that have flooring in them accordingly. Do not add additional finished living area for the dormers as this is calculated in the dormer value. Code the drawing as "½ SFR Upper" and measure to the extent of the floored area.

¾ SFR Upper-- An upper level characterized by a full 8' wall height along one side of the upper level with the other side being sloped like an upper half story. The upper ¾ story can also have the roof slope on both sides like an upper half story, but the exterior walls are built up 3 to 5 feet. The default percent finished on these is 80%. This can be overridden if the appraiser feels there is more or less finished living area. Dormers can be added to this level as well. Do not add additional finished living area for the dormers as this is calculated in the dormer value. Code the drawing as "¾ SFR Upper" and measure to the extent of the floored area.

Building Levels cont.

Attic—Upstairs area that has limited access and headroom. Code the drawing as “A” and measure to the full extent of the base area beneath it. Access will be limited such as a steep or narrow stairwell. Most of these attics were not originally designed to be accessible area. If the area has finish, code the sketch as “A (Fin)”. The default percentage for attics is 50%. If you had a 20 x 20 area that is finished attic for example, it is calculated that 50% or 200 square feet would be finished area. This is accounting for the fact that the attic will have limited headroom. As with upper half stories, if you feel that the finished area is different than 50%, you can write that on the sketch. Be sure to double-check to make sure it was entered correctly. Attics are not considered a level for classifying the house type.

Loft—Upstairs area that has limited access and headroom. Coded on the sketch as “Loft (Upper)”. Keep in mind that lofts value the least of any upper level. This code is best used when there is a sleeping loft usually accessed by a ladder. At present, there is no way to add and value any finish in a Loft. Lofts are not considered a level for classifying the house type.

Stairwells—Do not exclude stairwells from the sketch. Rather, sketch them as a part of the upper floor levels

Crawl—Although not technically a building level, ProVal will deduct value if a house is not sketched as having a crawl space. This is typical with houses that are built on a slab (1SFR/S) or for houses that are built on piers or with no foundation (just 1SFR). The determining factor is not the height of the crawl space but whether or not it has a stemwall. In extreme cases, there may be a short stemwall but the crawl space is so short as to be unusable. In these instances, sketch the house as having a crawl space, but consider the limited access in overall quality, and/or add additional functional obsolescence for the lack of access. Base this call on your best judgment and experience.

Carports—When sketching the carport as a part of the dwelling, label the sketch as CP/C for a frame carport over concrete, or CP/G when it's over gravel. If the carport is not attached to the dwelling, or if you wish to give it its own effective age and/or quality, run it as an outbuilding with the appropriate code (FlatCP) and include the necessary information in the outbuilding section on the inspection sheet. See the outbuilding section of this manual for more information.

AOG--Apartment Over Garage. Use when there is an upper 1/2 story or an upper 3/4 story over a detached garage. Sketch as "1/2SFR/FrG" and add "Fin" for finish and "H" for heat in the garage portion if necessary.



HOUSE TYPES



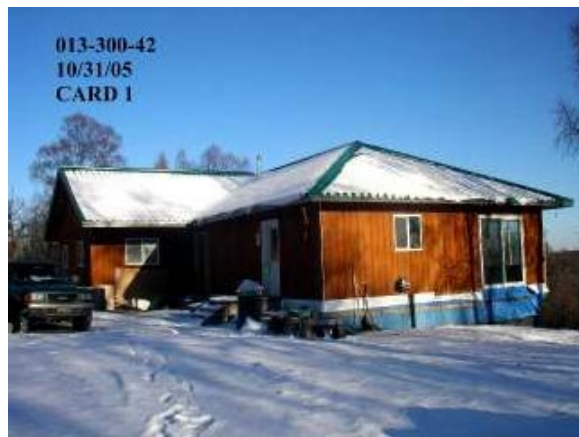
013-340-14
10/17/05
CARD 2

1L



013-690-14
08/18/05
CARD 1

1L



013-300-42
10/31/05
CARD 1

1L



012-261-35
10/05/05
CARD 1

1L



012-261-41
08/18/05
CARD 1 & RCD

1 ½ L



013-020-76
10/20/05
CARD 1

1 ½ L

HOUSE TYPES



1 ½ L



1 ½ L



2 + L



2 + L



2 + L



2 + L

HOUSE TYPES



1 ½ L (Gambrel)



1 ½ L (Gambrel)



1 ½ L (Gambrel)



1 ½ L (Gambrel)



2 + L



2 + L

HOUSE TYPES



Bi-L



Bi-L



Bi-L



Bi-L



Split/Tri



Split/Tri

HOUSE TYPES (With $\frac{3}{4}$ SFR UPPER)



1 ½ L



1 ½ L



1 ½ L



1 ½ L



1 ½ L



1 ½ L

1 ½ L With Upper Labeled as $\frac{3}{4}$ SFR: This Category Defaults the Living/Finish area @ 80%. This category will also add value for Upper Exterior wall framing and Exterior Cover, Dormers need to be recorded on $\frac{3}{4}$ SFR levels. (Default Living / Finish area for 1/2 SFR is 60%.)

HOUSE TYPES: 2+ L vs 1 ½ L



2+ L



2+ L



1 ½ L

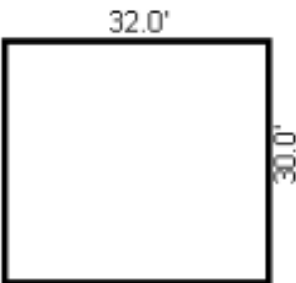


1 ½ L

1 ½ L: This Category Defaults for Living / Finish area @ 60%. Always Draw the whole Upper Floor (Upper Floor Joist Area) minus any open / vaulted to below. If an Interior inspection is done and there are walled off areas, measuring off the actual Living / Finish area is appropriate, the measured Finish area can be entered as a forced sq. ft. or as a percentage. In general relying on the system to default @ 60% is the best option.

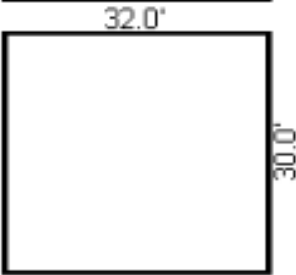
Do not call a ½ SFR a 1SFR Upper with measured off Living / Finish area. Doing so will inappropriately add value for exterior framed walls and siding, additionally it will be mixing 1 ½ L with 2 L which will skew Sales Analysis.

FLOOR AREA FOR A 1 ½ STORY HOUSE

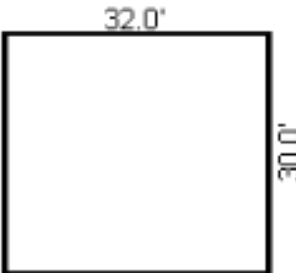


Area As Sketched

1SFR (First Level)
960.0' Base Area

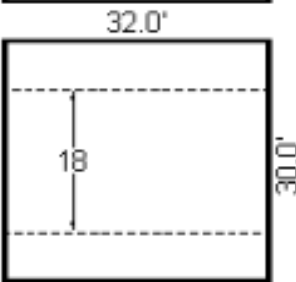


1/2 SFR Upper (Upper Half Story)
960.0' Base Area



Actual Living Area

1SFR (First Level)
960.0' Finished Living Area



1/2 SFR Upper (Upper Half Story)
18 x 32 = 576 sf Finished Living Area

RATES

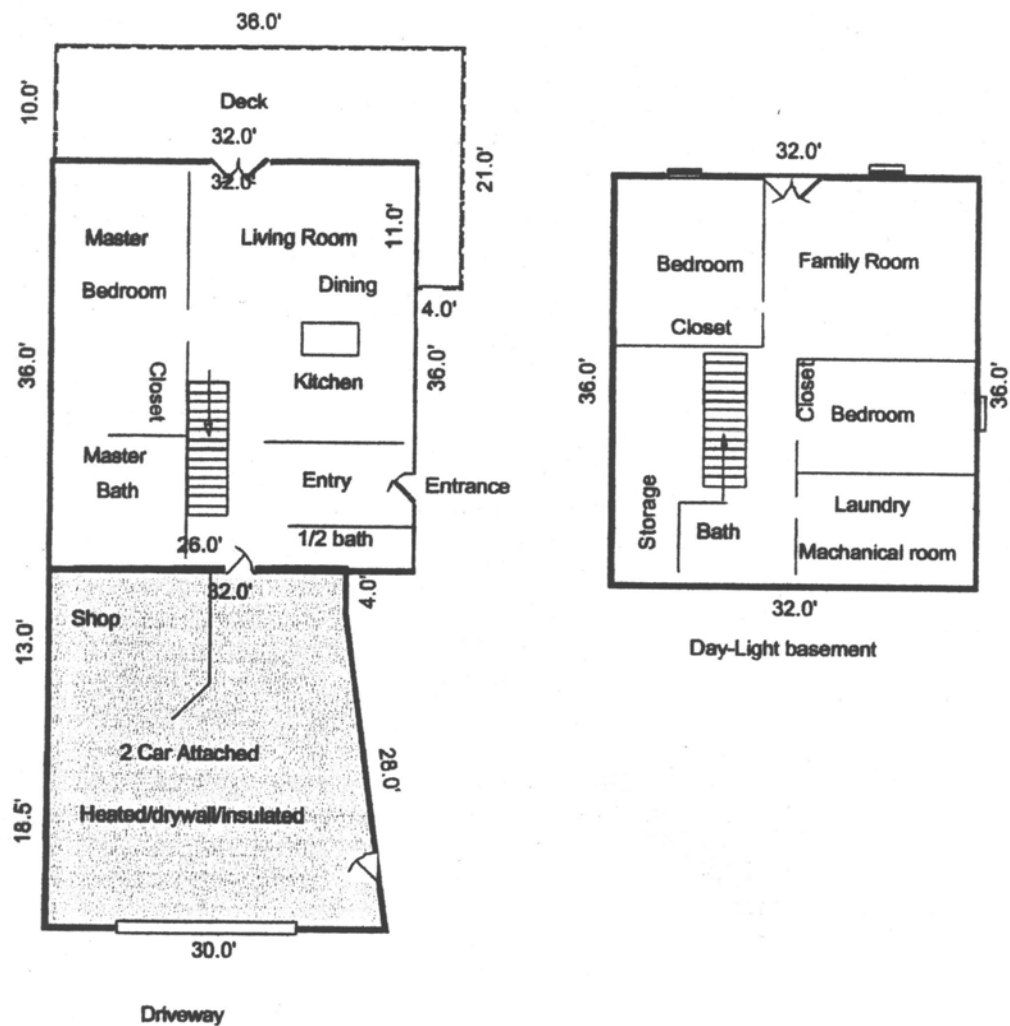
Rates are provided by Thomson Reuters/Proval and are derived from the Marshall & Swift Residential Cost Handbook. Each grade/quality house has its own set of rates. There are different rates for different sizes for each level. The following rates are taken out of the cost model. They are based on a 1 ½ story home of average grade/quality. The rates for “1ST-BASE-FR” are for the main level of the home. The rates for “PUPR-BASE-FR” are for the upper ½ story base area. The rate for “PUPR-SFFIN” is to add for the finished living area of the upper ½ story. The system interpolates between the area rates for each level. After analyzing sales data, multipliers are applied to bring costs in line with the market.

BREAKPOINT/RATE	<u>AREA</u>	<u>RATE</u>		<u>AREA</u>	<u>RATE</u>		<u>AREA</u>	<u>RATE</u>		<u>AREA</u>	<u>RATE</u>		<u>AREA</u>	<u>RATE</u>
<i>1ST-BASE-FR</i>	600	84.89		800	81.02		1000	78.58		1200	76.22			
1400 74.54		1600 73.18			1800 72.13			2200 70.87					3200 67.18	
<i>PUPR-BASE-FR</i>	600	13.43		800	12.16		1000	11.26		1200	10.61			
1400 10.15		1600 9.80			1800 9.55			2200 9.24					3200 8.51	
FLAT RATE/AREA		<u>RATE</u>												
<i>PUPR-SFFIN</i>		28.44												

PRIVATE FEE APPRAISALS

Some homeowners submit copies of fee appraisals during the course of the year, especially during the appeals process. These appraisal reports occasionally have minor errors but several have been found with major errors. Assessing staff always review these reports carefully to be sure that the property descriptions are accurate and the conclusions are valid and well supported. Staff does not automatically accept that the conclusion of value from a fee appraisal is correct for ad valorem tax purposes.

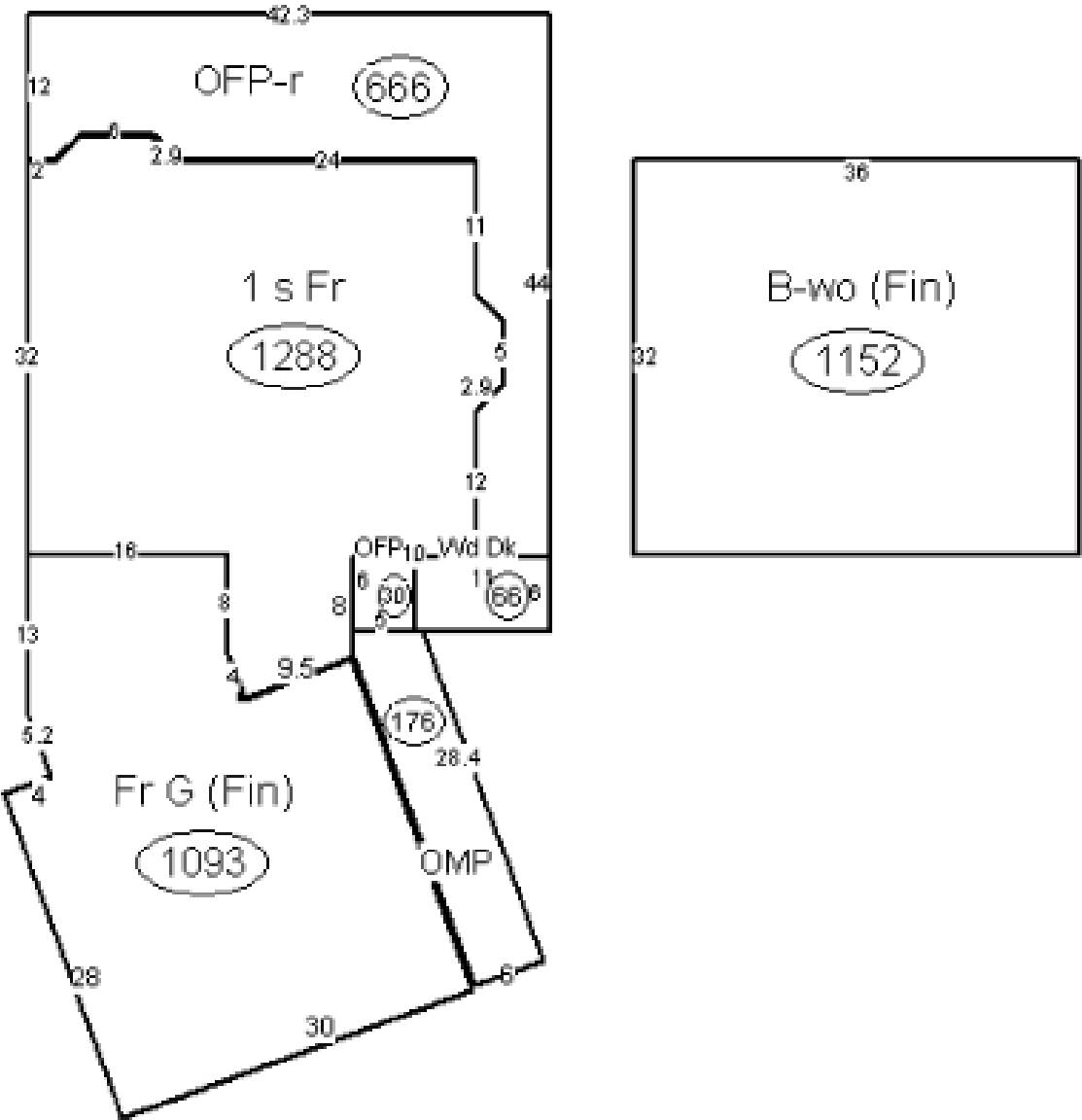
The sketch shown below is a good example of a major error in a fee appraisal. The appraiser failed to correctly sketch the angles for the garage and thereby was short on the square footage of the living area in addition to being short on the garage square footage. The deck is actually a covered porch and its square footage is short too. The main level and the basement are turned 90 degrees from how they actually are aligned in relation to the garage. Additional square footage was lost by not sketching the bay areas that extend to the floor.



AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA1	First Floor	1152.00	1152.00
BSMT	Day light basement	1152.00	1152.00
P/P	Deck	404.00	404.00
GAR	Garage 2 car Attach	876.00	876.00

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
32.0	x	36.0	1152.00

Below is the sketch of the same house by the Assessing Department. Our dimensions were double-checked by two appraisers in addition to verification by the homeowner. When the appellants saw the multiple errors in the fee appraisal, they withdrew their appeal.



There have been fee appraisals submitted that have excluded sheds, greenhouses, cabins, conexes, etc. However, these items have contributory value and are equitably assessed as all other similar properties throughout the borough.

Sales Ratios and Model Calibration

The International Association of Assessing Officers (IAAO) publishes a Standard On Ratio Studies for use by Assessors. “The objective of these standards is to provide a systematic means by which concerned assessing officers can improve and standardize the operation of their offices.” Sales ratios assist in calibrating the valuation model to the market and, once calibrated, give an indication of the overall level of assessment.

The following sections were taken from **Part 1-Guidance for Local Jurisdictions**, of the IAAO Standard On Ratio Studies.

2.1 The Concepts of Market Value and Appraisal Accuracy

Market value is the major focus of most mass appraisal assignments. The major responsibility of assessing officers is estimating the market value of properties based on legal requirements or accepted appraisal definitions. The viability of the property tax depends largely on the accuracy of such value estimates. The accuracy of appraisals made for assessment purposes is therefore of concern, not only to assessors but also to taxing authorities, property taxpayers, and elected representatives. Appraisal accuracy refers to the degree to which properties are appraised at market value, as defined by professional standards and legal requirements. While a single sale may provide an indication of the market value of the property in question, it cannot form the basis for a ratio study, which provides information about the market values of groups of properties. Dividing the appraised value by the sale price forms the ratios. The ratio can be multiplied by 100 and expressed as a percentage.

Market value is a concept in economic theory and cannot be observed directly. However, market values can be represented in ratio studies by sales prices that have been confirmed, screened, and adjusted as necessary. Sales prices provide the most objective estimates of market values and under normal circumstances should provide good indicators of market value.

2.4 Applicability

Local jurisdictions should use ratio studies as a primary mass appraisal testing procedure and their most important performance analysis tool. The ratio study can assist such jurisdictions in providing fair and equitable assessment of all property. Ratio studies provide a means for testing and evaluating mass appraisal valuation models to ensure that value estimates meet attainable standards of accuracy; see Uniform Standards of Professional Appraisal Practice (USPAP) Standard Rule 6-7 (Appraisal Foundation 2015). Ratio study reports are typically included as part of the written documentation used to communicate results of a mass appraisal and to comply with Standard Rule 6-7(b). Ratio studies also play an important role in judging whether constitutional uniformity requirements are met. Compliance with state or provincial performance standards should be verified by the local jurisdiction before value notices are sent to property owners.

3.2.2 Sampling

A ratio study is a form of applied statistics, because the analyst draws conclusions about the appraisal of the population (the entire jurisdiction) of properties based only on those that have sold during a given time period. The sales ratios constitute the sample that will be used to draw conclusions or inferences about the population.

To determine the accuracy of appraisals with absolute certainty, it would be necessary for all properties in the population to have been sold in arm's-length, open-market transfers near the appraisal date. Since this is not possible, ratio studies must use samples and draw inferences or conclusions about the population from these samples.

3.3 Stratification

Stratification divides all the properties within the scope of the study into two or more groups or strata. Stratification facilitates a more complete and detailed picture of appraisal performance and can enhance sample representativeness.

Each type of property subject to a distinct level of assessment could constitute a stratum. Other property groups, such as neighborhoods and age and size ranges, could constitute additional strata.

4.5 Sample Representativeness

...As long as sold and unsold parcels are appraised in the same manner and the sample is otherwise representative, statistics calculated in a sales ratio study can be used to infer appraisal performance for unsold parcels.

For proper stratification and analysis, the Kenai Peninsula Borough is grouped into “Market Areas” (may also be called Neighborhoods). Using these market areas, market data is analyzed within the system, various ratio studies are used to analyze size, depreciation, quality, etc., and the model is calibrated to achieve a market value assessment level.

According to **Property Assessment Valuation, Second Edition** by the IAAO, Chapter 13-Mass Appraisal, “Appraisal level refers to the overall or typical ratio at which properties are appraised. **In mass appraisal, appraised values do not always equal their indicators of market value (sales prices or independent appraisals), but overappraisals should balance underappraisals.**”

The following two pages are an example of a ratio study in Market Area 140 (Nikiski) for single-family residences. This ratio study shows the results after the valuation model has been calibrated for that particular Market Area.

RATIOSUM:	189.3097
MEAN:	98.09%
MEDIAN:	97.84%
WTD MEAN:	98.06%
PRD:	100.03%
COD:	5.95%

# OF SALES:	193
TOTAL SP:	\$48,517,250
TOTAL AV:	\$47,573,700
MINIMUM:	81.30%
MAXIMUM:	122.56%
MIN SALE AMT:	\$99,250
MAX SALE AMT:	\$590,000

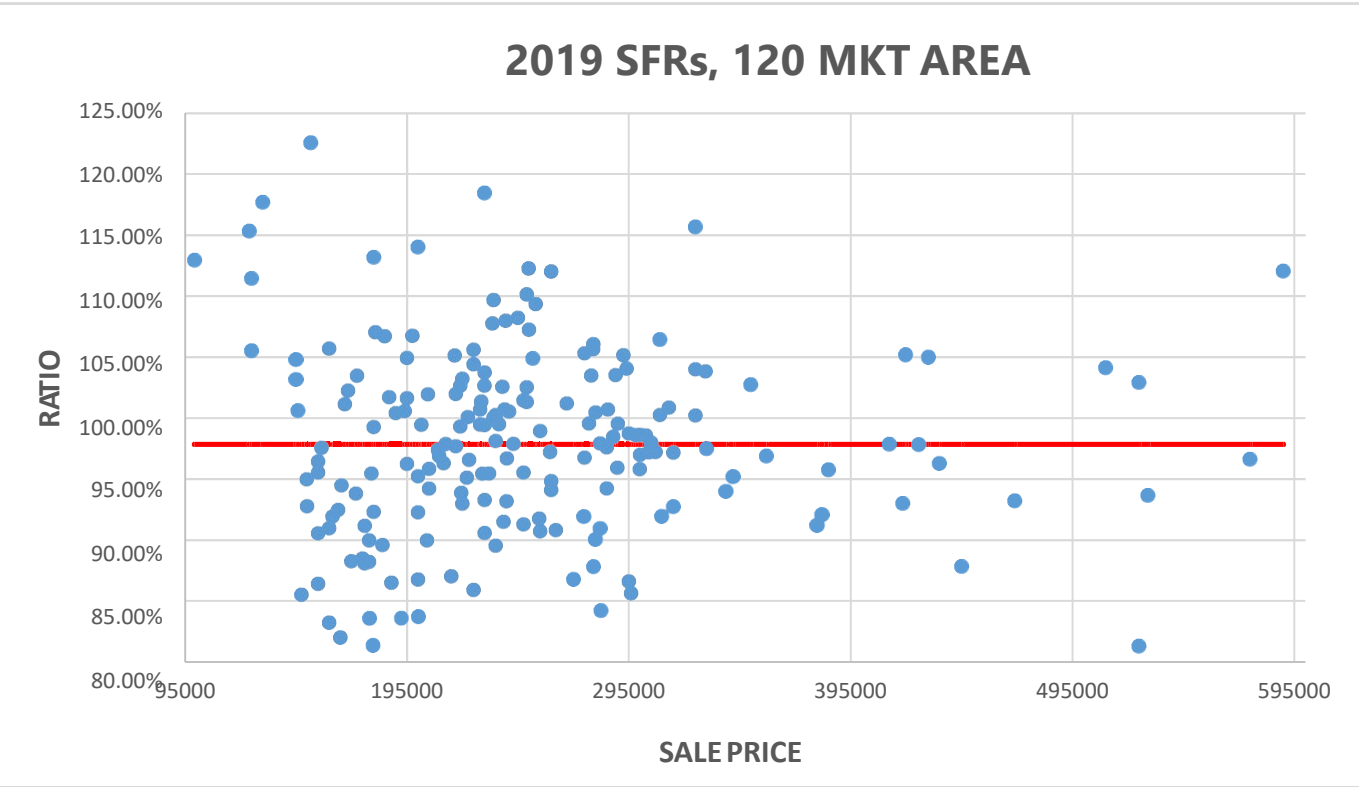
SALE DATE:	2019
HOUSE TYPE:	SFRs
MKT AREA:	120
	KENAI

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
03910116	120	135800	11000	146800	145900	100.62%	11	2/13/2019	Avg-
03910302	120	150100	10100	160200	178000	90.00%	11	6/14/2019	Avg+
03912226	120	259700	14500	274200	249000	110.12%	11	2/15/2019	G-
03914143	120	508500	47000	555500	575000	96.61%	21	8/8/2019	VG
04101116	120	182200	22400	204600	220000	93.00%	11	12/31/2019	Avg+
04101137	120	216300	15800	232100	240000	96.71%	11	9/27/2019	G-
04101146	120	215800	15800	231600	228500	101.36%	11	7/12/2019	G-
04101165	120	234300	16800	251100	247500	101.45%	11	6/5/2019	G-
04101201	120	211800	19600	231400	255000	90.75%	11	6/4/2019	Avg+
04101406	120	188400	20100	208500	204500	101.96%	11	6/6/2019	Avg+
04101419	120	174500	20600	195100	194000	100.57%	11	7/9/2019	Avg+
04101431	120	213500	21400	234900	225000	104.40%	11	7/1/2019	G-
04101440	120	231900	20400	252300	259500	97.23%	41	6/14/2019	Avg
04101443	120	207400	20600	228000	200000	114.00%	11	5/16/2019	G-
04107306	120	235000	18600	253600	296000	85.68%	61	8/1/2019	Avg+
04302051	120	194100	14300	208400	230000	90.61%	21	4/18/2019	Avg+
04303026	120	227800	14500	242300	241000	100.54%	21	5/24/2019	G-
04305020	120	169400	14200	183600	204000	90.00%	11	8/29/2019	Avg-
04306029	120	150800	11900	162700	188000	86.54%	11	8/23/2019	Avg
04308016	120	126000	13200	139200	150000	92.80%	11	5/15/2019	Avg-
04309041	120	142200	14800	157000	177900	88.25%	11	7/9/2019	Avg
04310023	120	251300	12700	264000	251700	104.89%	11	7/19/2019	G-
04311037	120	218900	16700	235600	235000	100.26%	11	10/24/2019	G-
04325003	120	246700	18400	265100	245000	108.20%	31	3/4/2019	Avg
04325015	120	240800	17800	258600	239500	107.97%	11	4/15/2019	G-
04325030	120	208600	19000	227600	216500	105.13%	31	4/10/2019	Avg-
04326027	120	186500	18100	204600	195000	104.92%	31	9/30/2019	Avg-
04326053	120	216200	21700	237900	243000	97.90%	11	5/10/2019	Avg
04328002	120	207800	15800	223600	239900	93.21%	31	8/7/2019	Avg
04329009	120	131400	15100	146500	180000	81.39%	11	12/4/2019	Avg-
04330004	120	170700	15100	185800	151600	122.56%	11	1/15/2019	Avg-
04330021	120	134700	14400	149100	178500	83.53%	11	4/30/2019	Avg-
04334036	120	146100	14700	160800	192500	83.53%	11	12/31/2019	Avg
04335009	120	136600	15100	151700	164000	92.50%	11	3/13/2019	Avg
04335015	120	123800	15500	139300	125000	111.44%	11	10/9/2019	Avg
04335043	120	117400	15800	133200	159950	83.28%	11	12/16/2019	Avg-
04505023	120	288300	30300	318600	339000	93.98%	11	8/9/2019	Avg-
04511006	120	136400	20000	156400	165500	94.50%	41	11/1/2019	Avg-
04511009	120	96200	15900	112100	99250	112.95%	11	10/15/2019	F+
04512019	120	124300	11100	135400	165000	82.06%	11	6/14/2019	Avg-
04514031	120	132000	10400	142400	149900	95.00%	11	10/29/2019	Avg
04515325	120	156900	12000	168900	167000	101.14%	11	10/10/2019	Avg+
04521031	120	156800	10500	167300	200000	83.65%	11	1/7/2019	Avg
04524041	120	140700	12000	152700	156500	97.57%	11	11/8/2019	Avg
04712029	120	201100	17500	218600	229000	95.46%	31	9/27/2019	Avg-
04713017	120	192200	15800	208000	212500	97.88%	11	10/9/2019	Avg
04713057	120	155800	17800	173600	200000	86.80%	11	7/12/2019	Avg-
04714008	120	280100	15800	295900	279000	106.06%	21	8/30/2019	G-
04714041	120	178300	15100	193400	225000	85.96%	31	7/19/2019	G-

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
04901206	120	119300	14700	134000	155000	86.45%	11	3/5/2019	Avg
04901209	120	136200	16800	153000	130000	117.69%	11	9/9/2019	Avg
04901211	120	152300	16800	169100	160000	105.69%	11	1/25/2019	Avg
04901222	120	137200	14700	151900	145000	104.76%	11	7/30/2019	Avg
04901224	120	126400	14000	140400	155000	90.58%	11	11/19/2019	Avg
04907028	120	236400	36000	272400	230000	118.43%	61	3/4/2019	Avg-
04908307	120	111800	14400	126200	147500	85.56%	11	8/28/2019	Avg-
04912030	120	354800	34400	389200	418500	93.00%	61	6/6/2019	Avg+
04915004	120	236100	16200	252300	249000	101.33%	11	10/29/2019	Avg-
04915031	120	147800	18400	166200	180000	92.33%	11	3/11/2019	Avg
04916005	120	147400	17500	164900	184000	89.62%	11	10/31/2019	Avg
04916056	120	333700	42200	375900	325000	115.66%	21	7/19/2019	G-
04916069	120	626700	34300	661000	590000	112.03%	41	10/25/2019	VG
04919010	120	137400	12700	150100	170000	88.29%	11	8/29/2019	Avg-
04919035	120	132900	12700	145600	160000	91.00%	31	9/13/2019	Avg-
04920010	120	117500	14400	131900	125000	105.52%	11	10/21/2019	Avg-
04926109	120	362900	28000	390900	445000	87.84%	21	8/14/2019	G
04926118	120	272400	16300	288700	290000	99.55%	31	8/22/2019	Avg+
04926205	120	274600	16400	291000	300000	97.00%	21	9/30/2019	G
04926208	120	314700	32100	346800	380000	91.26%	11	9/30/2019	G
04927018	120	302500	26400	328900	309000	106.44%	21	11/18/2019	Avg+
04936003	120	237300	15500	252800	275000	91.93%	21	7/2/2019	Avg
04937114	120	482700	57600	540300	525000	102.91%	41	5/31/2019	VG-
04938033	120	236000	19300	255300	249000	102.53%	31	12/16/2019	Avg+
04939057	120	276500	18100	294600	278900	105.63%	11	3/19/2019	Avg+
04940013	120	259400	16800	276200	282000	97.94%	31	10/23/2019	Avg+
04941023	120	227400	17500	244900	279000	87.78%	61	2/15/2019	Avg+
04941042	120	284400	14500	298900	305000	98.00%	11	8/8/2019	G
04941044	120	339100	20500	359600	350000	102.74%	21	2/4/2019	G+
04946006	120	188500	15200	203700	180000	113.17%	21	3/5/2019	Avg-
04948020	120	135700	12400	148100	155000	95.55%	41	4/11/2019	Avg
05502128	120	323000	22900	345900	357000	96.89%	11	6/24/2019	G+
05503516	120	210700	30000	240700	239000	100.71%	45	12/18/2019	G-
05504117	120	194300	20300	214600	230000	93.30%	11	10/15/2019	Avg+
05504130	120	204000	22000	226000	247500	91.31%	11	10/8/2019	Avg+
05504132	120	232000	20300	252300	255000	98.94%	21	6/12/2019	G-
05504133	120	195100	20300	215400	223000	96.59%	11	10/25/2019	Avg+
05504145	120	232000	20300	252300	280000	90.11%	21	2/7/2019	G
05504146	120	213800	20300	234100	234000	100.04%	11	7/31/2019	G-
05504150	120	208400	20300	228700	230000	99.43%	21	6/18/2019	G-
05504156	120	169600	20600	190200	187000	101.71%	11	11/27/2019	Avg+
05504160	120	190900	20300	211200	222000	95.14%	11	10/21/2019	Avg+
05508157	120	267400	20300	287700	278000	103.49%	11	4/25/2019	Avg+
05508162	120	141100	20300	161400	172000	93.84%	11	5/7/2019	Avg+
05508169	120	128200	20300	148500	161500	91.95%	11	10/17/2019	Avg
05508171	120	177900	20300	198200	195000	101.64%	11	4/10/2019	Avg+
05508172	120	140200	20300	160500	176000	91.19%	11	5/17/2019	Avg+
05518055	120	219200	15100	234300	270000	86.78%	45	7/22/2019	G-
05518056	120	139700	15200	154900	175000	88.51%	45	3/29/2019	F+
05527018	120	234600	22000	256600	282000	90.99%	21	9/19/2019	Avg-
05528132	120	203900	14400	218300	238500	91.53%	11	10/17/2019	Avg
05528208	120	311700	14000	325700	325000	100.22%	21	8/9/2019	G-
05529072	120	320700	106100	426800	525000	81.30%	11	11/1/2019	G
05532006	120	128300	21300	149600	145000	103.17%	15	10/4/2019	Avg-
05533129	120	210100	27800	237900	282500	84.21%	41	5/7/2019	Avg-
05534012	120	287500	81200	368700	385000	95.77%	31	10/30/2019	G-
05534053	120	244500	21600	266100	275000	96.76%	41	10/8/2019	Avg+
05536017	120	445800	85200	531000	510000	104.12%	21	4/5/2019	G+
05536042	120	381800	113700	495500	529000	93.67%	11	8/29/2019	G+
05538035	120	182800	14600	197400	185000	106.70%	41	4/30/2019	Avg

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
05540031	120	413500	28200	441700	420000	105.17%	11	9/10/2019	G-
05540032	120	375400	28200	403600	412500	97.84%	11	8/14/2019	G
05540052	120	210400	28200	238600	230000	103.74%	61	3/21/2019	Avg+
05540204	120	317500	24600	342100	329500	103.82%	11	5/10/2019	G
05542020	120	272800	33100	305900	294000	104.05%	11	5/20/2019	G-
05542177	120	323000	28800	351800	382000	92.09%	21	9/10/2019	G+
05544032	120	202600	20000	222600	222400	100.09%	11	12/23/2019	Avg+
05544039	120	305400	20000	325400	342000	95.15%	21	5/9/2019	G
05549040	120	285600	30100	315700	313000	100.86%	45	1/31/2019	Avg
05549109	120	205600	24000	229600	228000	100.70%	11	4/5/2019	Avg+
05549133	120	271900	24000	295900	300000	98.63%	41	3/13/2019	G-
05549141	120	186800	24000	210800	197500	106.73%	11	8/16/2019	Avg+
05549143	120	188000	24000	212000	217000	97.70%	11	7/24/2019	Avg+
05549171	120	213600	24000	237600	225000	105.60%	11	3/21/2019	Avg+
05553019	120	273000	20900	293900	298000	98.62%	11	10/17/2019	G+
05557061	120	236000	15600	251600	233500	107.75%	11	7/19/2019	Avg+
05558009	120	191100	19400	210500	235000	89.57%	11	4/30/2019	Avg
05561021	120	204100	22700	226800	228000	99.47%	11	5/30/2019	Avg
05561044	120	216000	20000	236000	229900	102.65%	11	7/26/2019	Avg
05561104	120	224800	19300	244100	238000	102.56%	11	12/4/2019	Avg+
05561126	120	272800	19300	292100	315000	92.73%	11	8/5/2019	Avg
05563022	120	257400	19200	276600	253000	109.33%	21	9/6/2019	Avg
05563026	120	164300	20300	184600	200000	92.30%	21	1/31/2019	Avg
05564049	120	267600	23600	291200	260000	112.00%	31	9/9/2019	Avg+
05564101	120	292500	13600	306100	315000	97.17%	31	6/6/2019	Avg+
05564115	120	409700	41600	451300	429900	104.98%	21	4/15/2019	G
05564144	120	159300	19200	178500	172500	103.48%	11	1/2/2019	Avg+
05564167	120	237400	19200	256600	234000	109.66%	11	4/24/2019	G-
05564184	120	181200	19200	200400	201500	99.45%	11	4/11/2019	Avg+
05564202CO17	120	191600	12000	203600	209000	97.42%	11	5/8/2019	Avg+
05564202CO29	120	178800	12000	190800	190000	100.42%	11	9/24/2019	Avg+
05564203CO36	120	158900	12000	170900	179000	95.47%	11	5/31/2019	Avg+
05564203CO45	120	160300	12000	172300	168500	102.26%	11	4/23/2019	Avg+
05565057	120	202200	19300	221500	232000	95.47%	11	5/31/2019	Avg
05565069	120	205500	19300	224800	219000	102.65%	11	3/27/2019	Avg
05565084	120	207300	19800	227100	220000	103.23%	11	7/11/2019	Avg
05565086	120	298500	23200	321700	330000	97.48%	11	6/3/2019	G-
05565096	120	201500	19800	221300	217000	101.98%	11	8/9/2019	Avg
05565130	120	198300	19200	217500	219000	99.32%	11	9/23/2019	Avg
05566211	120	270800	14300	285100	310000	91.97%	21	11/18/2019	G-
05566240	120	190100	13600	203700	211500	96.31%	11	2/11/2019	Avg
05566244	120	179900	13600	193500	180808	107.02%	11	8/9/2019	Avg
13101033	120	363700	73500	437200	469000	93.22%	21	3/26/2019	G
13103104	120	223700	14400	238100	262121	90.84%	11	10/15/2019	Avg+
13103106	120	232200	14400	246600	259981	94.85%	11	9/5/2019	Avg+
13103108	120	264800	15600	280400	249800	112.25%	11	7/25/2019	G-
13103109	120	276200	15100	291300	295000	98.75%	11	8/30/2019	Avg+
13103112	120	263500	14700	278200	285000	97.61%	11	9/13/2019	Avg+
13103113	120	222100	14400	236500	247500	95.56%	11	12/31/2019	Avg+
13103117	120	266900	14400	281300	280000	100.46%	11	6/11/2019	Avg+
13103118	120	255800	14400	270200	267000	101.20%	11	6/28/2019	Avg+
13103120	120	219300	14400	233700	254600	91.79%	11	12/16/2019	Avg+
13103128	120	283400	15100	298500	307000	97.23%	11	11/13/2019	Avg+
13103129	120	262100	15900	278000	289767	95.94%	11	12/3/2019	Avg+
13103130	120	272400	15100	287500	285500	100.70%	11	11/19/2019	Avg+
13103131	120	284000	14400	298400	302653	98.59%	11	10/31/2019	Avg+
13103134	120	216200	14400	230600	235000	98.13%	11	12/31/2019	Avg+
13104147	120	364200	52400	416600	426000	97.79%	61	10/28/2019	G-
13104180	120	191700	14400	206100	219500	93.90%	11	9/6/2019	Avg+
13104407	120	211800	32900	244700	260000	94.12%	41	8/21/2019	Avg

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
13120037	120	174400	22100	196500	205000	95.85%	61	9/16/2019	Avg-
13121012	120	267300	22300	289600	275000	105.31%	61	2/27/2019	Avg+
13122029	120	281100	14400	295500	304000	97.20%	11	3/12/2019	Avg
13122030	120	254200	14400	268600	285000	94.25%	11	5/22/2019	Avg
13122035	120	293100	14500	307600	292520	105.16%	11	11/15/2019	Avg
13122040	120	284800	14400	299200	289000	103.53%	11	12/30/2019	Avg
13125047	120	294400	15400	309800	309000	100.26%	45	10/8/2019	Avg+
13131039	120	140700	14400	155100	176000	88.13%	11	9/19/2019	Avg
13131048	120	174800	18400	193200	205000	94.24%	11	3/22/2019	Avg-
13134040	120	125200	17800	143000	124000	115.32%	21	3/13/2019	Avg
13141010	120	248700	19400	268100	250000	107.24%	11	4/18/2019	Avg
13141044	120	237000	38800	275800	277000	99.57%	21	8/5/2019	Avg+
13142005	120	153300	25400	178700	180000	99.28%	21	9/5/2019	Avg-
13145406	120	315000	23000	338000	325000	104.00%	61	3/26/2019	G-
13145811	120	235500	20100	255600	295000	86.64%	21	8/19/2019	G-
13150007	120	164900	22300	187200	215000	87.07%	11	7/29/2019	Avg-
13150033CO03	120	167700	20000	187700	195000	96.26%	11	2/28/2019	Avg+
13150033CO04	120	183000	20000	203000	209500	96.90%	11	3/1/2019	Avg+
13163040	120	209900	25400	235300	236500	99.49%	11	3/26/2019	Avg
13167025	120	261700	21800	283500	287900	98.47%	11	7/2/2019	Avg+
13167106	120	367000	51900	418900	435000	96.30%	21	1/2/2019	G-
13168023	120	135200	14300	149500	155000	96.45%	11	1/17/2019	Avg-
13168039	120	176200	14300	190500	200000	95.25%	11	9/20/2019	Avg-
13172008	120	264000	23400	287400	299900	95.83%	21	10/25/2019	G



Market Area Names

Mkt Area	MKT AREA Name	AREA NAME
110	Central Peninsula-Soldotna	Soldotna
120	Central Peninsula-Kenai	Kenai
130	Central Peninsula Kenai River	Central Peninsula with Kenai River Frontage
140	Central Peninsula - Nikiski	Central Peninsula - Nikiski
150	Cent.Pen. - South of Soldotna	Central Peninsula - So. of Soldotna w/o Nat. Gas
160	Central Peninsula - Sterling	Central Peninsula - Sterling w/o Kenai River Frontage
161	STERLING-KENAI RIVERFRONT	STERLING-RIVER
170	Central Pen. - Funny River Rd	Central Peninsula - Funny River Road w/o Kenai River Frontage
171	FUNNY RIVER-KENAI RIVERFRONT	FUNNY R-KENAI RIVER
180	Cen.Pen. -Grey Cliff Moose Pt	Central Peninsula - Grey Cliff to Moose Point
190	Central Peninsula Kasilof Rv	Kasilof River Frontage
210	Homer - Core Area	Homer - Core Area
215	HOMER NON-CITY	HOMER
230	Homer - East Road to McNeil	Homer - East End Road to McNeil Canyon
250	Homer - Anchor Point	Homer - Anchor Point North Along Sterling Hiway
260	Homer - North Fork Road Area	Homer - North Fork Road Area
280	Homer - End of East End Road	Homer - End of East End Road w/o Russian Villages
290	Homer - Russian Village 1	Homer - Russian Village 1 Nikolaevsk
295	Homer - Russian Village 2	Homer Russian Village 2 (Fox River Area)
310	Ninilchik and Vicinity	Ninilchik and Vicinity
350	Ninilchik - Kasilof River Area	Ninilchik - Kasilof River Area
390	Ninilchik - Spl.Caribou Hills	Ninilchik - Special Caribou Hills State Cabins
410	Moose Pass - Cooper Landing	Moose Pass and Vicinity - Cooper Landing Area
440	Moose Pass and Vicinity	Moose Pass and Vicinity
480	Moose Pass - Hope Area	Moose Pass - Hope Area
510	Seward and Vicinity	Seward and Vicinity
550	Seward - Bear Creek Area	Seward - Bear Creek Area
610	Remote - Seldovia and Vicinity	Remote - Seldovia to Barabara Heights
630	Remote - Kachemak Bay	Remote - Kachemak Bay
635	Remote - Port Grahm Area	Remote - Port Graham and Nanwalek(English Bay)
660	Remote - Day Harbor Area	Remote - Day Harbor and Resurrection Bay south of Seward
680	Remote - West Cook Inlet	Remote - West Cook Inlet
801	MH ONLY-GOOD	Manufactured Only-Good Nbhd
802	MH ONLY-AVG	Manufactured Only-Avg Nbhd
803	MH ONLY-FAIR	Manufactured Home Only-Fair Nbhd
804	MH TRAVEL TRAILER ONLY-AVG	Manufactured Home Only-TRAVEL TRAILERS-Avg Nbhd
805	MH TRAVEL TRAILER ONLY-FAIR	Manufactured Home Only-TRAVEL TRAILERS-Fair Nbhd

**ASSESSOR'S DESCRIPTION
ANALYSIS AND RECOMMENDATION**

APPELLANT:

PARCEL NUMBER:

**PROPERTY ADDRESS OR GENERAL
LOCATION:**

LEGAL DESCRIPTION:

ASSESSED VALUE TOTAL: \$0

RAW LAND: \$

SWL (Sewer, Water, Landscaping): \$

IMPROVEMENTS \$

ADDITIONS \$

OUTBUILDINGS: \$

TOTAL ABOVE GRADE FLOOR AREA: Card One **0** Sq. Ft.

TOTAL FINISHED LIVING AREA: Card One **0** Sq. Ft.

Card One, First Level Sq. Ft. Card One, Second Level Sq. Ft.

Card One, Basement Unfin. Sq. Ft. Card One, Basement Finished Sq. Ft.

LAND SIZE Acres **GARAGE** Sq. Ft.

LAND USE AND GENERAL DESCRIPTION

1) Utilities

Electricity: Yes	Gas: Yes
Water: Private Well	Sewer: Private Septic

2) Site Improvements:

Street:

3) Site Conditions

Topography:	Drainage:
View: Excellent	Easements: Typical for the Kenai Peninsula Borough

HIGHEST AND BEST USE: As Currently Improved

ZONING: None

RECONCILIATION AND FINAL VALUE CONCLUSION

The Assessor requests the Board of Equalization uphold his value recommended below based on the following findings:

1.

ASSESSOR'S RECOMMENDATION:

APPELLANT:

PARCEL NUMBER:

LEGAL DESCRIPTION:

LAND:

IMPROVEMENTS:

TOTAL: \$0

BOARD ACTION:

LAND: _____ IMPROVEMENTS: _____ TOTAL: _____

EFFECTIVE AGE

EFFECTIVE AGE: The age indicated by the condition and utility of a structure.

Effective age is how old a house appears to be, based on observation, considering its condition, design, and the economic forces that affect its value. To paraphrase an old saying, “If it has the physical condition and design of a 13 year old house and market conditions affect it as if it were a 13 year old house, then for appraisal purposes, it should be treated as a 13 year old house (effective age: 13 years), even if it is 10 or 20 years old.” The chronological age of the house should be noted, but it normally has little use in the value estimation.

Generally, if the house is of average condition and design, and conforms to the other houses in a market area that is not subject to unusual economic influences, its effective age and chronological age will be about the same. If the house has had better than average maintenance, rehabilitation or modernization, its effective age probably will be less than its chronological age. If it is in a poorer condition than typical houses of the same age or has not been modernized or rehabilitated as other similar houses in the market area, the effective age will be greater than the chronological age.

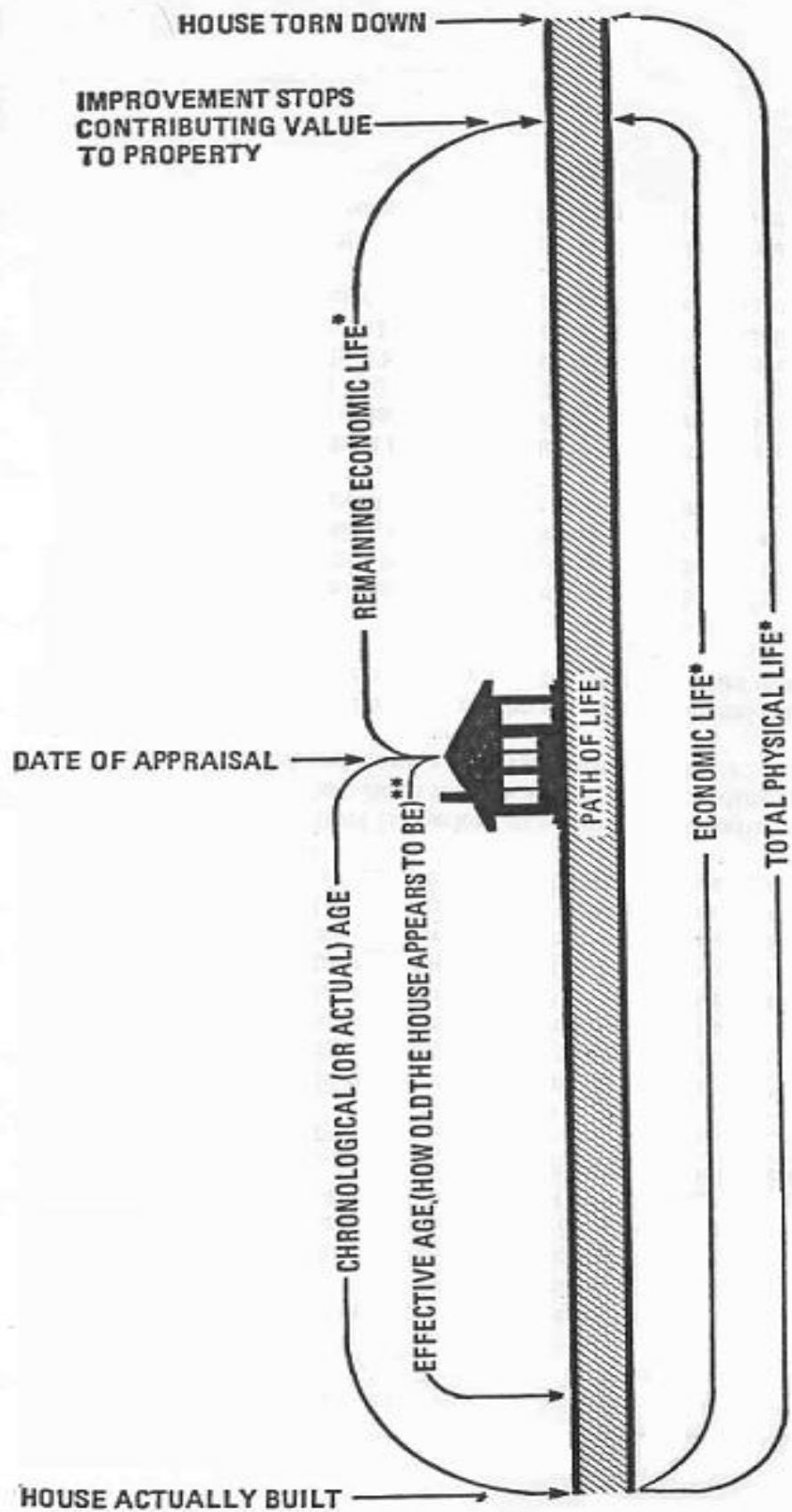
OBSERVATION is the key to accurately determining effective age. Has the structure been remodeled, does it have a new roof or siding, new cabinets, carpets, etc.? Has it been modernized and have an energy rating (4 star+, etc.), new low “E” windows?

Things to consider are that the plumbing, electrical, framing, and foundations on remodeled structures may still be original. This must be considered when determining effective age.

One method to determine effective age is by using a weighted average. You need to consider the actual age of the structure and the age of the remodeling or renovation. This also works when a structure was built in various stages in different years.

A second method is to start midway from the chronological age and adjust up or down depending on what you have observed, remodeling, etc. For example: A structure’s chronological age is 20 years. Start at the midway point of 10 years and adjust accordingly. If it has been remodeled or has superior maintenance, the effective age may be 8. If it has normal maintenance and little remodeling, the effective age may be 12. If it has had very little or no maintenance, then the effective age may be 20 or older.

CONCLUSION: There is no exact formula to mathematically determine effective age. Appraisers’ observations and professional judgment must be used.



*MAY BE EXTENDED BY REHABILITATION, REMODELING OR MODERNIZATION OR CHANGING CONDITIONS.

**MAY ALSO BE GREATER THAN ACTUAL AGE.



KENAI PENINSULA BOROUGH ASSESSING DEPARTMENT

055-330-09

2020

LRSN: 17117

36350 KIMBERLY DR

Card R01

ADMINISTRATIVE INFORMATION Neighborhood: 120 Central Peninsula-Kenai Property Class: 110 Residential Dwelling - single TAG: 58 - CENTRAL EMERGENCY SERVICES	LEGAL DESCRIPTION: T 5N R 11W SEC 23 Seward Meridian KN 0770069 HALL SUB RESUB OF TR A LOT 7	ACRES: 0.95	PRIMARY OWNER CRANE DAWN CRANE LESLIES PMB 388 35555 KENAI SPUR HWY SOLDOTNA, AK 99669-7625				
			Residential Dwelling - single				
			EXEMPTION INFORMATION Residential Exemption - Borough	VALUATION RECORD			
Assessment Year	2015	2016		2017	2018	2019	Worksheet
Land	19,500	19,500		19,500	19,500	19,500	19,500
Improvements	<u>211,300</u>	<u>230,900</u>		<u>241,900</u>	<u>234,000</u>	<u>239,600</u>	<u>247,000</u>
	Total	<u>230,800</u>	<u>250,400</u>	<u>261,400</u>	<u>253,500</u>	<u>259,100</u>	<u>266,500</u>

LAND DATA AND CALCULATIONS

Type	Method	Use	Acres	BaseRate	AdjRate	ExtValue	InfluenceCode	Description	\$ or %	AdjAmt	Value
PrimarySite	42 User Override Site Value		0.95	19,500	19,500	19,500	P	Gas Yes			19,500
							S	Gravel Main			
							Y	Elec No			
							Q	View None			
ASSESSED LAND VALUE (Rounded):										0	19,500

MEMOS

LAND INFLUENCES										
Community	y	N	View	N	L	G	E	Street Access		
Gas			CCRs		Airstrip			Paved	Grv Maint	Grv Unmain
Electric			HOA		For Sale			PLAT	TRAIL	NONE
Public H2O			Hwy Fnt		Ag Right			WATERFRONT		
Public Sewer			Easement		Other			Ocean	River	Lake
LANDType	RR#20		OTHER:					Pond	Dedicated	Boat Launch
TOPO	Steep		Ravine	Other		Wetlands				

PHYSICAL CHARACTERISTICS

Style: BI-L FRAME
Occupancy: Single Family
Story Height: 0
Finished Area: 1,960
Attic: None

ROOFING

Material: Comp sh to 235#
Type: Gable
Framing: Std for class
Pitch: Low 4/12 or less

FOUNDATION

Footing: Normal for class
Walls: Cinderblock

DORMERS

None

FLOORING

1.0 Plywd sub Base Allowance
L Slab None

EXTERIOR COVER

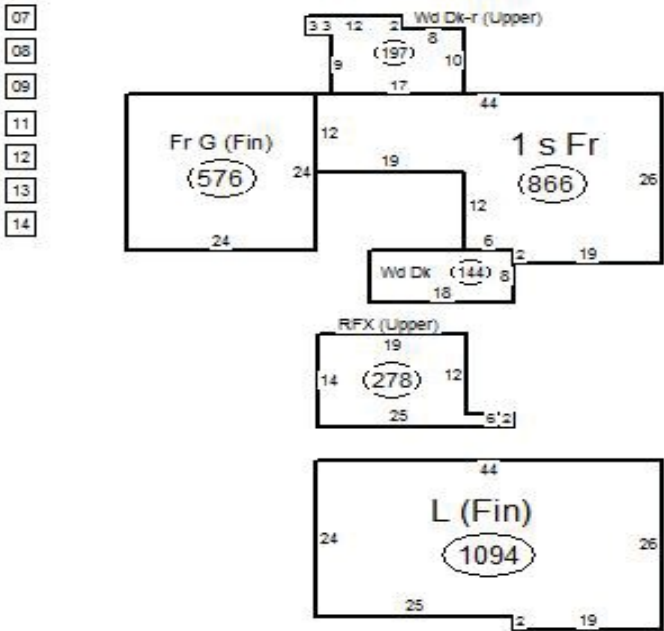
1.0 Wood siding
L Wood siding

INTERIOR WALLS

1.0 Normal for Class
L None

HEATING AND PLUMBING

Primary Heat: Forced hot air
2 Fixt.Baths: 0 0 Kit sink: 1 1
3 Fixt.Baths: 2 6 Water Htr: 1 1
4 Fixt.Baths: 0 0 Extra fix: 0
5 Fixt.Baths: 0 0 TOTAL fix: 8



Construction	BaseArea	floor	FinArea	Value
Wood Frame	866	1.0	866	83,810
Concrete Blk	1094	L	1,094	28,520

TOTAL BASE			112,330
INTERIOR			
Frame/Siding/Roof/Dorme	1,120		
Loft/Cathedral	0		
Interior finish	27,040		
Basement finish	0		
Heating	0		
Plumbing	7,860		
Fireplaces/woodstoves	3,525		
Other (Ex.Liv, AC, Attic, ...)	0		
TOTAL INT			39,545

EXT FEATURES		GARAGES	
Description		Att Garage	20,030
1 RFX/	4,410	Att Carport	0
2 WDDK	2,300	Bsmt Garage	0
3 WDDK-R/	3,900	Ext Features	10,610
TOTAL GAR/EXT FEAT			30,640
SUB-TOTAL			182,515
Quality Class/Grad			Avg+ 1.05
GRADE ADJUSTED VALUE (rounded)			
			191,640

SPECIAL FEATURES

D	FP	1	3,525
G02	IF	576	7.91
07	PRIVSEPT	1	6,500
07	SWL-PRV	1	4,000
11	D	396-733.00	
14	H	864	2.25
14	IF	864	5.34

SUMMARY OF IMPROVEMENTS

		Story		Yr.Blt.	Eff		Base	Adj	W	L	Size/	Comp	Pys	Obs	Fnc	Loc		%	
Improvement	or Ht	Grade	Const	Const	Count		Rate	Rate			Area	Value	Depr	Depr	Depr	RDF	Adj	Comp	Value
D	DWELL	0	Avg+	1981	2000		0.00		0	0	0	191,640	21	0	0	100	143	100	216,500
G02	ATTGAR	0.00		0	0		26.86	-5	24	24	576	20,030	0	0	0	0		100	0
7	SWL	0.00	Avg	3000	3000		0.00		0	0	1	10,500	0	0	0	0		100	10,500
8	DRIVE	0.00	Avg	3000	3000	2,000.00			0	0	1	2,000	0	0	0	0		100	2,000
9	SHEDGP	10.00	Low	1985	1993		17.52		6	8	48	550	80	0	0	0		100	100
11	FLATCP	0.00	F	1990	1997		13.09	-	11	36	396	4,450	80	0	0	0		100	900
12	GRNHSEFS	0.00	F	2009	2012		5.77	6	10	12	120	690	33	0	0	0		100	500
13	PAV	0.00	Avg	3000	3000		2.35		4	20	80	190	0	0	0	0		100	200
14	DETGAR	0.00	F	1990	1997		26.00	-4	36	24	864	29,020	44	0	0	0		100	16,300

TOTAL IMPROVEMENT VALUE (for this card) 247,000