SECTION F

Improved Property Data

Process for Collecting, Validating and Reporting Data: All buildings had an external drive by review to verify the accuracy of the real estate data that was collected. It is necessary to observe the style, quality, condition, and sub area of each component of the building. The following elements have been reviewed:

- Style Type (Ranch, Colonial, etc.)
- Model (Residential, Commercial, etc.)
- Grade (Quality)
- Stories
- Occupancy
- Exterior Wall
- Roof Structure
- Roof Cover
- Interior Wall
- Interior Floor
- Heating Fuel and Type
- Air Conditioning Type
- Bedrooms, Bathrooms
- Year Built
- Condition of Property
- Functional and Economic Obsolescence
- Out Buildings & Extra Features

Building Style:

Below is an explanation of typical styles of single-family residential houses.

Ranch: This style was built generally after 1940's, although some houses were built earlier and could fall within this category. A ranch is a one-story house, which is usually rambling and low to the ground with a low-pitched roof.

Split-Level: Generally built after 1940's. The living area is on two or more levels with each level having a single story height, generally seen on uneven terrain lots. It can be a front/rear or side/rear split or a combination of the two.

Colonial: Traditional design built from 1700's to present. Generally 2 or 2 ½ stories with balanced openings along the main façade. Second floor overhangs are common. Newer colonials attempt to imitate this classic New England design.

Cape Cod: Generally built from the 1920's to present. Built "close to the ground" with simple lines. A high roof ridge often supplemented with full or partial dormers may provide a second level of living area, but not a full upper story. Generally a gable roof.

Bungalow: Most bungalows were built in the early 1900's. This code was also utilized on newer Craftsman Style buildings. A small, one-story design often seen with an expansion attic area and/or dormers. Usually with an open or enclosed front porch. Narrow across the front and deep from front to back.

Conventional: An older type of house with no particular architectural design. Story heights generally range from 1.5 to 2.5 stories.

Modern or Contemporary: Constructed since 1940's WWII. One-story, two-stories or split-level. Characterized by large windows, open planning, horizontal lines and simple details.

Raised Ranch: This style combines the ranch and tri-level designs. The basement area sets on or slightly below the ground level and is usually partially or entirely finished. Basement garages are common.

Antique: Constructed since the 1600's. One story typically capes, two story predominantly colonials. Characterized by stone/granite foundations, wide pine/wood floors, gunstock corners, Indian shutters, center fireplace with multiple openings.

Victorian: Referencing the Victorian Era, generally constructed from the late 1830's to 1900. House designs centered on eight primary architectural styles (Gothic Revival, Queen Anne, Tudor, etc…), incorporating such design features as pointed, projecting porches, bay windows and slate roofing on multi-story dwellings.

Refer to the building table section for a complete listing of the building styles that were utilized for the Portsmouth, New Hampshire project.

Building Valuation Model:

The building valuation model is defined as follows: Base Rate +/- Number of Baths etc… +/- Size Adjustment +/- Grade of Construction = Adjusted Base Rate. Adjusted Base Rate x Effective Area – Depreciation Adjustment = Building Value. Base rates were developed from Marshall & Swift (August 2016), Section 12, Pages 1-7 & 25-38, and adjusted according to market sales data.

Example:

PID = 31313
Use Code = 1010
Cost rate Group = SIN
Model ID = P01

Section #1
Base Rate: 96 **(starting base rate)**
Size Adjustment: 1.43833 **(adjustment for building size)**
Effective Area: 1050 (Size of Building)
Adjusted Base Rate = (96 + 0) **(comes from amenities listed under base rate adjustments)** * 1.43833
Adjusted Base Rate: 138.08 **(does not include quality of construction grade adjustment)**
RCN = (((138.08 * 1050) + 6000 **(comes from flat value additions**)) * 1 **(grade adjustment)**) + 0 **(comes from non-factored flat value additions)**
RCN: 150984 **(cost new)**

Base Rate Adjustments
EX WALL 1 07 (Asbest Shingle) = -1.92 + Base Rate
FLOOR COVER 1 12 (Hardwood) = 1.92 + Base Rate
Flat Value Additions
EXTRA PLUMBING FIXTURE =1500+ RCN
FULL BATHROOMS = 4500 + RCN

Percent Good = 70
RCNLD: 105700

Building Value = $105,700 rounded

Cost/Market Approach Modeling: Once all the pertinent physical data regarding the improvements have been collected, the replacement cost of the building is obtained. Vision's cost tables were utilized to develop a replacement cost for the building. Once the cost of the building was developed, depreciation from normal wear and tear and from functional and economic obsolescence was deducted.

Depreciation is the loss in value from any cause, and is typically associated with reasons that are **"physical"** (loss in value due to physical deterioration and/or ageing), **"functional"** (due to deficiencies in the structure's design) and/or **"economic"** (loss in value due to factors external to the appraised property).

In the appraisal of a single property (not Mass Appraisal), the three primary methods for estimating depreciation are: the "market extraction method", the "age-life" method, and the "breakdown" method. Typically, the market extraction and age-life calculation techniques are utilized to capture the total depreciation in a property from all sources. The "breakdown" method is a more rigorous exercise that attempts to isolate the specific components for each type of depreciation, physical, functional, and economic. Typically, in mass appraisal, the identification of depreciation relies upon the application of computer modeling techniques. Importantly, regardless of the methodology utilized to identify depreciation, it is imperative that the final estimate of depreciation reflects the loss in value from all sources.

The remaining value is considered the Replacement Cost Less Depreciation (RCLD). The market indicated land value and any other outbuilding values are added to give you a final value. This value is compared to market sale prices of similar properties to ensure that the property is appraised at market value for April 1, 2017.

Qualified sales that occurred between 4/1/2016 & 3/31/2017 were utilized. These sales were analyzed based on style, year built, location, sales price, sales date, lot size and building size. Refer to the Appendix D for the Sales Study Reports.

The following pages contain the model 01 Residential depreciation schedule used in Portsmouth, NH. Revaluation project.