

SECTION XIII

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NEIGHBORHOOD DELINEATION – INTRODUCTION

A neighborhood is defined as a group of homogeneous properties. Homogeneous, same as, is defined in this context as being controlled by one of the four great forces which influence all neighborhoods.

- Force One---> Geographic, refers to physical barriers which make a subject group unique.
- Force Two---> Socioeconomic, refers to social and economic factors which make a subject group unique.
- Force Three---> Political, refers to unique groups based on public water, sewage, and other amenities such as school districts which follow defined political and/or arbitrarily drawn boundaries.
- Force Four--> Historical, refers to grouping of properties that have developed as a unit through time, as to their size, age, maintenance, quality etc.

Every parcel must have a neighborhood code.

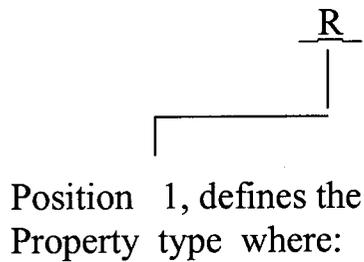
The GV43 (Computer Assisted Mass Appraisal - CAMA) system allows a four position alpha/numeric code for purpose of neighborhood identification. Value may be adjusted by a percentage modifier assigned to the CAMA neighborhood code support file. An independent building (dwelling) and improvement percentage modifier rate may be assigned to each code, if required. In most cases a singular percentage modifier will apply to building and improvements within the same neighborhood.

Example – Neighborhood R10A = 140% where, “R” is equal to residential, “10” is equal to excellent, and “A” is equal to Township 1, with a valuation modifier of 40% over and above the net improvement value returned by application of the base CAMA cost schedules (e.g. if the total value of land and buildings plus improvements, for subject parcel, in this neighborhood, from the schedule, was \$100,000, with a 20,000 land value and an 80,000 net improvement value, then the neighborhood modifier (factor) of 140% would place a final market value on the subject of \$132,000).

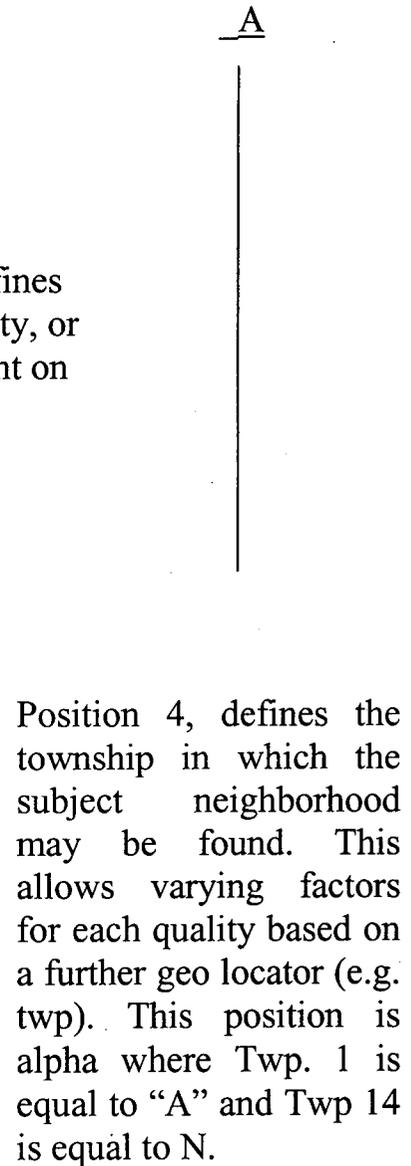
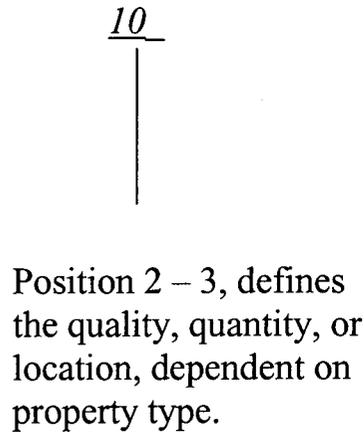
Neighborhoods may be delineated initially via “site” by competent appraisers who have considerable experience in neighborhood analysis, however, only by close examination of selling prices can boundaries be finalized. Sales also determine the final application factors (modifiers).

NEIGHBORHOOD DELINEATION – CODE DEFINITION

The CAMA supports a four (4) position alpha/numeric code format for definition of neighborhood associated with each parcel.



- R = Residential
- A = Agricultural
- T = Resort
- C = Commercial
- I = Industrial
- G = Golf Course
- L = Lake Front
- V = Lake View



NEIGHBORHOOD DELINEATION – PROPERTY TYPE

TYPE----> Residential

CODE POSITION 1 --> R

DEFINITION-----> Residential property is defined as any parcel or tract less than 10 acres. This type is reserved for single family or multi-family occupancy. Parcels may be vacant or improved, in the case vacant, the parcel must be at its highest and best use as residential.

TYPE-----> Acreage/Agricultural

CODE POSITION 1 --> A

DEFINITION-----> Acreage/agricultural property is defined as any agriculture parcel or tract equal to or greater than 10 acres or any residential parcel less than 10 acres. This code is reserved for residential, farm (agricultural) or recreational occupancy on exurban or rural tracts. Parcels may be vacant or improved. The highest and best use of these parcels may be either residential or agricultural.

TYPE-----> Resort

CODE POSITION 1--> T

DEFINITION-----> Resort property is defined as any parcel in or near a mountain, lake, or golf community. Occupancy in this classification may be either single family or multi-family. This grouping may include single family dwellings, duplexes, condominiums, townhouses, timeshares, guest houses, and small resort lodges. Parcels are generally priced using the lot method, but acreage parcels of any size may be priced in this classification. Parcels may be vacant or improved.

NEIGHBORHOOD DELINEATION – PROPERTY TYPE (CONT.)

TYPE-----> Commercial

CODE POSITION 1-----> C

DEFINITION-----> Commercial property is defined by its use rather than by size. If a parcel provides goods and/or services then it is considered to be commercial type. Commercial neighborhoods are defined not by quality but rather by their location and traffic flow. Parcels may be vacant or improved and if vacant, the parcel must be at its highest and best use as commercial.

TYPE-----> Industrial

CODE POSITION 1-----> I

DEFINITION-----> Industrial property refers to those parcels, which produce a product or a partial product (component). Parcels of this type require transportation capability, allowing for movement of raw materials in and products out, therefore, as ingress/egress improves, so does the neighborhood desirability. Parcels may be vacant or improved and if vacant, the parcel must be at its highest and best use as industrial.

TYPE-----> Golf Course

CODE POSITION 1-----> G

DEFINITION-----> Golf course property is defined as any lot or parcel fronting on a golf course fairway or green. This type is reserved for single family or multi-family occupancy. Parcels may be vacant or improved and if vacant, the parcel must be at its highest and best use as residential.

NEIGHBORHOOD DELINEATION – PROPERTY TYPE (CONT.)

TYPE-----> Lake Front

CODE POSITION 1-----> L

DEFINITION-----> Lake front property is defined as any lot or parcel having frontage on a lake. Parcels may be priced using the lot method or acreage method. Occupancy in this classification may be residential, multi-family, or commercial. Parcels may be vacant or improved.

TYPE-----> Lake View

CODE POSITION---> V

DEFINITION-----> Lake view property is defined as any lot or parcel located adjacent to but not fronting on a lake. Occupancy in this classification is reserved for single family or multi-family. Parcels may be priced using the lot method or acreage method. Parcels may be vacant or improved.

NEIGHBORHOOD DELINEATION – QUALITY/QUANTITY/LOCATION

Position 2/3 of the neighborhood code represents quality, quantity or location more fully described as follows:

RESIDENTIAL- Position 2/3 for this type is associated with quality, where quality is defined as a composite judgment of overall desirability based on the condition of agreeable living and the extent of benefits arising from the location. Position 3 is a more distinct breakdown of quality, allowing for additional flexibility.

R2_ - This neighborhood is defined as good. May or may not include regulations and restrictions, but in any case, display homogeneous social and economic residents. R2 is considered definitely attractive and desirable. This neighborhood will be found within incorporated municipalities and on the immediate suburban fringe. It also includes platted subdivisions outside corporate limits.

R3_ - This neighborhood is defined as average. Very few intrinsic controls or restrictions but maintaining a degree of social and economic homogeneity. R3 has some characteristics, which make it attractive and desirable, but these are offset with others, which make it undesirable. This neighborhood will be found within incorporated municipalities and on the immediate suburban fringe. It also includes platted subdivisions outside corporate limits.

R4_ - This neighborhood is defined as fair. No intrinsic controls or restrictions exist. Decay and deterioration typically mark R4, possibly reversible but economically improbable. Definitely unattractive and undesirable. Often, R4 neighborhoods will demonstrate mixed usage with none showing successful reversal of blight. This neighborhood will be found within incorporated municipalities and on the immediate suburban fringe. It also includes platted subdivisions outside corporate limits.

R5_ - This neighborhood is defined as poor. No intrinsic controls or restrictions exist. R5 is obviously in a state of marked decay and possible destruction and/or disintegration. These neighborhoods may be under laws of condemnation, they are extremely unattractive and undesirable, usually referred to as “blighted”. This neighborhood will be found within incorporated municipalities and on the immediate suburban fringe. It also includes platted subdivisions outside corporate limits.

RESIDENTIAL – SPECIAL NEIGHBORHOOD CATEGORIES

- R7_ - This code identifies an above average area of unplanned parcels found in exurban, rural, or agricultural areas. Normally located on public roads and outside of platted subdivisions. Areas of this sort display a superior level of development that is decidedly attractive and desirable.
- R8_ - This code identifies an average area of unplanned parcels found in exurban, rural, or agricultural areas. Normally located on public roads and out side of platted subdivisions. Areas of this sort display a typical level of development that has many characteristics that make them attractive and desirable.
- R9_ - This code identifies a below average area of unplanned parcels found in exurban, rural, or agricultural areas. Normally located on public roads and outside of platted subdivisions. Areas of this sort are typically marked by decay and deterioration, possibly reversible but economically improbable. Definitely unattractive and undesirable.

**NEIGHBORHOOD DELINEATION
QUALITY/QUANTITY/LOCATION**

ACREAGE/AGRICULTURAL – Position 2/3 for these neighborhood grouping is associated with quality and highest and best use. “A” series are exurban, rural or farm tracts equal to or greater than 10 acres, or residential tracts less than 10 acres. The highest and best use of these parcels is either residential or agricultural.

The highest and best use is residential in areas where sold parcels are subsequently subdivided into lots for development or speculation.

The highest and best use is agricultural in areas where the land is suited to the production of timber, hay, livestock or field crops and there is no pattern of sale of large parcels for development or speculation.

These codes can be used for both improved and unimproved (vacant land).

- A1_ - This code identifies an above average area of unplanned residential or farm tracts. They are found in exurban, rural, or agricultural areas. Areas of this sort display a superior level of development that is decidedly attractive and desirable. The highest and best use is residential.
- A2_ - This code identifies an average area of unplanned residential or farm tracts. They are found in exurban, rural, or agricultural areas. Areas of this sort display a typical level of development that has many characteristics that make them attractive and desirable. The highest and best use is residential.
- A3_ - This code identifies a below average area of unplanned residential or farm tracts. They are found in exurban, rural, or agricultural areas. Decay and deterioration typically mark areas of this sort, possibly reversible but economically improbable. Definitely unattractive and undesirable. The highest and best use is residential.

NEIGHBORHOOD DELINEATION –
QUALITY/QUANTITY/LOCATION

POSITION 2/3 of the neighborhood code represents quality; quantity or location more fully described as follows:

RESORT – Position 2/3 for this type is associated with quality, where quality is defined as a composite judgement of overall desirability based on the condition of agreeable living and the extent of benefits arising from the location. Position 3 is a more distinct breakdown of quality, allowing for additional flexibility.

T3_ - This neighborhood is defined as good. It may or may not include regulations and restrictions, but in any case, display homogeneous social and economic residents. T3 is considered definitely attractive and desirable. This neighborhood may be found inside or outside corporate city limits.

NEIGHBORHOOD DELINEATION – QUALITY/QUANTITY/LOCATION

COMMERCIAL – Position 2/3 for these neighborhood types is associated with location influences together with quality.

- C1_- This neighborhood is defined as “downtown” (block-to-block) in a location sense and “good” from a quality standpoint. Typically this neighborhood includes properties that have experienced a downtown renovation project to enhance its overall appearance and desirability. Buildings are generally multi-story, heavy solid brick construction, often including upper floors and basements which may or may not be occupied. Parking areas are predominantly public, customer paid, time limited.
- C2_- This neighborhood is defined as “downtown” (block-to-block) in a location sense and “average” from quality standpoint. This neighborhood includes properties that represent the average “static” downtown business district. Occupancy of first floor storefront is near 100% and business level is acceptable. Buildings are generally multi-story, heavy solid brick construction, often including upper floors and basements which may or may not be occupied. Parking areas are predominantly public, customer paid, time limited.
- C3_- This neighborhood is defined as “downtown” (block-to-block) in a location sense and “fair” from a quality standpoint. Typically this neighborhood includes properties that are beginning to experience some “blight”. Occupancy of first floor storefront is 75% +-. Buildings are generally multi-story, heavy solid brick construction, often including upper floors and basements which are vacant. Parking areas are predominantly public, customer paid, time limited.
- C4_- This neighborhood is defined as “downtown” (block-to-block) in a location sense and “poor” from a quality standpoint. Typically this neighborhood includes properties that are heavily urban “blighted”. Condemnation may be in progress and very few businesses are still in operation. Buildings are generally multi-story, heavy solid brick construction in very poor state-of-repair, often including upper floors and basements, which are vacant and abandoned. Parking areas are predominantly public, customer paid, time limited.
- C6_- This neighborhood is defined as “boulevard strip” in a location sense and “good” from a quality standpoint. Typically this neighborhood includes properties with improvements that are free standing, strip type plazas, non-environmental malls and environmental malls. Buildings are generally 1-story, brick on masonry construction, with good architectural design style. Parking areas are predominantly private, subject business owned, time unlimited. Apartment and office complexes are included in this grouping.

- C7_- This neighborhood is defined as “boulevard strip” in a location sense and “average” from a quality standpoint. Typically this neighborhood includes properties with improvements that are free standing, strip type plazas, non-environmental malls and environmental malls. Buildings are generally one-story, brick on masonry construction, with average to fair architectural design style mixed and matched and showing some vacancy rate. Parking areas are predominantly private, subject business owned, time unlimited. Apartment and office complexes are included in this grouping.
- C9_- This neighborhood is defined as “rural commercial”, quality is not a consideration. Typically this neighborhood includes properties such as gas stations, small food stores, convenience stores, etc. located in rural areas.

NEIGHBORHOOD DELINEATION - QUALITY/QUANTITY/LOCATION

INDUSTRIAL – Position 2/3 for these neighborhood types is associated with location influences together with quality.

I3_ - This neighborhood is defined as “site” in a location sense, and “average” from a quality standpoint. Typically this neighborhood includes properties which give the impression of being cramped for space with little or no residual land for expansion. Building is generally multi-story, brick on masonry construction, with little architectural design style, appearing run-on. Parking areas are adequate. Generally located in areas of mixed usage (residential, commercial).

I8_ - Reserved for expansion.

I9_ - Reserved for expansion.

NEIGHBORHOOD DELINEATION – QUALITY/QUANTITY/LOCATION

Position 2/3 of the neighborhood code represents quality; quantity or location more fully described as follows:

GOLF COURSE – Position 2/3 for this type is associated with quality, where quality is defined as a composite judgment of overall desirability based on the condition of agreeable living and the extent of benefits arising from the location. Position 3 is a more distinct breakdown of quality, allowing for additional flexibility.

G2_ - This neighborhood is defined as good. It may not include regulations and restrictions, but in any case, displaying homogeneous social and economic residents. G2 is considered definitely attractive and desirable. Lots will be located directly on a fairway or green.

G3_ - This neighborhood is defined as good. It may not include regulations and restriction, but in any case, displaying homogeneous social and economic residents. G3 is considered definitely attractive and desirable. These lots are considered as interior golf course lots, adjacent to, but not fronting on a golf course.

NEIGHBORHOOD DELINEATION – QUALITY/QUANTITY/LOCATION

Position 2/3 of the neighborhood code represents quality, quantity or location more fully described as follows:

LAKE FRONT – Position 2/3 for this type is associated with quality, where quality is defined as a composite judgment of overall desirability based on the condition of agreeable living and the extent of benefits arising from the location. Position 3 is a more distinct breakdown of quality, allowing for additional flexibility.

L3 - This neighborhood is defined as good. It may or may not include regulations, but in any case, displaying homogeneous social and economic residents. L3 is considered definitely attractive and desirable. This neighborhood may be found inside or outside corporate city limits.

NEIGHBORHOOD DELINEATION – QUALITY/QUANTITY/LOCATION

Position 2/3 of the neighborhood code represents quality, quantity or location more fully described as follows:

LAKE VIEW – Position 2/3 for this type is associated with quality, where quality is defined as a composite judgment of overall desirability based on the condition of agreeable living and the extent of benefits arising from the location. Position 3 is more distinct breakdown of quality, allowing for additional flexibility.

V3_- This neighborhood is defined as good. It may or may not include regulations and restrictions, but in any case, displaying homogeneous social economic residents. V3 is considered definitely attractive and desirable. This neighborhood may be found inside or outside corporate city limits.

NEIGHBORHOOD DELINEATION – TOWNSHIP CODES

Position (4) of the neighborhood code provides the ability to create unique factors for otherwise identified grouping in each of (14) townships. A specific factor for R10A (excellent residential in Twp/01) may therefore be different from R10B (excellent residential in Twp/02) or, in other words, while both neighborhoods represent the premium residential areas in their respective wards the desires of the buyers reflect different selling prices, since they are uniquely identified, different neighborhood factors may be applied which compensates for this market trend.

Neighborhood Code Position Four Cross Reference Listing

TOWNSHIP NAME/NUMBER		NEIGHBORHOOD CODE-4TH POSITION
Camp Creek	01	A
Chimney Rock	02	B
Colfax	03	C
Cool Springs	04	D
Duncan Creek	05	E
Gilkey	06	F
Golden Valley	07	G
Green Hill	08	H
High Shoals	09	I
Logan Store	10	J
Morgan	11	K
Rutherfordton	12	L
Sulphur Springs	13	M
Union	14	N

