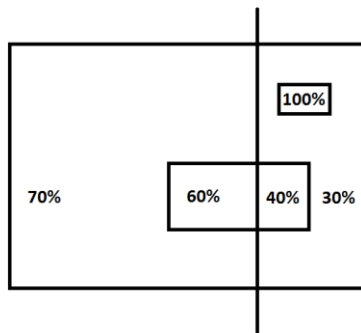


## Method of Assessing Properties Split by the County Line

### OVERVIEW:

When properties are split by the county line, it is important that each county assessor be able to value their side of the property in accordance with their pricing schedule and revaluation cycle. This assessment should be performed in such a way that the property owner can clearly see what percentage of value is being assessed by each county (and that the two total to 100%).

Each county will value the whole of the property, in accordance with their own schedule of values and revaluation cycle, as if the parcel was not split. Then each county will estimate the percentage of the lot within the county's taxing jurisdiction and apply that percentage to the total assessment for land. Likewise, each county will estimate the percentage of the footprint of any divided structure within the county's taxing jurisdiction and apply that percentage to the total structure assessment. This allows each county to value the parcel in accordance with its own practices, schedules and reassessment year, while assuring 100% assessment between the two counties (no overlaps or gaps).



### **EXAMPLE:**

A parcel is split by the county line with 60% of the house and 70% of the land in Guilford while 40% of the house and 30% of the land is in Alamance. Additionally, there is a storage building located in Alamance. Guilford values the house at \$150,000, and the lot at \$30,000 while Alamance values the house at \$145,000, the lot at \$35,000 and the storage building at \$2,000. The value would be split as follows:

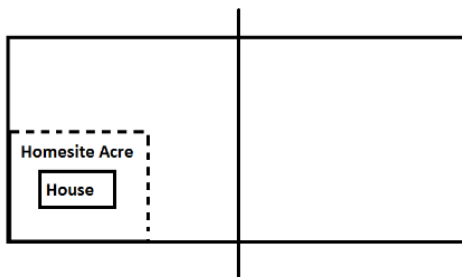
|              | <b>Guilford</b>             | <b>Alamance</b>             |
|--------------|-----------------------------|-----------------------------|
| House        | \$150,000 x 60% = \$ 90,000 | \$145,000 x 40% = \$ 58,000 |
| Lot          | \$ 30,000 x 70% = \$ 21,000 | \$ 35,000 x 30% = \$ 10,500 |
| Storage Bldg |                             | \$ 2,000 x 100% = \$ 2,000  |
| <b>TOTAL</b> | <b>\$111,000</b>            | <b>\$ 70,500</b>            |

Even though the valuations are different, 100% of the property has been taxed (no gap / no overlap).

### HOMESITE ONLY ON ONE SIDE:

When valuing a large split parcel in which there is both a primary site and residual land, the placement of the home may have an effect on how the value is divided. Up to 1 acre of land surrounding the primary improvement is assumed to be the primary site with the remainder of the land as residual. The primary land of larger industrial property is determined by the apparent physical campus rather than a strict 1 acre.

When the house on a multi-acre parcel is split by the county line, the homesite acre would likewise be split according to the same percentage as the house.

**Example (homesite only on one side):**

A 5 acre tract of land is split 50/50 by Guilford and Alamance. The house is on the Guilford side. Guilford would assess the house, any primary site value, and residual value for the remaining (Guilford) acres, while Alamance would assess only residual land value. In this case the primary site value is not being prorated as it is believed to be entirely in Guilford.

|                  | <b>Guilford</b>              | <b>Alamance</b>  |
|------------------|------------------------------|------------------|
| Improvements     | House                        |                  |
| Homesite Acre    | 1 acre                       |                  |
| Residual Acreage | 1.5 acres                    | 2.5 acres        |
| <b>TOTAL</b>     | <b>House &amp; 2.5 acres</b> | <b>2.5 acres</b> |

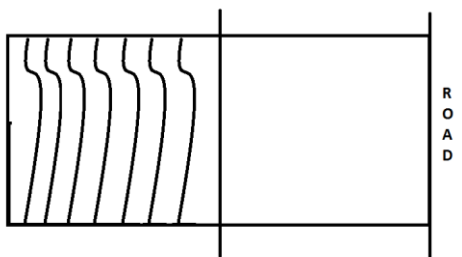
**Example (house split on multi-acre parcel):**

A 5 acre tract of land is split 50/50 by Guilford and Alamance. Sixty percent of the house is on the Guilford side while forty percent of the house is on the Alamance side. Guilford would assess 60% of the house, 60% of the primary site value, and residual value for the remaining (Guilford) acres, while Alamance would assess 40% of the house, 40% of the primary site value, and residual land value for the remaining (Alamance) acres.

|                  | <b>Guilford</b>                           | <b>Alamance</b>                           |
|------------------|---|---|
| Improvements     | 60% of the house                          | 40% of the house                          |
| Homesite Acre    | 0.6 acres                                 | 0.4 acres                                 |
| Residual Acreage | 1.9 acres                                 | 2.1 acres                                 |
| <b>TOTAL</b>     | <b>2.5 acres (inc 60% house/homesite)</b> | <b>2.5 acres (inc 40% house/homesite)</b> |

**LAND DEFECT ONLY ON ONE SIDE:**

When valuing a large split parcel with a serious land defect existing only on one side of the county line, the impact to land value is adjusted only in the county in which the defect is located.

**Example (land defect only on one side):**

A 4 acre tract of land is split 50/50 by Guilford and Alamance. The Guilford side is low marsh land in the floodplain adjoining a creek. The Alamance side is relatively level and dry. Guilford values their two acres as low marsh land in a floodplain. Alamance values their two acres as level and dry land. There is no proration of the negative impact as it exists only on one side of the line.

|                    | <b>Guilford</b> | <b>Alamance</b> |
|--------------------|-----------------|-----------------|
| Homesite Acre      |                 | 1 acre          |
| Residual Acreage   |                 | 1 acre          |
| Floodplain Acreage | 2 acres         |                 |
| <b>TOTAL</b>       | <b>2 acres</b>  | <b>2 acres</b>  |