

RESIDENTIAL SALES COMPARISON GRID (MODEL)

The Collin Central Appraisal District utilizes the 'Sales Comparison Approach' in our appraisal of single-family residential property. The example of the sales comparison grid on the following page is presented to assist property owners as they prepare for informal meetings with CCAD's appraisal staff and/or protest hearings before the Appraisal Review Board (ARB).

1. The sales comparison approach (sometimes referred to as market approach or direct sales approach) is typically formatted in a spreadsheet format, columns and rows.
2. The sales comparison grid (model) compares the subject property being appraised to similar properties that sold within a reasonable period leading up to or just after our January 1st appraisal date.
3. The sales comparison model always adjusts the sale price of the comparables to the subject property, to account for differences as described below. Adjustments will be positive or negative depending on whether a comparable is superior or inferior to the subject property.
4. There are five primary components that CCAD utilizes to adjust comparable sales to a subject property, as follows:
 - a. Land/Lot Value Adjustment: compares the appraised value of the comparable to the land value of the subject and makes an adjustment. Land/Lot values may vary within a residential neighborhood because of factors including location, view, shape and size.
 - b. Neighborhood Adjustment: compares the improvement modifier of the subject neighborhood to the improvement modifier of the comparable. Adjustments will be made if there is a difference in improvement modifier percentages for comparables outside the subject's neighborhood. Neighborhood improvement modifiers are based on the mass appraisal analysis of the sales trends affecting each neighborhood (market area).
 - c. Improvement Type & Quality Adjustment: The District utilizes a mass appraisal "classing" system to denote the construction type (brick or stone veneer, wood siding or stucco) and a quality of construction rating. Each comparable is adjusted to the subject for differences in construction and quality.
 - d. Percent Good Adjustment (condition): The subject property and each comparable will have a percent good based on the effective age and any additional obsolescence affecting the property; the comparables will be adjusted to the subject property based on differences in percent good. Effective age may vary from the actual year built due to maintenance, or the lack thereof, and remodeling.
 - e. Living area: Each comparable will be adjusted to the subject for differences in living area square footage.
5. The grid also adjusts for differences in what we refer to as secondary or non-living area attributes such as garages, porches, barns, pools or other secondary improvements.

The sales price of each comparable is adjusted to the subject and the sum of positive and negative adjustments is shown in the grid as "Net Adjustments". The net adjustment amount is then added to or subtracted from the sale price of that comparable, with the end result of this calculation being the "Subject's Indicated Value" via the sales comparison approach. Typically a sales comparison grid will include at least three comparable sales and after the adjustment process there will be an indicated range of value shown at the bottom of the grid. The indicated value is then divided by the living area of the subject property to derive an indicated value per square foot of the subject property. The indicated value range and/or indicated value per square foot range is compared to the current market value appraisal of the subject property to determine if the current appraisal is reasonable and supported by comparable sales.

See reverse side for a sample of CCAD's residential sales comparison grid.

Comparable Sales Grid (Sample)

	Subject	Comp #1	Comp #2	Comp #3
Prop ID	123456	654321	456123	321456
GEO ID	R-1234-00C-0050-1	R-1234-00D-0060-1	R-1234-00B-0260-1	R-1234-00E-0330-1
State Code	A1	A1	A1	A1
Sale ID		2222222	3333333	4444444
Sale Price		710,000	825,000	725,000
Sale Type - Conf Level		Q--	Q--	Q--
Sale Price/ SQFT		233.63	261.16	217.86
Adj Sale Price		710,000	813,000	722,000
Sale Adj Reason			SLR PAID 12000	SLR PAID 3000
Market Value	682,893	693,494	771,277	712,383
Market Price / SQFT	224.05	228.20	247.76	214.96
Map ID				
Situs	111 CCAD RD	333 CCAD RD	625 CCAD RD	700 CCAD RD
Sale Date		12/09/"Year"	09/04/"Year"	10/04/"Year"
Land Value Adj	190,000	190,000	190,000	180,000 10,000
Neighborhood	N1234	N1234	N1234	N1234
Neighborhood Mass Improv Adj	0.00%	0.00%	0.00%	0.00%
Neighborhood Adj	N1234 0	N1234 0	N1234 0	N1234 0
Class Adj	R05	R05	R05	R05
Actual Year Built	2001	2001	2001	2003
Effective Year Built	2005	2005	2010	2005
% Good Adjustment	80.00%	80.00%	87% -42,000	80.00%
Living Area	3048	3039	3113	3314
Segments & Adj	MA 2125	MA 2571 -38,784	MA 1935 16,522	MA 2018.5 9,261
	MA2 923	MA2 468 39,567	MA2 1178 -22,175	MA2 1295.5 -32,393
	AG 400	AG 430 -1,630	AG 457 -5,290	AG 420 -1,090
	CP 27	CP 27	CP 28 -140	CP 39 -470
		CP 81 -3,160	PL 1 -35,000	CP 196 -8,030
Segement Adj Subtotal	0	-4007	-46083	-32722
Secondary PID Imp Adj				
Net Adjustment	0	-4007	-88,083	-22,722
Financing Code		C	C	C
Indicated Value		705,993	724,917	699,278
Indicated Value / SQFT		231.62	237.83	229.42

LAND VALUE ADJUSTMENT-
Adjustments are made for Lot and/or Locational differences as the comparable compares to the subject.

NEIGHBORHOOD ADJUSTMENT-
Adjustments are made for differences in Neighborhood Improvement modifiers when a comparable is used from a neighborhood that is different than the subjects neighborhood.

CLASS ADJUSTMENT-
Adjustments are made for differences in quality and/or construction. These adjustments are made as the comparable compares to the subject.

PERCENT GOOD ADJUSTMENT-
Condition adjustments are made for differences in percent good as the comparable compares to the subject.

LIVING AREA SEGMENTS & ADJUSTMENT-
Air conditioned living areas of comparable are compared to the subject at the segment level (MA, MA2, MA3), with differences in square footage adjusted using the comparables size adjustment factor.

SECONDARY IMPROVEMENTS-
Non -living area segments are compared and any difference in contributory value is adjusted for in a line adjustment. These segments typically consist of garages, covered patio/porches, pools, barns/accessory structures, etc.

LEGEND	
MA=Living Area-1st Floor	EG=Enclosed Garage
MA2=Living Area-2nd Floor	EP=Enclosed Patio
AG=Attached Garage	DETG=Detached Garage
CP=Covered Porch/Patio	PL=Pool

INDICATED VALUES-
The sum of positive and negative adjustments, for each comparable, is listed in the "Net Adjustment" row, and is added to or subtracted from the comparable's adjusted sale price. The end result of this calculation is the "Indicated Value" of the subject property. The indicated value is divided by the living area of the subject property to arrive at an "Indicated Value per Square Foot" for the subject property.

RESIDENTIAL EQUITY COMPARISON GRID (MODEL)

The Collin Central Appraisal District utilizes an 'Equity Comparison Grid' in our Appraisal Review Board testimony for "Value is Unequal Compared with Other Properties" protests. The Equity comparison grid on the following page is presented to assist property owners as they prepare for informal meetings with CCAD's appraisal staff and/or protest hearings before the Appraisal Review Board (ARB).

1. The equity comparison grid is very similar to the Residential Sales Comparison Grid.
2. The equity comparison grid (model) compares the subject property being appraised to a reasonable number of comparable properties, within the same neighborhood.
3. The equity comparison grid adjusts the market value of the comparable property to the subject property, to account for differences as described below. Adjustments will be positive or negative depending on whether a comparable is superior or inferior to the subject property.
4. There are four primary components that CCAD utilizes to adjust equity comparable properties to a subject property, as follows:
 - a. Land/Lot Value Adjustment: compares the land value of the comparable to the land value of the subject and makes an adjustment. Land/Lot values may vary within a residential neighborhood because of factors including location, view, shape and size.
 - b. Improvement Type & Quality Adjustment: The District utilizes a mass appraisal "classing" system to denote the construction type (brick or stone veneer, wood siding or stucco) and a quality of construction rating. Each comparable is adjusted to the subject for differences in construction and quality.
 - c. Percent Good Adjustment (condition): The subject property and each comparable will have a percent good based on the observed condition of the property. The percent good is a product of depreciation based on effective age of the property and any additional obsolescence that may be affecting the property. Comparable properties will be adjusted to the subject property based on differences in percent good. The effective age may vary from the actual year built due to maintenance, or the lack thereof, and remodeling.
 - d. Living Area: Each comparable will be adjusted to the subject for differences in living area square footage.
5. The grid also adjusts for differences in what we refer to as secondary or non-living area attributes such as garages, porches, barns, pools, or other secondary improvements.

The market value of each comparable is adjusted to the subject and the sum of positive and negative adjustments is shown in the grid as "Net Adjustments". The net adjustment amount is then added to or subtracted from the market value of that comparable, with the result of this calculation being the "Indicated Value" for the subject property. The indicated value is divided by the living area of the subject property to derive an indicated value per square foot for the subject property. Texas Property Tax code states under 41.43 (b)(3) "The appraised value of the property is equal to or less than the median appraised value of a reasonable number of comparable properties appropriately adjusted." The Median Equity value listed at the bottom of each page of the equity comparison grid is the median of the comparable properties appropriately adjusted.

See reverse side for a sample of CCAD's residential equity comparison grid.

Comparable Equity Grid (Sample)

	Subject	Comp #1	Comp #2	Comp #3
Prop ID	123456	654321	456123	321456
GEO ID	R-1234-00C-0050-1	R-1234-00D-0060-1	R-1234-00B-0260-1	R-1234-00E-0330-1
State Code	A1	A1	A1	A1
Market Value	442,663	417,579	429,621	426,235
Market Price / SQFT	17232	163.56	168.21	164.63
Land Value Adj	110,000	110,000	115,500 -5,500	103,950 6,050
Neighborhood	N1234	N1234	N1234	N1234
Neighborhood Mass Improv Adj	0.00%	0.00%	0.00	0.00
Neighborhood Adj	N1234	N1234	N1234	N1234
Class Adj	R03	R03	R03	R03
Actual Year Built	1997	1996	1997	1996
Effective Year Built	2000	2000	2000	2000
% Good Adjustment	78.00%	78.00%	78.00%	78.00%
Living Area	2,554	2,553	2,554	2,589
Segments & Adj	MA 1890	MA 1890	MA 1891 -51	MA 1300 30,072
	MA2 663.8	MA2 663 33	MA2 663 33	MA2 1289 -25,496
	AG 411.2	AG 411 10	AG 557 -6,410	AG 409 100
	CP 22	CP 44 -290	CP 22	CP 36 -440
	PL 1	PL None 25,000	PL None 25,000	PL 1
Segemnt Adj Subtotal		0 25,043	18,572	10,286
Secondary PID Imp Adj	0 0 0	0 0	0 0	0
Net Adjustment	0	25,043	13,072	10,286
Median Appraised Value	426,235			
Median Appraised Value/SQFT	164.63			
Median Living Area	2,554			
Median Year Built	1996			
Average Appraised Value	424,478			
Average Appraised Value/SQFT	165.47			
Average Living Area	2,565			
Average Year Built	1996			
Indicated Value		442,622	442,693	436,521
Indicated Value / SQFT		173.31	173.33	170.92
Median Equity Value	442,622			
Medain Equity Value/SQFT	173.31			

LAND VALUE ADJUSTMENT-
Adjustments are made for Lot and/or Locational differences as the comparable compares to the subject.

NEIGHBORHOOD ADJUSTMENT-
Adjustments are not typically seen in Comparable Equity Grids because equity comparable properties are used from the same neighborhood as the subject.

CLASS ADJUSTMENT-
Adjustments are made for differences in quality and/or construction. These adjustments are made as the comparable compares to the subject.

PERCENT GOOD ADJUSTMENT-
Condition adjustments are made for differences in percent good as the comparable compares to the subject. Percent Good values are a product of depreciation based on effective age of the property and any additional obsolescence that may be affecting the property

LIVING AREA SEGMENTS & ADJUSTMENT-
Air conditioned living areas of the comparable property is compared to the subject at the segment level (MA, MA2, MA3), with differences in square footage adjusted using the comparables size adjustment factor.

SECONDARY IMPROVEMENTS-
Non -living area segments are compared and any differece in contributory value is adjusted for in a line adjustment. These segments typically consist of garages, covered patio/porches, pools, barns/accessory structures, etc.

INDICATED VALUES-
The sum of positive and negative adjustments, for each comparable, is listed in the "Net Adjustment" row, and is added to or subtracted from the comparable properties market value. The end result of this calculation is the "Indicated Value" of the subject property. The indicated value is divided by the living area of the subject property to arrive at an "Indicated Value per Square Foot" for the subject property.

LEGEND	
MA=Living Area-1st Floor	EG=Enclosed Garage
MA2=Living Area-2nd Floor	EP=Enclosed Patio
AG=Attached Garage	DETG=Detached Garage
CP=Covered Porch/Patio	PL=Pool

Statistic Data & Median Equity Value- Various statistical data is displayed based on the comparable properties in the equity grid. These are unadjusted statistics about the sample of properties in the grid. The Median Equity Value listed at the bottom of each page of the equity comparable grid is the median equity value of the comparable properties in the grid after appropriate adjustments have been made. This value is the measurement that the subjects market value is compared against.