

# VALUATION OF RESIDENTIAL PROPERTIES

## *Time Trending*

According to state statutes, residential properties must be valued solely by the market approach, using comparable verified sales from July 1, 2020 through June 30, 2022 for the 2023 reappraisal. These same statutes require the adjustment of sale prices within this study period to the end of the data period June 30, 2022. We analyzed over 25,434 sales of residential homes, which took place between July 1, 2020 and June 30, 2022 to establish the residential time trend adjustments. Time Trend Adjustments are applied using this formula:

Amount of time adjustment = number of months from date of sale to June 2022  
\* percentage change per month \* adjusted sale price

Time adjusted sales price = amount of time adjustment + adjusted sales price.  
*(The adjusted sales price is the contractual price adjusted for personal property and financing)*

Example for a home sold January 2022 for \$200,000:

5	Five months to June 2022
<u>X.01</u>	Calculated percent of change per month
.05	Total appreciation percent since sale date
<u>X \$200,000</u>	Original sales price
\$10,000	Adjustment (percent x sales price)
<u>+ \$200,000</u>	Original sales price
\$210,000	Adjusted sales price as of June 30, 2022