

CABARRUS COUNTY 2024 APPRAISAL MANUAL

VALUATION OF SPECIAL PROPERTIES

MOBILE HOME PARKS

Mobile home parks lend themselves well to classification by inside access roads, density, facilities and general appearance as follows:

- CLASS 1 Narrow, unpaved roads
 High density (Older Park)
 No recreation hall or other facilities
 Generally unattractive appearance

- CLASS 2 Narrow, unpaved roads or broken pavement
 High density (Older Park)
 Deteriorated recreation hall and/or laundry
 No curbing, no street lights
 Many mobile homes without skirts
 Little effort to maintain attractive appearance

- CLASS 3 Average location and design
 Streets paved and in at least fair condition
 Medium density (10-15 sites per acre)
 Adequate laundry and recreation hall
 Lawns and grounds kept in fair general appearance

- CLASS 4 Good location and design
 Streets wide enough for cars to pass
 Curbing and sidewalks
 Streets with street lights and street signs
 Good recreation hall, shuffle board, swimming pool
 Attractive entrance and good general appearance
 (Lawns cut and edged, bushes trimmed)
 Density around 8 sites per acre

- CLASS 5 Excellent location and design
 Attractive entrance
 Wide paved and curbed streets
 Street lights and street signs
 Excellent recreation hall facilities
 Swimming pool, shuffle board, and other leisure time equipment
 Management sponsored activities
 Manicured lawns and trees
 Maximum density of 8 sites per acre

Average rental rate, vacancy rates and operating expenses also correlate highly within these classifications. Therefore, income data need only be gathered from a few mobile home parks to arrive at a reliable income value per space as follows:

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INCOME VALUATION OF A MOBILE HOME PARK

Gross Monthly rent	Gross Annual Rent
\$450/space x 12	\$5,400.00 / space
Less:	
Vacancy/Collection rate as a % of gross @ 10%	540.00
Operating Expenses as a % of gross @ 40%	<u>\$2,160.00</u>
Net Operating Revenue	\$2,700.00 / space
Capitalized at the Discount Rate (9%)	<u>\$30,000.00 / space</u>

APPRAISAL OF CEMETERIES FOR TAX PURPOSES

Amendments to NCGS 105-278.2 have changed the approach to commercial cemeteries for tax purposes. Burial Property within a commercial cemetery that is held for sale may now be exempt beginning for tax year 2022. Language of the statute is provided below:

§ 105-278.2. (Effective for taxes imposed for taxable years beginning on or after July 1, 2022) Burial property.

(a) Commercial Property. Real property set apart for burial purposes that is owned and held for purposes of (i) sale or rental or (ii) sale of burial rights therein is exempt from taxation. A single application is required under G.S. 105-282.1 for property exempt under this subsection.

(b) Other Property. Real property set apart for burial purposes not owned and held for a purpose listed in subsection (a) of this section is exempt from taxation. No application is required under G.S. 105-282.1 for property exempt under this subsection. A local government cannot deny the exemption provided under this subsection to a taxpayer that lacks a survey or plat detailing the exempt property.

(c) Terms. For purposes of this section, the term "real property" includes land, tombs, vaults, monuments, and mausoleums, and the term "burial" includes entombment. (1973, c. 695, s. 4; 1987, c. 724; 2018-113, s. 15; 2021-180, s. 42.12(a).)

Commercial cemeteries are generally divided into four categories:

1. Developed acreage
2. Undeveloped acreage
3. Waste land acreage (roads, gullies, etc.)
4. Deeded acreage (Exempt deeded lots)

These four categories should always total to the original acreage in the ownership or legal description.

DEVELOPED ACREAGE - Land prepared for immediate use of cemetery plots. This is generally two to five acres depending on the sale record of the cemetery. This acreage is for sale and therefore qualifies for exemption.

UNDEVELOPED ACREAGE - That land in its natural state and appraised comparable to surrounding land with the same zoning. This acreage is not considered dedicated for sale for burial purposes and therefore does not qualify for exemption. The exception is if it is platted or if it is part of the initial 30 acres required laid out to obtain cemetery license.

WASTE LAND ACREAGE - That land not platted or surveyed for graves due to it being a road, gully or building site. The waste land should be appraised comparable to surrounding waste lands and remain the same size and acreage unless a new survey is made adding roads or they have filled gullies and areas that can be utilized at a later date.

DEEDED ACREAGE - That acreage sold off into plots to individuals and recorded in the Registrar of Deeds. Plots sold on contract are not exempt until paid and recorded. Generally a well-designed cemetery will get 900 to 1,100 graves per acre.

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Assessment of Low-Income (Section 42) Housing Property

§ 105-277.16. A North Carolina low-income housing development to which the North Carolina Housing Finance Agency allocated a federal tax credit under section 42 of the Code is designated a special class of property under Article V, Section 2(2) of the North Carolina Constitution and must be appraised, assessed, and taxed in accordance with this section. The assessor must use the income approach as the method of valuation for property classified under this section and must take rent restrictions that apply to the property into consideration in determining the income attributable to the property. The assessor may not consider income tax credits received under section 42 of the Code or under G.S. 105-129.42 in determining the income attributable to the property. (2008-146, s. 3.1; 2008-187, s. 47.6.)

These special properties are assessed using the capitalization of net income method, as are other multi-family properties in the county. The difference will be that instead of establishing a market derived Potential Gross Income for the property, the Actual Rent Restricted Income will be used in calculating the net income to be capitalized.

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Golf Courses Rating System

Each golf course will be evaluated based on the construction details and layout of each hole by using this Rating System. The construction details will be applied to the Total Sheet below for each golf course to determine the total point rating of each course. The point rating will determine what class and quality to apply to the course and then the course can be priced from the pricing schedule located in the OBXF section of Chapter 11 of this manual.

Tees 9 point max					
Number	pts.	Grass	pts.	Size	pts.
Built up 3 or more per hole	4	Bent/Bermuda	3	Large	2
Built up 2 or more per hole	3	Rye	2	Average	1
Not built up 2 or more per hole	2	Mixed	1	Small	0
Flat or 1 per hole	1	Other	0		

Fairways 12 point max					
Length	pts.	Width	pts.	Grass	pts.
6500 yards +	4	Wide	2	Bent	4
5900-6499 yards	2	Average	1	Zoysia/Bermuda/Rye	3
< 5900 yards	1	Narrow	0	Other	1

Yardage Markers	pts.
Every 50yrd	2
Every 100yrd	1
Other	0

Rough 9 point max					
Width	pts.	Cuts	pts.	Grass	pts.
Wide	4	3 or more	3	Blue/Fescue/Bermuda	2
Average	2	2 cuts	1	Rye	1
Narrow	1	1 cut	0	Other	0

Hazards 11 point max					
Bunkers	pts.	Water/Waste	pts.	Trees/Shrubs	pts.
4 per hole	6	Superior	3	Superior	2
3 per hole	5	Average	1	Average	1
2 per hole	4	Inferior	0	Inferior	0
1 or less per hole	2				

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Golf Course Rating System – continued

Greens 20 point max

Construction	pts.	Grass	pts.	Size	pts.
USGA	10	Blue/Fes./Ber.	3	Large	4
Modified	6	Rye	2	Average	2
Push-Up	4	Other	1	Small	1

Topo/Tiers	pts.
Tiered w/undulation	3
Undulating	2
Flat	1

General 4 point max

Cart Paths	pts.	Bridges/Tunnel	pts.
Concrete	2		
Asphalt	1		
			2

Practice Facilities 10point max

Driving Range	pts.	Putt Green	pts.	Sand/Chipping Area	pts.
Superior	4	Superior	4	Average	2
Average	3	Average	3	Inferior	1
Inferior	2	Inferior	2	None	0

Turf Care 25 point max

Landscaping	pts.	Irrigation	pts.	Type	pts.
Excellent	4	Greens*	total 1 partial	Auto Computer	8
Superior	3	Fairways*	total 1 partial	Automatic	4
Average	2	Rough*	total 1 partial	Manual	2
Inferior	0	Tees*	total 1 partial		

**points can be awarded to each for total of 8*

Rows	pts.
3+	5
1 or 2	1 or 3

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Golf Course Total Sheet

Use this sheet to accumulate the total points from the rating system above.

See Chapter 11 – Golf Courses for the appropriate pricing schedule based on the total points for each golf course.

Tees	Points
Number	
Size	
Grass	
Total	0

Rough	Points
Width	
Topo/Berms	
Cuts	
Grass	
Total	0

General	Points
Cart Paths	
Bridges/Tunnels	
Total	0

Fairways	Points
Length/Width	
Yardage Markers	
Grass	
Total	0

Greens	Points
Construction	
Grass	
Size	
Topo/Tiers	
Total	0

Practice Facilities	Points
Driving Range	
Putting Green	
Sand Traps/Chipping Area	
Total	0

Hazards	Points
Bunkers	
Water/Wetlands	
Trees/Shrubs	
Total	0

Turf Care	Points
Landscaping	
Irrigation	
Type	
Rows	
Total	0

Total Points	0	Quality	Point Range
		AA	90-100pts
		A	80-90pts
		B	70-79pts
		C	55-69pts
		D	40-54pts
		E	0-40pts