LESLIE TOWNSHIP 2023 ECF ANALYSIS (sales from 4/1/20 through 3/31/22)

In this section you will find:

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- 1. L-4018 for 2023 Equalization Study for real property
- 2. ECF tables
- 3. ECF studies for real property classes
- 4. ECF map
- 5. Development of Economic Condition Factors information

PRINTED 11/23/2022

L-4018R

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2022 L-4018 FOR 2023 EQUALIZATION ANALYSIS FOR EQUALIZED VALUATION -- REAL PROPERTY

| County | 33 - INGHAM | City or To | ownship | 08 - LESLIE TO | OWNSHIP | | Year | 2022/2023 |
|--|-------------------|----------------------------------|------------------------------|--|------------------------|------------------------------|-----------------------|-----------------------|
| Assessment Roll | Classification | 1 | Sample | i. | % Ratio Assessments | | | |
| Class of Real Property | Assessed Value | No. of Parcels | True Cash Value | Assessed Value | to Appraisals | True Cash Value | Remarks: Study for | Type of Each Class |
| Agricultural | 36,901,458 | 30 | 10,127,526 | 4,711,349 | 46.52 | 79,323,856 | AS | 1.07481 |
| Commercial | 1,608,806 | 9 | 2,446,600 | 1,183,055 | 48.36 | 3,326,729 | AS | 1.03392 |
| Industrial | 163,835 | 8 | 132,985 | 62,239 | 46.80 | 350,075 | AS | 1.06838 |
| Residential | 88,346,019 | 57 | | | 44.07 | 200,467,481 | SS | 1.13456 |
| Timber - Cutover | | | | | | | NC | |
| Developmental | | | | | | | NC | |
| TOTAL REAL | 127,020,118 | | | | | 283,468,141 | | |
| SS Sales Study NC None Classified NW New Class | 1,608,806 R/ | Combine Appraisa A Reappra | d Sales & I Study isal | AS Appraisal S AU Audit CT Class Trans | tudy | 3,326,729 ES Estimated Va | ilues (Expla | in) |

E.C.F.s for Neighborhood: 2000 '2000 COMMERCIAL'

| Style: | %Good: | 100-91 | 90-81 | 80-71 | 70-61 | 60-51 | 50-0 |
|---------------|--------|--------|-------|-------|-------|-------|-------|
| STANDARD | | 1.080 | 1.080 | 1.080 | 1.080 | 1.080 | 1.080 |
| VINTAGE HOME | | 1.209 | 1.209 | 1.209 | 1.209 | 1.209 | 1.209 |
| MOBILE HOME | | 1.072 | 1.072 | 1.072 | 1.072 | 1.072 | 1.072 |
| MODULAR/MANUI | F | 1.080 | 1.080 | 1.080 | 1.080 | 1.080 | 1.080 |
| DUPLEX | | 0.882 | 0.882 | 0.882 | 0.882 | 0.882 | 0.882 |
| | | | | | | | |

Town Homes/Duplexes: 0.882 Mobile Homes : 1.072 Agricultural Bldgs : 1.112 Commercial Bldgs : 0.976 Industrial Bldgs : 0.976

(Optional) Gross Rate Multipliers A: 0.000

B: 0.000 C: 0.000 D: 0.000

E.C.F.s for Neighborhood: 3000 '3000 INDUSTRIAL'

Residential : 1.000 Town Homes/Duplexes: 0.882 Mobile Homes : 1.072 Agricultural Bldgs : 1.112 Commercial Bldgs : 0.976 Industrial Bldgs : 0.976

(Optional) Gross Rate Multipliers A: 0.000 B: 0.000

C: 0.000 D: 0.000

E.C.F.s for Neighborhood: 4000 '4000 AGRICULTURAL'

| Style: | %Good: | 100-91 | 90-81 | 80-71 | 70-61 | 60-51 | 50-0 |
|---------------|--------|--------|-------|-------|-------|-------|-------|
| STANDARD | | 1.080 | 1.080 | 1.080 | 1.080 | 1.080 | 1.080 |
| VINTAGE HOME | | 1.209 | 1.209 | 1.209 | 1.209 | 1.209 | 1.209 |
| MOBILE HOME | | 1.072 | 1.072 | 1.072 | 1.072 | 1.072 | 1.072 |
| MODULAR/MANUI | F | 1.080 | 1.080 | 1.080 | 1.080 | 1.080 | 1.080 |
| DUPLEX | | 0.882 | 0.882 | 0.882 | 0.882 | 0.882 | 0.882 |

Town Homes/Duplexes: 0.882 Mobile Homes : 1.072 Agricultural Bldgs : 1.112 Commercial Bldgs : 0.976 Industrial Bldgs : 0.976

(Optional) Gross Rate Multipliers

A: 0.000 B: 0.000 C: 0.000 D: 0.000

50-0

0.882

1.072

1.080

1.080

1.209

Page: 2/2 DB: 2023

E.C.F.s for Neighborhood: 4010 '4010 RESIDENTIAL' Style: %Good: 100-91 90-81 80-71 70-61 60-51 0.882 DUPLEX 0.882 0.882 0.882 0.882 1.072 1.072 1.072 1.080 1.080 1.072 1.072 MOBILE HOME MODULAR/MANUF 1.080 1.080 1.080 1.080 1.080 STANDARD 1.080 1.080 VINTAGE HOME 1.209 1.209 1.209 1.209 1.209 Town Homes/Duplexes: 0.882 Mobile Homes : 1.072 Agricultural Bldgs : 1.112 Commercial Bldgs : 0.976 Industrial Bldgs : 0.976 (Optional) Gross Rate Multipliers A: 0.000 B: 0.000 C: 0.000 D: 0.000 E.C.F.s for Neighborhood: 9000 '9000 PERSONAL PROPERTY' Residential : 1.000 Town Homes/Duplexes: 1.000 Mobile Homes : 1.000 Agricultural Bldgs : 1.000 Commercial Bldgs : 1.000 Industrial Bldgs : 1.000 (Optional) Gross Rate Multipliers A: 0.000 B: 0.000 C: 0.000 D: 0.000 E.C.F.s for Neighborhood: 9900 '9900 BLL' Residential : 1,000 Town Homes/Duplexes: 1.000 Mobile Homes : 1.000 Agricultural Bldgs : 1.000 Commercial Bldgs : 1,000 Industrial Bldgs : 1,000 (Optional) Gross Rate Multipliers A: 0.000 B: 0.000 C: 0.000 D: 0.000

RESIDENTIAL 401 ECF STANDARD STUDY 2022 FOR 2023 ROLL

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| Parcel Number | Street Address | Sale Date | Adj. Sale \$ | Asd. when Solc | Asd/Adj. Sale (| ur. Appraisal L | and + Yard | Bldg. Residual | Cost Man. \$ | E.C.F. | Land Value | Land Table |
|---------------------|--------------------|-----------|--------------|----------------|-----------------|-----------------|------------|----------------|----------------|--------|------------|------------------|
| 33-14-14-29-476-006 | 2616 OLDS RD | 02/10/22 | \$130,000 | \$65,066 | 50.05 | \$140,689 | \$39,205 | \$90,795 | \$95,997 | 0.946 | \$35,000 | 4010 RESIDENTIAL |
| 33-14-14-13-100-025 | 3665 WOODS RD | 07/28/20 | \$125,000 | \$52,947 | 42.36 | \$112,243 | \$28,540 | \$96,460 | \$90,003 | 1.072 | \$28,540 | 4010 RESIDENTIAL |
| 33-14-14-22-152-001 | 4280 RACE RD | 10/06/20 | \$234,000 | \$117,146 | 50.06 | \$252,051 | \$39,280 | \$194,720 | \$228,786 | 0.851 | \$34,540 | 4010 RESIDENTIAL |
| 33-14-14-33-201-005 | 2137 OLDS RD | 12/14/20 | \$149,000 | \$65,504 | 43.96 | \$138,341 | \$27,000 | \$122,000 | \$119,722 | 1.019 | \$27,000 | 4010 RESIDENTIAL |
| 33-14-14-35-200-012 | 1081 OLDS RD | 03/17/22 | \$70,000 | \$0 | 0.00 | \$90,269 | \$32,000 | \$38,000 | \$55,389 | 0.686 | \$32,000 | 4010 RESIDENTIAL |
| 33-14-14-33-400-006 | 5362 STATE RD | 07/15/20 | \$131,500 | \$70,914 | 53.93 | \$149,598 | \$30,568 | \$100,932 | \$127,989 | 0.789 | \$28,830 | 4010 RESIDENTIAL |
| 33-14-14-02-401-002 | 2840 HAWLEY RD | 10/07/20 | \$160,000 | \$53,957 | 33.72 | \$114,450 | \$16,117 | \$143,883 | \$105,734 | 1.361 | \$16,117 | 4010 RESIDENTIAL |
| 33-14-14-13-100-022 | 3672 WOODS RD | 09/08/20 | \$208,000 | \$77,918 | 37.46 | \$162,289 | \$28,998 | \$179,002 | \$143,324 | 1.249 | \$28,998 | 4010 RESIDENTIAL |
| 33-14-14-34-100-011 | 5150 JACKSON RD | 12/30/20 | \$155,000 | \$61,409 | 39.62 | \$129,427 | \$27,000 | \$128,000 | \$110,137 | 1.162 | \$27,000 | 4010 RESIDENTIAL |
| 33-14-14-28-352-008 | 4924 S MAIN ST | 04/03/20 | \$248,500 | \$104,433 | 42.03 | \$208,866 | \$31,271 | \$217,229 | \$190,962 | 1.138 | \$29,210 | 4010 RESIDENTIAL |
| 33-14-14-36-300-003 | 5306 COOPER RD | 09/03/21 | \$140,000 | \$81,986 | 58.56 | \$163,972 | \$42,000 | \$98,000 | \$122,686 | 0.799 | \$42,000 | 4010 RESIDENTIAL |
| 33-14-14-04-400-020 | 2999 EDEN RD | 09/27/21 | \$274,900 | \$107,422 | 39.08 | \$214,844 | \$32,000 | \$242,900 | \$183,578 | 1.323 | \$32,000 | 4010 RESIDENTIAL |
| 33-14-14-12-200-014 | 2995 KELLY RD | 07/29/20 | \$262,000 | \$110,692 | 42.25 | \$255,661 | \$30,490 | \$231,510 | \$242,119 | 0.956 | \$28,120 | 4010 RESIDENTIAL |
| 33-14-14-27-102-001 | 1900 FITCHBURG RD | 11/19/21 | \$232,000 | \$94,701 | 40.82 | \$196,708 | \$23,857 | \$208,143 | \$174,397 | 1.194 | \$22,492 | 4010 RESIDENTIAL |
| 33-14-14-35-100-024 | 5216 DUTCH RD | 09/18/20 | \$395,900 | \$168,970 | 42.68 | \$354,053 | \$36,080 | \$359,820 | \$341,906 | 1.052 | \$36,080 | 4010 RESIDENTIAL |
| 33-14-14-36-100-017 | 823 OLDS RD | 03/14/22 | \$250,000 | \$107,135 | 42.85 | \$233,015 | \$33,491 | \$216,509 | \$189,662 | 1.142 | \$32,030 | 4010 RESIDENTIAL |
| 33-14-14-14-300-010 | 1514 KINNEVILLE RD | 10/16/20 | \$380,000 | \$140,888 | 37.08 | \$297,512 | \$37,850 | \$342,150 | \$279,206 | 1.225 | \$37,850 | 4010 RESIDENTIAL |
| 33-14-14-29-100-009 | 4733 BLACKMORE RD | 11/12/21 | \$202,000 | \$95,552 | 47.30 | \$198,181 | \$35,554 | \$166,446 | \$163,280 | 1.019 | \$32,520 | 4010 RESIDENTIAL |
| 33-14-14-09-200-012 | 3022 EDEN RD | 06/30/21 | \$275,000 | \$105,640 | 38.41 | \$211,279 | \$32,840 | \$242,160 | \$179,156 | 1.352 | \$32,840 | 4010 RESIDENTIAL |
| 33-14-14-14-300-015 | 3944 WRIGHT RD | 10/02/20 | \$212,000 | \$90,657 | 42.76 | \$187,670 | \$49,569 | \$162,431 | \$153,661 | 1.057 | \$49,569 | 4010 RESIDENTIAL |
| 33-14-14-14-200-012 | 3591 WRIGHT RD | 04/15/20 | \$195,000 | \$91,447 | 46.90 | \$182,893 | \$29,030 | \$165,970 | \$165,444 | 1.003 | \$29,030 | 4010 RESIDENTIAL |
| 33-14-14-20-300-013 | 2818 BELLEVUE RD | 10/22/20 | \$225,000 | \$97,140 | 43.17 | \$203,516 | \$29,756 | \$195,244 | \$186,839 | 1.045 | \$29,756 | 4010 RESIDENTIAL |
| | | | | Std. Dev. => | 10.93 | | | | Ave. E.C.F. => | 1.065 | | |
| | | Totals: | \$4,654,800 | \$1,961,524 | | \$4,197,527 | | \$3,942,304 | \$3,649,977 | | | |
| | | | | Sale. Ratio => | 42.14 | | | | E.C.F. => | 1.080 | | |

NOTE:

Due to lack of sales in 101, 201 & 301 land tables, a combined study is deemed to be the most reliable value indicator.

LESLIE TOWNSHIP 2022 FOR 2023 RESIDENTIAL ECF STANDARD ANALYZED 1.08 APPLIED 1.08

RESIDENTIAL 401 ECF VINTAGE (built prior to 1930) STUDY 2022 FOR 2023 ROLL

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| Parcel Number | Street Address | Sale Date | Adj. Sale \$ | Asd. when Sold | Asd/Adj. Sale | Cur. Appraisal | Land + Yard | Bldg. Residual | Cost Man. \$ | E.C.F. | Building Style | Land Table |
|---------------------|--------------------|-----------|--------------|----------------|---------------|----------------|-------------|----------------|----------------|--------|-----------------------|-------------------|
| 33-14-14-23-100-003 | 1291 KINNEVILLE RD | 10/20/21 | \$85,000 | \$58,337 | 58.63 | \$120,448 | \$32,000 | \$53,000 | \$65,179 | 0.813 | VINTAGE HOME | 4010 RESIDENTIAL |
| 38-14-14-28-353-002 | 4965 \$ MAIN ST | 12/11/20 | \$87,000 | \$46,746 | 53,73 | \$99,410 | \$27,180 | \$59,820 | \$53,543 | 1 117 | VINTAGE HOME | 4010 RESIDENTIAL |
| 33-14-14-04-400-025 | 2950 EDEN RD | 04/08/21 | \$138,800 | \$62,238 | 44.84 | \$124,475 | \$33,000 | \$105,800 | \$67,410 | 1.570 | VINTAGE HOME | 4010 RESIDENTIAL |
| 33-14-14-18-400-003 | 3034 KINNEVILLE RD | 06/11/21 | \$195,000 | \$98,974 | 50.76 | \$197,948 | \$32,000 | \$163,000 | \$122,290 | 1,333 | VINTAGE HOME | 4010 RESIDENTIAL |
| 33-14-14-30-300-006 | 3290 OLDS RD | 10/01/21 | \$165,000 | \$70,098 | 42.48 | \$140,196 | \$33,170 | \$131,830 | \$81,730 | 1.613 | VINTAGE HOME | 4010 RESIDENTIAL |
| 33-14-14-22-376-001 | 4409 RACE RD | 09/24/21 | \$445,000 | \$262,102 | 58:90 | \$524,203 | \$314,954 | \$130,046 | \$186,035 | 0.699 | VINTAGE HOME | 4000 AGRICULTURAL |
| 33-14-14-17-226-013 | 2577 COVERT RD | 10/04/21 | \$280,000 | \$71,730 | 25.62 | \$249,361 | \$33,180 | \$246,820 | \$160,159 | 1.541 | VINTAGE HOME | 4010 RESIDENTIAL |
| | | | | Std. Dev. => | 10.28 | | | | Ave. E.C.F. => | 1.289 | #REF! | |
| | | Totals: | \$1,395,800 | \$670,225 | | \$1,456,041 | | \$890,316 | \$736,346 | | | |
| | | | | Sale. Ratio => | 48.02 | | | | E.C.F. => | 1.209 | | |

NOTE:

Due to lack of sales in 101, 201 & 301 land tables, a combined study is deemed to be the most reliable value indicator.

LESLIE TOWNSHIP 2022 FOR 2023 RESIDENTIAL ECF VINTAGE ANALYZED 1.209 APPIED 1.209

RESIDENTIAL 401 ECF DUPLEX STUDY 2022 FOR 2023 ROLL

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| Parcel Number | Street Address | Sale Date | Adj. Sale \$ | Bldg. Residual | Cost Man. \$ | E.C.F. | Building Style | Land Table |
|---------------------|------------------|-----------|--------------|----------------|----------------|--------|----------------|-------------------------|
| 33-25-05-11-357-002 | 4433 HARDING AVE | 04/06/20 | \$130,000 | \$110,494 | \$136,330 | 0.810 | DUPLEX | 4010 RESIDENTIAL |
| 33-02-02-11-328-004 | 1264 HASLETT RD | 06/22/20 | \$168,000 | \$134,467 | \$131,424 | 1.023 | DUPLEX | 4010 RESIDENTIAL |
| 33-21-01-11-327-004 | 1216 WEBER DR | 10/02/20 | \$226,000 | \$168,843 | \$206,082 | 0.819 | DUPLEX | 4010 RESIDENTIAL |
| 33-02-02-28-302-013 | 2410 SOWER BLVD | 10/06/20 | \$160,000 | \$124,712 | \$122,256 | 1.020 | DUPLEX | 4010 RESIDENTIAL |
| 33-10-10-24-476-012 | 1482 KELLY RD | 01/25/21 | \$178,000 | \$137,330 | \$115,056 | 1.194 | DUPLEX | 4010 RESIDENTIAL |
| 33-06-06-05-300-035 | 2972 SANDHILL RD | 02/05/21 | \$309,500 | \$255,462 | \$289,635 | 0.882 | DUPLEX | 4010 RESIDENTIAL |
| 33-19-10-09-109-017 | 315 E ASH ST | 03/26/21 | \$135,000 | \$87,419 | \$109,292 | 0.800 | DUPLEX | 4010 RESIDENTIAL |
| 33-19-10-09-326-003 | 346 E SOUTH ST | 04/16/21 | \$130,000 | \$94,842 | \$125,808 | 0.754 | DUPLEX | 4010 RESIDENTIAL |
| 33-25-05-21-200-019 | 1941 EIFERT RD | 08/18/21 | \$185,000 | \$155,870 | \$181,120 | 0.861 | DUPLEX | 4010 RESIDENTIAL |
| 33-06-06-03-400-011 | 1685 STILLMAN RD | 08/27/21 | \$225,000 | \$178,020 | \$188,200 | 0.946 | DUPLEX | 4010 RESIDENTIAL |
| 33-14-14-06-100-001 | 3239 PLAINS RD | 10/21/21 | \$167,500 | \$134,930 | \$188,764 | 0.715 | DUPLEX | 4010 RESIDENTIAL |
| 33-06-06-03-400-032 | 3233 DOBIE RD | 11/10/21 | \$138,000 | \$99,437 | \$129,680 | 0.767 | DUPLEX | 4010 RESIDENTIAL |
| | | Totals: | \$2,014,000 | \$1,582,389 | \$1,793,967 | | | |
| | | | | | Ave. E.C.F. => | 0.917 | | |
| | | | | | E.C.F. => | 0.882 | | |

NOTE:

Due to lack of sales in 101, 201, & 301 land tables, a combined study is deemed to be the most reliable value indicator.

0.882

0.882

LESLIE TOWNSHIP 2022 FOR 2023 RESIDENTIAL ECF DUPLEX ANALYZED APPLIED

MERIDIAN 33-02-02 ALAIEDON 33-06-06 VEVAY 33-10-10 LESLIE 33-14-14 MASON 33-19-10 LANSING TWP 33-21-01 DELHI 33-25-05

RESIDENTIAL 401 ECF MH (mobile home) STUDY 2022 FOR 2023 ROLL

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| Parcel Number | Street Address | Sale Date Instr. | Adj. Sale \$ | Bldg. Residual | Cost Man. \$ | E.C.F. | Building Style | Land Table |
|---------------------|--------------------|------------------|--------------|----------------|----------------|--------|----------------|-------------------|
| 33-14-14-30-200-031 | 4702 BLACKMORE RD | 06/19/20 WD | \$125,000 | \$96,764 | \$86,161 | 1.123 | MOBILE HOME | 4010 RESIDENTIAL |
| 33-14-14-26-200-005 | 1236 FITCHBURG RD | 10/29/21 WD | \$99,900 | \$82,337 | \$83,577 | 0.985 | MOBILE HOME | 4010 RESIDENTIAL |
| 33-13-13-24-200-002 | 3685 KINNEVILLE RD | 10/15/21 WD | \$210,000 | \$138,000 | \$68,047 | 2.028 | MOBILE HOME | 4010 RESIDENTIAL |
| 33-15-15-11-101-002 | 2980 LEINHART RD | 04/30/20 WD | \$46,900 | \$28,900 | \$54,568 | 0.530 | MOBILE HOME | 4010 RESIDENTIAL |
| 33-15-15-28-300-013 | 545 FITCHBURG RD | 01/08/21 | \$200,000 | \$18,581 | \$47,834 | 0.388 | MOBILE HOME | 4000 AGRICULTURAL |
| | | | | | Ave. E.C.F. => | 1.011 | | |
| | | Totals: | | \$364,582 | \$340,187 | | | |
| | | | | | E.C.F. => | 1.072 | | |

NOTE:

Due to lack of sales in 101, 201 & 301 land tables, a combined study is deemed to be the most reliable value indicator. Due to lack of sales an expanded ECF range of valid sales were used.

| LESLIE TOWNSHIP 2022 FOR 2023 | |
|-------------------------------|-------|
| RESIDENTIAL ECF MH | |
| ANALYZED | 1.072 |
| APPLIED | 1.072 |
| Signa Sign | |

ONONDAGA 33-13-13 LESLIE 33-14-14 BUNKER HILL 33-15-15

COMMERCIAL/INDUSTRIAL ECF STUDY 2022 FOR 2023 ROLL

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| PARCEL # | UNIT | SALE DATE | SALE PRICE | LAND + IMP VALUE | BUILDING RESIDUAL | COST BY MANUAL | INDICATED ECF |
|---------------------|-------------|-----------|----------------|------------------|--------------------------|----------------|---------------|
| 33-02-02-21-176-013 | MERIDIAN | 07/16/20 | \$200,000.00 | \$66,761.00 | \$133,239.00 | \$102,496.00 | 1.300 |
| 33-17-14-27-151-011 | LESLIE | 08/21/20 | \$435,000.00 | \$56,750.00 | \$378,250.00 | \$251,489.00 | 1.504 |
| 33-17-14-28-202-016 | LESLIE | 09/18/20 | \$130,000.00 | \$24,090.00 | \$105,910.00 | \$121,752.00 | 0.870 |
| 33-16-16-35-176-006 | STOCKBRIDGE | 12/04/20 | \$225,000.00 | \$139,899.00 | \$85,101.00 | \$184,310.00 | 0.462 |
| 33-18-03-36-352-010 | WILLIAMSTON | 01/04/21 | \$160,000.00 | \$67,431.00 | \$92,569.00 | \$43,227.00 | 2.141 |
| 33-01-01-06-104-171 | LANSING | 04/22/21 | \$135,000.00 | \$36,244.00 | \$98,756.00 | \$140,811.00 | 0.701 |
| 33-10-10-16-200-814 | VEVAY | 07/13/21 | \$280,000.00 | \$0.00 | \$280,000.00 | \$248,375.00 | 1.127 |
| 33-02-02-05-352-004 | MERIDIAN | 10/18/21 | \$236,000.00 | \$48,309.00 | \$187,691.00 | \$273,735.00 | 0.686 |
| 33-02-02-21-406-001 | MERIDIAN | 11/19/21 | \$280,000.00 | \$158,927.00 | \$121,073.00 | \$203,713.00 | 0.594 |
| 33-19-10-09-351-008 | MASON | 12/10/21 | \$200,000.00 | \$14,090.00 | \$185,910.00 | \$112,800.00 | 1.648 |
| 33-25-05-23-208-012 | DELHI | 02/17/22 | \$185,000.00 | \$95,224.00 | \$89,776.00 | \$118,794.00 | 0.756 |
| | | | | | | | |
| | | | \$2,466,000.00 | \$707,725.00 | \$1,758,275.00 | \$1,801,502.00 | 0.976 |

NOTE:

Due to lack of sales in commercial and industrial a combined study is deemed to be the most reliable indicator.

LESLIE TOWNSHIP 2022 FOR 2023 COMMERCIAL/INDUSTRIAL ECF ANALYZED 0.976 APPLIED 0.976



Chapter 3: Development of Economic Condition Factors

What is an Economic Condition Factor (ECF)? An ECF adjusts the assessor's use of the Assessors Manual to the local market. County multipliers are provided by the State Tax Commission and adjusted annually to reflect change in the market of the construction costs found in the State Tax Commission Assessor's Manual (Assessors Manual) and to "bring" those costs to the County level. But economic condition factors are necessary, and developed annually by assessors to further refine these costs to the local market.

"An ECF must be determined and used in cost appraisal situations where the Assessor's Manual is used." It is not appropriate to declare that one isn't used because the assessor relied on a recently published Assessor's Manual, or because the improvements are newly constructed. The ECF is used to adjust the costs of the Assessor's Manual to local markets. An ECF must be used regardless of the age of the improvements being valued.

According to the Michigan Constitution, Article IX, Section 3, assessments are developed annually, uniformly and not to exceed 50% of a property's true cash value. Because of the diversity of properties Michigan assessors must value every year in their respective jurisdiction(s), assessors often rely on mass appraisal models to accomplish this task. Most mass appraisal models rely on a cost-less-depreciation approach and adjust its results to what properties are selling for through the use of an ECF. The ECF is prepared by analyzing properties which have sold and then comparing their respective cost-less-depreciation of the buildings (i.e., building value) to that portion of the sale prices attributable to those buildings.

Calculation of Economic Condition Factors

An ECF is developed by analyzing verified property true cash value level sale prices. The portion of each sale price attributed to the building(s) only on the parcel is compared to the value on the record card of the same building(s). The ECF represents the relationship between the appraised value of the building and calculated using the Assessors Manual and its respective building value (i.e., the sale value of that building). When the building value is added to the value of the land and the land improvements, an indication of true cash value is developed for assessment purposes.

Generally, the sales used for the ECF analysis should be from the same time period used for the sales study utilized for Equalization. This is often a 24-month time period. Michigan assessors must consider the following guidelines when developing and applying ECFs:

- 1. The time period of sales for the ECF study should be the same as the County Equalization Department study.
- 2. The County multiplier used by the assessor should be the same as the County Equalization Department.
- 3. The ECF is not applied to land value or the land improvements.
- 4. The ECF is only applied to building improvements.
- 5. The ECF is not applied to any buildings that are assessed as "flat-values".

Assessors should start the ECF calculation by identification of an ECF "neighborhood". The neighborhood should be established so properties sharing similar value-related property characteristics are analyzed together. Borders for ECF neighborhoods may be natural and/or human made. They can also be based on the age of the buildings, construction type and qualities of the buildings, general location amenities, as well as a number of other attributes. ECF's are typically calculated for a group of properties based upon the primary structure and its characteristics. For example, the neighborhood may consist of masonry/brick one-story homes built in the 1950's in a subdivision developed with 800 lots or wood frame two-story homes built in the 1960's throughout a small community.

Assessors can make the mistake of having too many neighborhoods. Assessors set up neighborhoods based on subdivisions and the parcel count is simply too small to do any type of analysis. Within the commercial and industrial classes, ECF's are sometimes calculated for different types of properties (e.g., apartments, warehouses, strip retail centers, big box retail stores, manufacturing plants, and research and development buildings)

It is critical that the ECF analysis be based upon a sufficient number of verified armslength sales transactions and that the sales be representative of the properties being assessed using the ECF. In some rural townships, there may be insufficient sales to develop an ECF. In this case, the assessor may have to analyze sales in adjoining communities to assist in developing an ECF. The assessor may need to include sales having occurred outside the normal period, requiring the use of a market conditions adjustment (i.e., time). It may be necessary to compare the subject area to another area with a known ECF and make adjustments in much the same way as comparable sales are adjusted to a subject property in a market appraisal.

An assessor should verify the sale price and terms of sale for each parcel used in its ECF analysis. An assessor should also make a physical inspection of the property to determine if there were any physical changes that may affect the sale price. Physical changes could include remodeling a basement, an addition to the building, or a new garage. These changes must be noted so that the assessor can properly value the property as it existed prior to the sale, or so the property can be removed from the ECF analysis. The assessor should use the effective age as of the date of sale or the assessment date.

The proper development of land value is essential to an accurate ECF. The estimate of the depreciated value of the land improvements is also critical. It is important that the land values used to set the ECF are also the land values used for the assessments of those properties. These items are removed from the sale price when developing an ECF.

In terms of comparisons, assessors should try to use properties with small amounts of land and land improvements. Fewer and smaller the deductions will allow for the most accurate ECF because, in most cases, the most value is in the structure. An example would be trying to use a parcel with a house on an 80 acre parcel compared to a similar house on a 1 acre parcel. Chances are the 80 acres are worth more than the house. A slight value difference in the land would cause a huge value change in the residual for the house.

ECFs should generally be applied as calculated. Any variation from the calculated ECF must be fully documented. The detailed calculations used to develop the ECF must be kept on file to be used in defense of appeals, necessary in AMAR audits, explaining assessment to property owners, etc.

The following table contains an example of reproduction costs of four homes which are identical except for their location and are located in six different counties. The base cost is multiplied by the appropriate County multiplier to give the final cost new for each house in each County.

| County | Base Reproduction Cost New | County Multiplier | Final Reproduction Cost New |
|-----------|----------------------------------|----------------------|-----------------------------------|
| Alcona | \$100,000 | 1.05 | \$105,000 |
| Marquette | \$100,000 | 1.13 | \$113,000 |
| Sanilac | \$100,000 | 1.14 | \$114,000 |
| Kent | \$100,000 | 1.19 | \$119,000 |
| Wayne | \$100,000 | 1.36 | \$136,000 |
| Van Buren | \$100,000 | 1.13 | \$113,000 |

After getting an estimate of cost new, you subtract depreciation which gives an estimate of cost-new-less-depreciation. To develop an ECF, the depreciated cost of the building which has sold is compared to the sale value of that same building. The ECF indicator for each sale is calculated by dividing the sale price of the building by its cost new (with county multiplier applied) less any and all depreciation associated with the building. One ECF indicator is not sufficient for the development of a reliable ECF. Use of a sufficient number of sales is necessary to ensure the accuracy of an ECF.

Although the individual ECF calculations are shown in the ECF analysis, the separate ECF indicators are not averaged to develop the final ECF. The separate ECF indications are listed so an assessor can easily observe and review "outlying" ECFs. Also, showing the individual ECF indications allows the assessing officer an opportunity to observe if there is consistency or patterns reflected by the analysis. It is a good practice to plot the individual ECF indications on a map of the ECF area. Plotting individual ECF indications on a map of the ECF area. Plotting individual ECF indications on a map may help an assessor's ECF evaluation. This same procedure is followed to develop commercial and industrial ECFs.

The development of an ECF is relatively simple if there are a sufficient number of recent, relevant, and reliable sales in the area. Sales for the ECF analysis should be limited to those occurring during the same time period as the sales study used to set the starting base. It is not necessary, or appropriate, to adjust sales for market conditions (i.e., time) if they transacted within the proper sale study time period.