

2007/2008 TIME ADJUSTED SALES PRICES (TASP)

C.R.S. 39-1-104 (10.2) (a, d) Establishes the reappraisal cycle / data gathering period / appraisal date and concludes ... "Said level of value shall be adjusted to the final day of the data gathering period."

For 2007/2008, the base year data gathering period is 1/1/05 thru 6/30/06, with all sales adjusted for time to 6/30/06. In effect this changes all recorded sales prices prior to 6/30/06 to reflect the market value as of 6/30/06.

For 2007/2008, all decisions for taxpayer appeals must consider the TASP as opposed to the recorded sales price.

TIME ADJUSTMENT METHODOLOGY

IAAO recognizes four techniques for deriving time adjustment factors. They are: resales analysis, paired sales analysis, multiple regression analysis, and sales ratio analysis. For the 2007/2008 values, two of these methods were used. Primary analysis was performed for all residential Economic Areas utilizing the sales ratio methodology. Secondary analysis was performed utilizing multiple regression analysis. The sales ratio analysis is the technique used by the auditor. The following is a brief explanation of the sales ratio analysis method.

1. Calculate each sales ratio and group by month.
Ratio = 2006 value(s) / base year sale(s) price.
2. Array each month of ratios to find a monthly median.
3. Utilize linear regression analysis to determine the monthly adjustment based on the monthly median.

This methodology was studied and applied by Economic Area Stratification, per guidelines of the Auditor and the Department of Property Taxation.

The opposite side of this page explains the residential comparable sheet layout. See the back of the Notice of Value form for the residential comparable sheet. For some properties, a subject's characteristics form is presented in place of a comparable sheet.

2007/2008 COMPARABLE SHEET LAYOUT

The Comparable Sales Sheet contains seven columns from left to right:

Columns	1	line by line descriptive headings
	2	corresponding descriptive data for the subject property
	3 - 7	corresponding descriptive data for comparables 1-5.

Most of the descriptive headings are self-explanatory, but a few may need further explanation.

NBHD	Numeric code for a defined neighborhood.
EGON/NBHD	Groups the NBHD to an Economic Area.
MODEL #	The Multiple Regression Analysis model used to calculate the value.
BATH FIXTS	4F/3F/2F/AF (header for Bath Count). 4F=tub & separate shower, 3F=full bath, 2F=powder room, AF = additional fixture
BATH COUNT	01/02/01/01 (# of baths by fixture count)
SALE DATE	MONTH, DAY, and YEAR of sale MUST be between 01/01/05 and 06/30/06
SALE PRICE	Price recorded by Clerk & Recorder
TASP-PP	Time-Adjusted Sale Price (after deducting allowable declared Personal Property and adjusting for time). Final sales prices used for valuation.
MRA ESTIMATE	The value calculated for the property by the multiple regression analysis model. (MRA SUBJECT) – (MRA SALE) = LUMP SUM DIFFERENCE (+ or -) IN VALUE BETWEEN PROPERTIES.
ADJUSTED SALE	Calculated for each sale: TASP-PP + LUMP SUM DIFFERENCE. (+ or -) = ADJUSTED SALE
COMPARABILITY DISTANCE	Indicator for the degree of comparability, before adjustment, between the subject and each comp. 0 means that no adjustment is necessary 0-100 excellent to good 100-300 good to fair Above 300 is non-comparable
WGTD ESTIMATE	Weighted average of the five adjusted sale prices.
MARKET VALUE	Correlated value for the subject. Calculated by considering seven values: MRA ESTIMATE for the subject, WGTD ESTIMATE, and the five ADJUSTED SALE prices; drop the two highest, the two lowest, and correlate the middle three.
FUNC & ECON OBS	Functional obsolescence: direct % of deduction applied to the residence. Economic obsolescence: direct % of deduction applied to residence and land.
ADJUSTED MARKET VALUE	= MARKET VALUE minus FUNCTIONAL & ECONOMIC OBSOLESCENCE.
CD	1 = BEST 5 = WORST OF COMPARABLE FIT