

French Quarter Land Valuations



Borders of French Quarter



Land Valuation Techniques♪

- There are 6 generally accepted methods for land valuation recognized by IAAO (International Association of Assessing Officers).
 - Sales Comparison
 - Allocation
 - Abstraction
 - Anticipated Use or Development –not used
 - Capitalization of Ground Rent –not used
 - Land Residual Capitalization –not used

Steps in Valuation

- The steps to valuating land:
 - Identifying the property
 - Collect data on the property
 - Analyze the data
 - Classify the property
 - Value the property

Sales Comparison Approach

- Direct Sales Comparison –This method compares a subject property with comparable vacant land sales.
- For the purposes of a Mass Appraisal, a direct multiplier or indicator of value, is calculated using a vacant land sales. This multiplier is standard price/SF derived by statistical analysis of land sales.

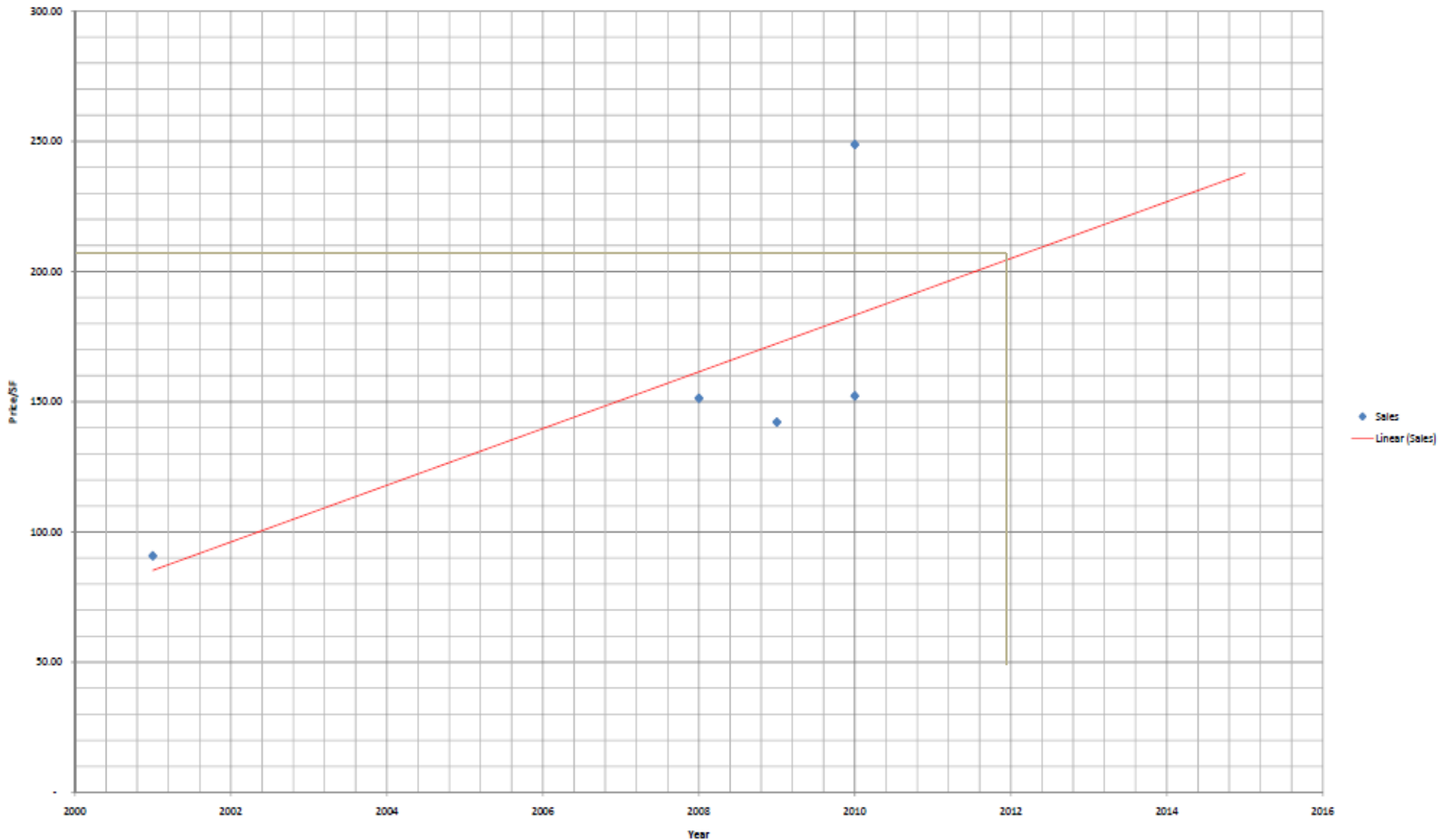
Sales Comparison Approach

- If not enough sales can be verified for a given area, one can use two other common methods to gather more sales data:
 - Historical Trend Extrapolation
 - Using data for the same area over a long span of time.
 - Comparable Area Sales
 - Using data from different areas and adjusting for location differences.

Sales Comparison Method

Historical Trend Extrapolation (FQ)

Neighborhood : Historic French Quarter
Vacant Land Sales Over Time



Sales Comparison Method Historical Trend

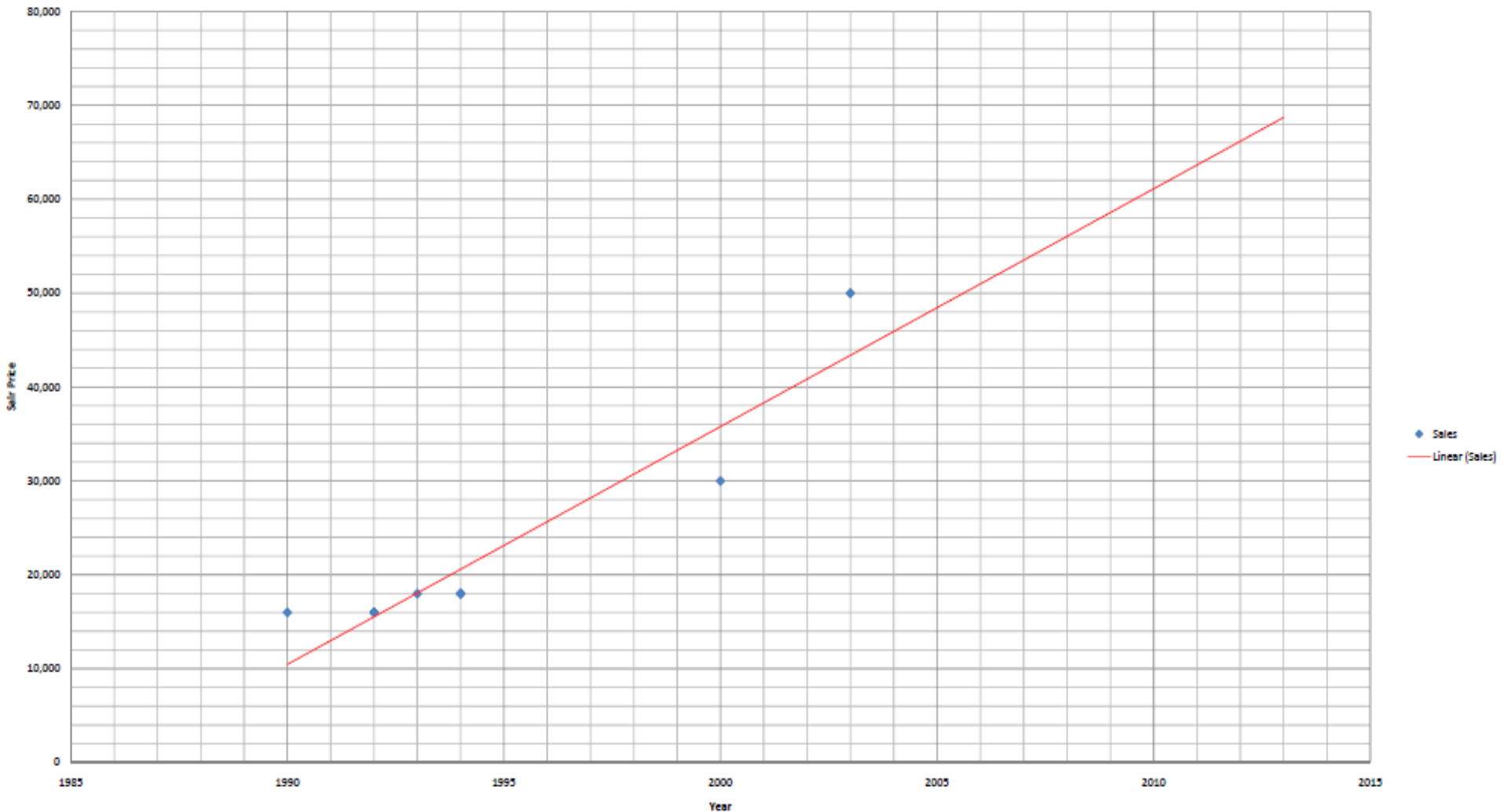
French Quarter Land Analysis

Address	Sold Date	Sold Price	Condition	Site Size	Imp GLA	Unit Price	Unit \$ After Demo	90%	85%	80%	Comments
924-Orleans Ave	10/22/2010	550,000	Poor	2,432	4,714	\$ 226.15	248.77	223.89	211.45	199.01	Estimated Cost of Demo & 10%
1027-Chartres St	9/22/2010	775,000	Poor	5,600	6,746	\$ 138.39	152.23	137.01	129.40	121.79	Estimated Cost of Demo & 10%
1235-Bourbon St	3/13/2009	700,000	Poor	5,415	6,000	\$ 129.27	142.20	127.98	120.87	113.76	Estimated Cost of Demo & 10%
826-Ursulines St	5/23/2001	375,000	Vacant Lot	4,128	0	\$ 90.84	90.84	81.76	77.22	72.67	
933-ContiSt	7/23/2008	310,000	Vacant Lot	2,048	0	\$ 151.37	151.37	136.23	128.66	121.09	
			Median	4,128	4,714	\$ 138.39	151.37	136.23	128.66	121.09	
			Average	3,925	3,492	\$ 147.20	157.08	141.37	133.52	125.67	
			Min	2,048	0	\$ 90.84	90.84	81.76	77.22	72.67	
			Max	5,600	6,746	\$ 226.15	248.77	223.89	211.45	199.01	

Sales Comparison Method

Condo Parking Spaces (FQ)

Neighborhood : Historic French Quarter
Sales Over Time



Note: Average Sales Price = \$21,600. Median Sales Price = \$18,000
Sample Size = 10 Sales.

Sales Comparison Method Comparable Area (CBD)

BILL#	SALEDT	PRICE	LAND SQFT	Sale \$/SF	LUC	NBHD
104100907	13/Apr/12	612,000	4,961	123.36456		1CB01000
105102017	06/Feb/08	725,000	1,819	398.57449		1CB01000
103105013	05/Jan/11	2,700,000	36,160	74.67456		1CB04000
103105422	01/Sep/11	95,000	1,983	47.91456		1CB04000
103104105	19/Feb/08	532,477	10,898	48.86456		1CB04000
105102113	30/Dec/10	500,000	11,599	43.11500		1CBR1100
104102415	28/Jan/11	141,500	3,021	46.84500		1CBR1100
104102420	15/Dec/10	200,000	4,048	49.41400		1CBR1100
104102625	01/Nov/11	325,000	5,811	55.93500		1CBR1100
103105215	30/Mar/11	175,000	2,013	86.93500		1CBR4000
103105220	27/Oct/11	187,300	1,873	100.00500		1CBR4000
103105221	19/Oct/11	240,900	2,409	100.00500		1CBR4000
103105419	09/Feb/12	212,000	3,701	57.28500		1CBR4000
			Mean	94.84		
			Median	57.28		

Allocation Method

- The Allocation method of site valuation is useful when there are no sales of vacant land available.
- A portion of the total sale of an improved property is allocated to the land using a ratio.
- A matched pairs analysis was used to derive the land to building ratio.

Allocation Method

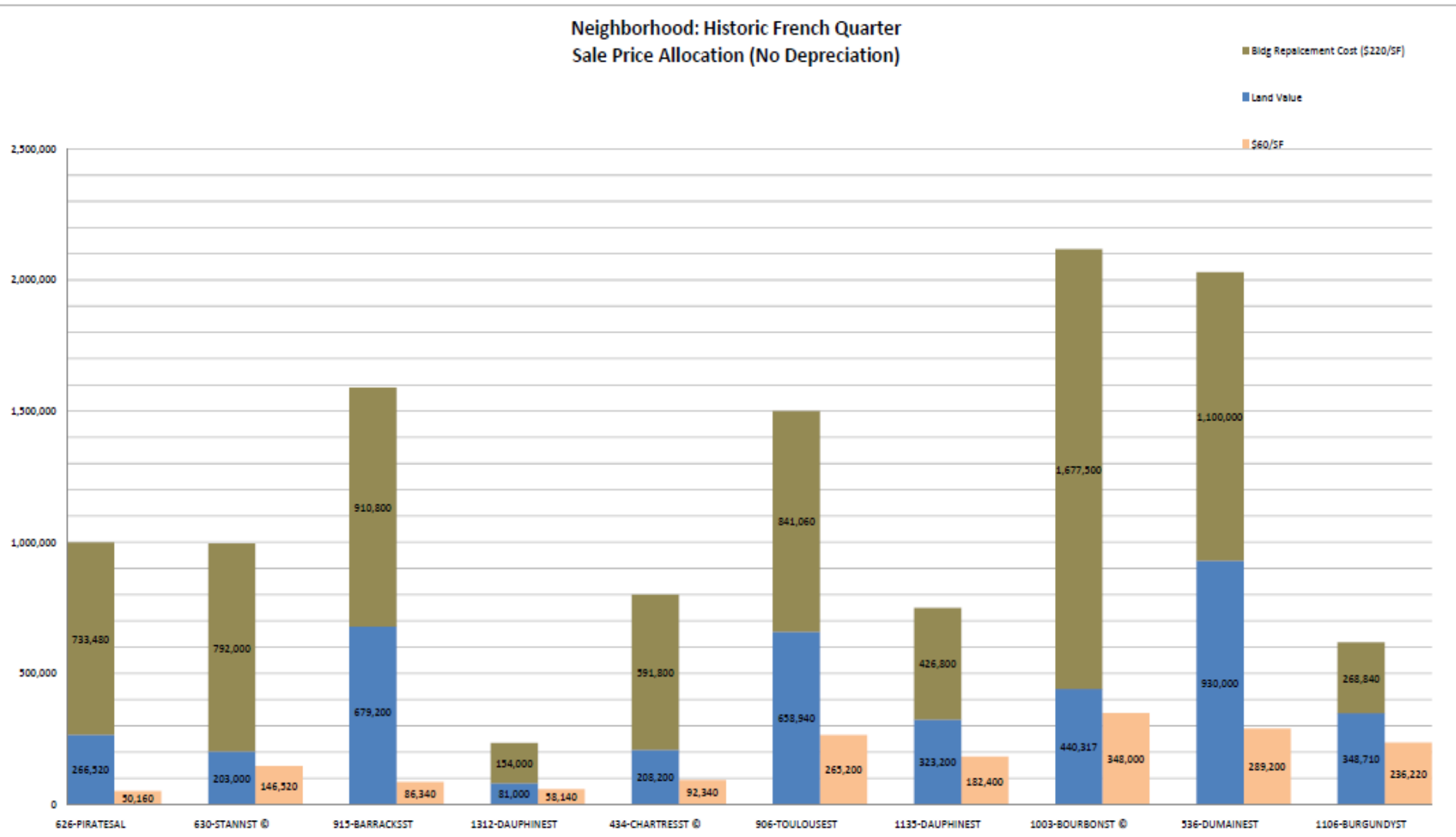
Matched Pairs Analysis

TAX #	SALE DATE	SALE PRICE	LAND SQ.FT	Est.Land Value *****	LAND \$/SF	CLASS
207101313	02/17/12	1,000,000	836	530,000	633.97	RES.
207101406	01/13/12	995,000	2,442	527,350	215.95	COMM.
208101924	11/15/10	1,590,000	1,439	842,700	585.62	RES.
208101825	09/30/11	235,000	969	124,550	128.53	RES.
206101616	03/31/11	800,000	1,539	424,000	275.50	COMM.
207103401	02/12/10	1,500,000	4,420	795,000	179.86	RES.
208102106	05/30/12	750,000	3,040	397,500	130.76	RES.
208101501	03/13/12	2,117,817	5,800	1,122,443	193.52	COMM.
207100607	09/15/11	2,030,000	4,820	1,075,900	223.22	RES.
208102120	03/30/12	617,550	3,937	327,302	83.13	RES.
	Average	1,163,537	2,924	616,674	265.01	
	Median	997,500	2,741	528,675	204.74	

Abstraction Method

- Abstraction Method
 - The abstraction method is useful for valuing land where there are no available sales history.
 - A fair allowance for the reproduction cost of the improvement is calculated. The remaining percentage of a sale is assigned to the land portion of the property.
 - Reproduction Cost New (No Depreciation) was calculated using Marshall & Swift Cost Estimator Service.

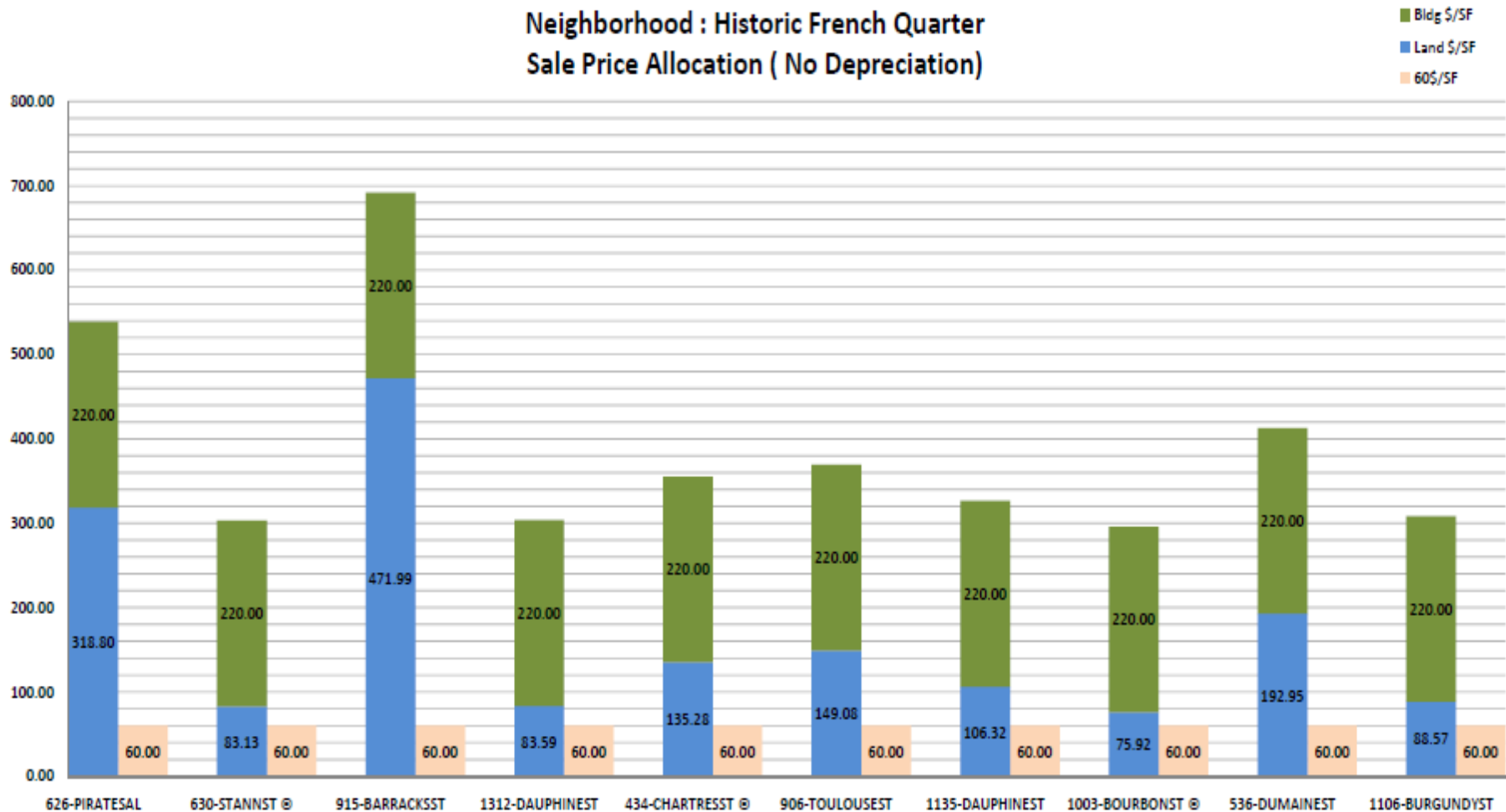
Abstraction Method



Note: (c) depicts commercial properties. All others are residential.

Abstraction Method

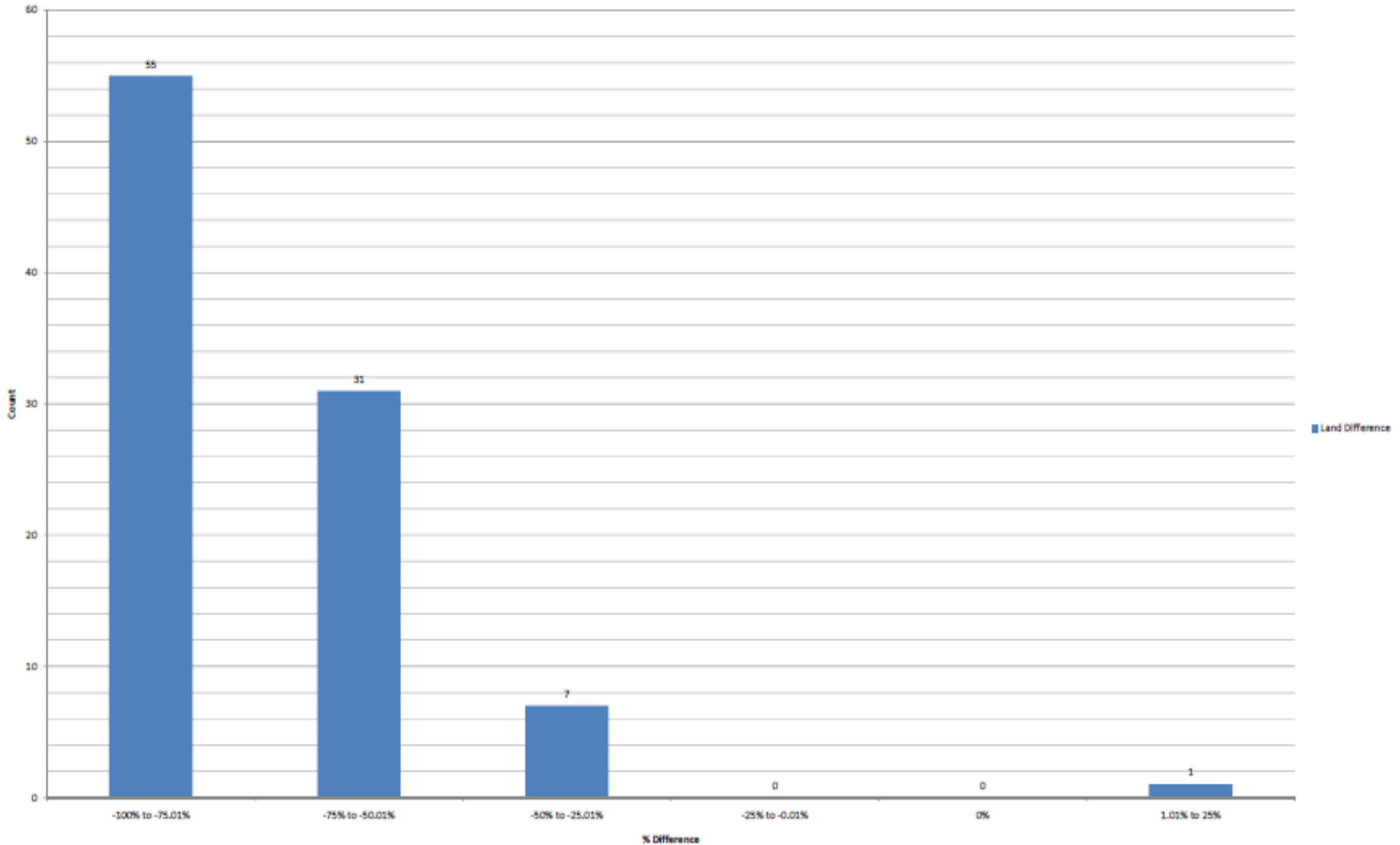
Neighborhood : Historic French Quarter
Sale Price Allocation (No Depreciation)



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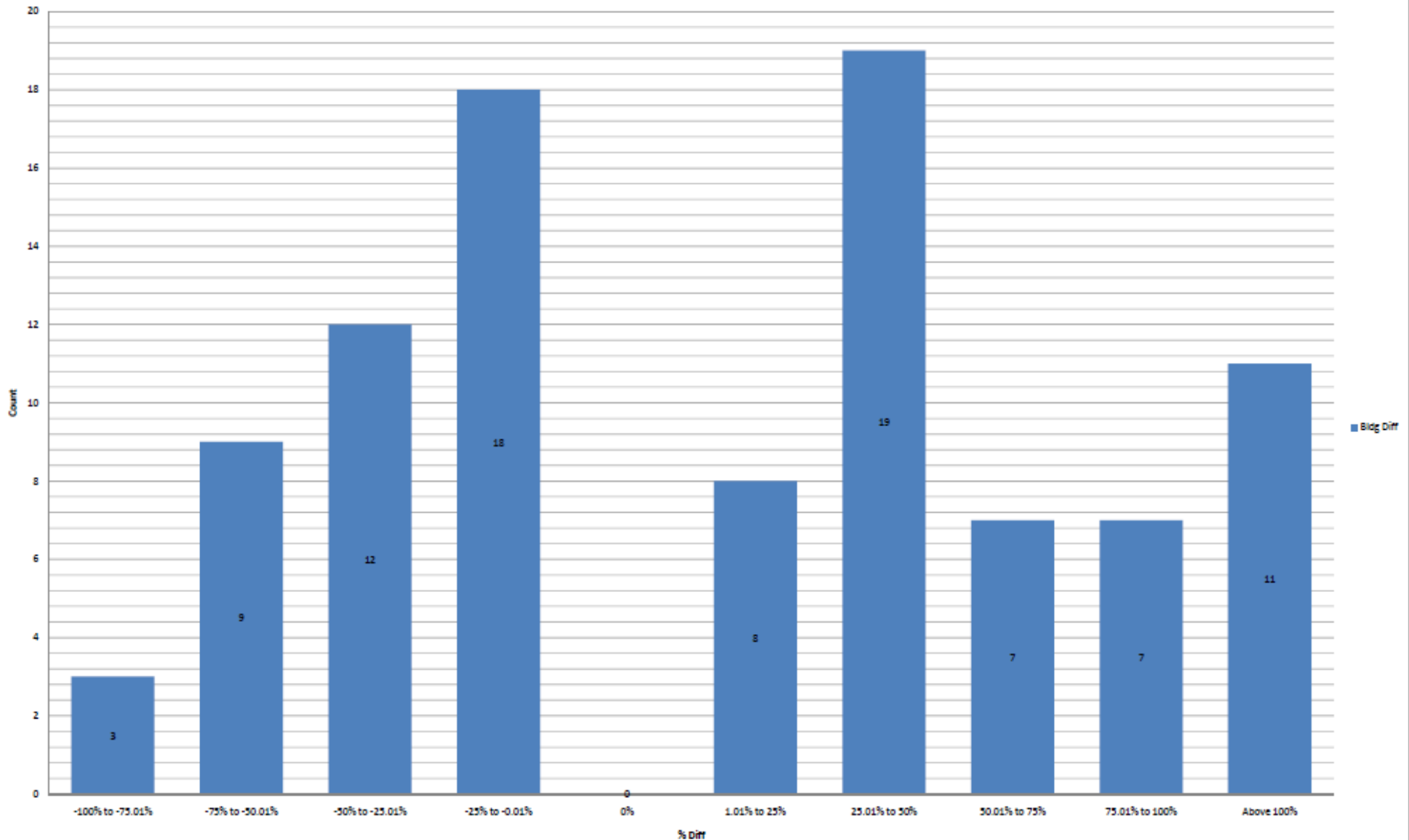
Land Differences Pre-Sale Vs Recommended

Pre Sale Vs Recommended Values



Bldg Differences Pre-Sale Vs Recommended

Pre Sale Vs Recommended Value



Reconciliation

Pre Sale Vs Recommended Values

	Pre Sale Value				Required Post Sale Value			Amount Current/Required		Percent Current/Required		Amount Pre Sale/Required		Percent Pre Sale/Required	
	Sale \$	Land	Bldg	Total	Land	Bldg	Total	Land	Bldg	Land	Bldg	Land	Bldg	Land	Bldg
Mean	920,804	110,752	541,322	652,074	486,184	434,619	920,804	-301,906	364,036	-55.49%	85.26%	-323,867	106,702	-73.18%	29.55%
Median	740,000	97,900	397,700	500,000	390,720	349,280	740,000	-220,750	270,366	-62.57%	82.20%	-242,500	57,222	-78.58%	18.51%
Min	235,000	33,600	62,200	167,900	124,080	110,920	235,000	-1,246,400	-111,800	-90.79%	-39.48%	-1,193,200	-952,530	-94.00%	-78.66%
Max	2,900,000	368,600	3,305,100	3,450,000	1,531,200	1,368,800	2,900,000	51,800	1,619,589	16.63%	832.22%	85,400	2,765,200	16.35%	585.85%

Note: Sample Size = 94