Adopted under N.C.G.S. 105-317

2027 Schedule of Values, Standards and Rules

Public hearing on the proposed schedules for the reappraisal effective January 1, 2027

Board of Commissioners · November 16, 2026 · Travis Isaacs, Tax Administrator

The SOV is the county's rulebook for valuing real property

The published rates, adjustments and procedures every appraiser must follow to value property at market as of January 1, 2027

What it IS

- The method and the rate tables: land, building cost, grade, depreciation, income models and present-use value
- The single standard staff use for all 59,283 parcels, so like property is valued alike
- How owners trace every figure on their Property Record Card to a published rule
- Required by G.S. 105-317(b)(1): "sufficiently detailed to enable those making appraisals to adhere to them"

What it is NOT

- Not the tax rate. The Board sets that separately, during the budget
- Not any one property's value. Values come from applying the SOV
- Not a revenue decision. A reappraisal redistributes the tax burden; it does not raise money
- Not changeable after adoption. Schedules stay in force until the next general reappraisal

State law sets the what, the when and the how

Machinery Act, N.C.G.S. Chapter 105, Subchapter II. The county's discretion is in the method; the mandate is the State's

G.S. 105-283

Value at market

All property appraised at "true value in money": the price between a willing buyer and willing seller, neither compelled. The county cannot value below market.

G.S. 105-286

Reappraise on a cycle

At least every 8 years. Under (a)(3) Burke adopted a 4-year cycle by resolution dated Dec 19, 2001. Last reappraisal 2023; next Jan 1, 2027.

G.S. 105-287

Values hold between cycles

In non-reappraisal years values change only for errors, misapplied schedules or physical change, not for inflation or market movement.

G.S. 105-317

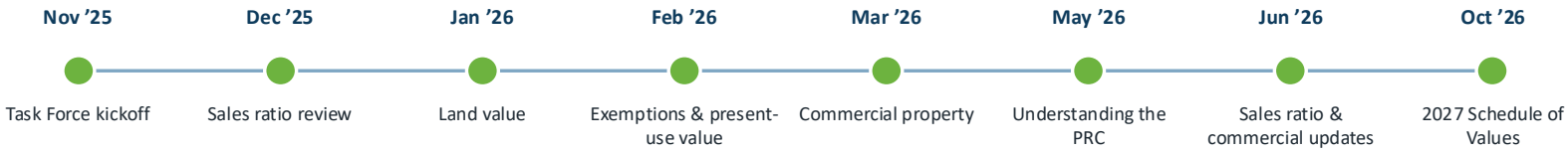
Adopt the schedules

(a) factors appraisers must weigh; (b) uniform schedules and property records; (c) Board review, hearing, adoption and notice before Jan 1.

Twelve months of public work led to tonight

Revaluation Task Force (7 citizen members appointed by the Board) and Board of Commissioners updates

TASK FORCE TOPICS



BOARD OF COMMISSIONERS UPDATES

July 20, 2026

Reappraisal update: 2025 DOR sales ratio 78.91%; values ~22% below market

August 2026

Revaluation process, mass appraisal methodology and the SOV

September 8, 2026

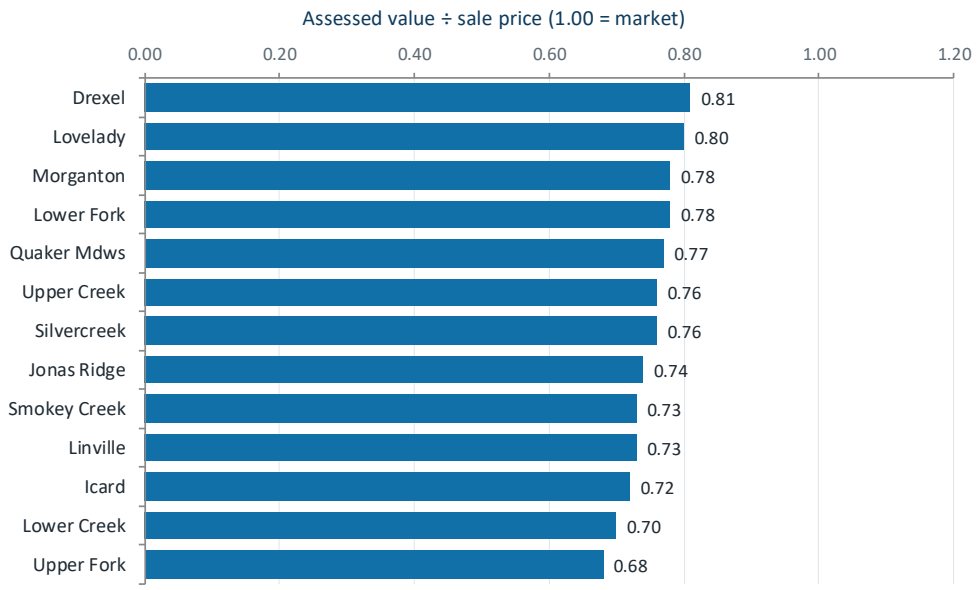
Understanding the SOV; township sales ratio study; in-house cost savings

October 19, 2026

Proposed 2027 SOV delivered to the Board and filed for public inspection

Values have drifted well below the market since 2023

2023 values compared with 4,641 qualified sales, trended to 2026, by township (all sales, improved and vacant)



78.91%

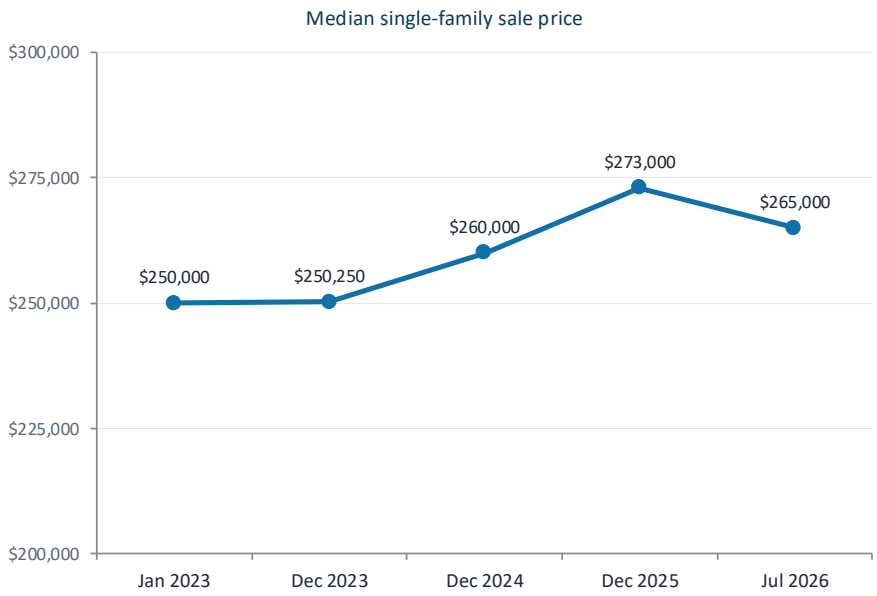
2025 NCDOR sales assessment ratio, below the 0.85 threshold in G.S. 105-286(a)(2)

~22%

Gap between 2023 values and what property sells for today. Every township sits below 0.85

Housing: prices rose then eased, and supply is the real story

Single-family homes, Burke County, rolling 12 months. Canopy MLS (SOV section 1-3)



$250K → $265K

Median sale price, 2023 reappraisal to July 2026

24 → 56 days

Average days on market, up 133%

1.5 → 4.1 months

Months' supply of inventory, up 173% and still rising

Land outpaced housing while the local economy softened

SOV section 1-3, Market Conditions Since the 2023 Reappraisal

+20.9%

Median lot, acreage and farm price, $43,000 → $52,000. Volatile: $56,250 in 2024, $49,000 in 2025

3.3% → 3.9%

County unemployment 2023 to 2025; above the State rate (3.8%) for the first time in the series

69%

Burke average private wage ($49,020) as a share of NC ($70,672). Tier One county for 2026

14,345

Building-related permits issued by the County and Morganton, 2023 to August 2026

What it means: population grew only 1.2% and wages trail the State, so neither explains the price movement. Values rose fastest on Lake James, Lake Rhodhiss, Lake Hickory and in the mountain areas. Expect uneven change, which is exactly what a reappraisal corrects.

What the schedules apply to: the Burke County tax base

SOV section 1-2. NCPTS, as of September 17, 2026

59,283

Real property parcels

68% / 32%

Improved / vacant share of parcels

29.45%

Of parcels exempt or carried at a deferred value

Exempt: removed from the tax base

- Federal, State, County and municipal property, notably Pisgah National Forest, South Mountains and Lake James State Parks, and the Catawba River corridor
- Religious, educational and other qualifying exempt organizations

Deferred: stays on the base at its deferred value

- Farm, horticultural and forest land at present-use value, G.S. 105-277.2 to .7
- The difference from market value is carried as deferred tax, a lien on the parcel

Every rate in the SOV is derived from qualified sales

Part IV, Mass Appraisal. Study period January 1, 2023 to December 31, 2026, all within NCPTS

1. Data management

EagleView 2025 imagery and SketchInspect checked every sketch; permits, deeds, Canopy MLS and CoStar keep records current

2. Sales qualification

Arm's-length test of G.S. 105-283. Family, foreclosure, multi-parcel and other non-market transfers are screened on published grounds

3. Time adjustment

Every sale is adjusted to a January 1, 2027 price level so market movement is not mistaken for assessment error

4. Ratio testing

Each qualified sale is priced on both the 2023 and proposed 2027 schedules, side by side, to calibrate the new rates

Rule written into the SOV: a sale is never rejected because it is inconvenient to the result, and an assessment is never altered to meet a sale. Every rejection is recorded against the transfer and is reviewable.

One primary approach for each property type

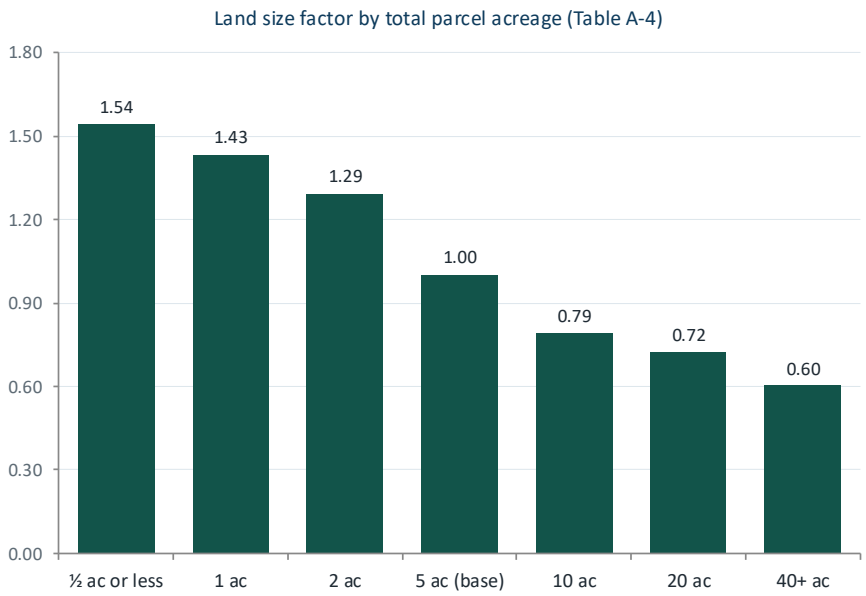
Section 3-4, Reconciliation. G.S. 105-317(a) lists the factors that must be considered for land and buildings

Property type	Primary approach	In plain terms
Vacant land	Sales comparison	What comparable land is actually selling for
Single-family, manufactured and modular homes	Cost, calibrated to market by area	Rebuild cost less depreciation, checked against local sales
Condos and townhouses	Cost, calibrated to market by area	Homogeneous units, so sales support directly
Apartments, retail, office, hotels, industrial	Income	What an investor pays for the income stream
Special-purpose, institutional, churches	Cost	No rental market exists, so cost is the evidence
Low-income housing (G.S. 105-277.16)	Income, required by statute	Actual restricted income and expenses

Where judgment enters: quality grade, condition, land influence factors and obsolescence, always inside published ranges and supported by market evidence.

Residential land: priced from vacant sales, by cluster

Sections 5-1 and 5-2. 767 residential market areas grouped into 292 clusters within 13 townships



How a land line is priced

- Clusters group market areas with 2023 prime values within $7,000, comparable balance rates, the same acreage class and centroids within 4 miles
- Prime site (first ½ acre) carries the building site rate
- Balance acreage gets the size factor: price per acre falls as tracts get larger
- Line adjustments supported by sales: flood, topography, view, shape, access, non-perk, corner

Residential buildings: base rate × size × grade − depreciation

Sections 5-3 to 5-10. One countywide cost schedule, calibrated to each market area by sales

Base rates per sq ft

Single family / cabin	$150.00
Townhouse / condo	$145.00
Modular home	$125.00
Barndominium / ADU	$125.00
Manufactured, multi-section	$113.00
Manufactured, single-section	$112.00
Tiny house	$300.00

Quality grade

A	Very Good	150%
B	Good	122%
C	Average	100%
D	Fair	82%
E	Low Cost	65%

33 steps in all (Appendix 10). Grade is built-in quality, not condition

Depreciation

- Read from economic life (25, 40, 50 or 75 years), effective age and one of eight condition ratings
- 75-year life, effective age 20: Good 10%, Average 15%, Poor 25%
- Effective age 50: Good 35%, Average 40%, Poor 50%
- Age moves the whole row; the rating moves along it

A real parcel, priced entirely from the published tables

Section 5-12. A 2.66-acre Silvercreek parcel with a 2,483 sq ft dwelling built in 1935 and seven outbuildings

1 Land

$52,522

- Prime ½ ac × $58,000 = $29,000
- Balance 2.16 ac × $9,000 × 1.21 size factor = $23,522

+

2 Dwelling

$365,044

- $150.00 × 0.97 size = $145.50/sf
- Grade B-8 × 1.12; RCN $450,672
- Eff. year 2003, Average: 19% depreciation

+

3 Outbuildings

$2,778

- Seven sheds and lean-tos, 1953 to 1980
- Grade C, each on its own schedule, 72% to 75% depreciated

=

4 Total value

$420,344

- Printed as Total Taxable Value on the Property Record Card
- No exemption or deferral applies

Every figure comes from a published table: land rates and size (A-1 to A-4), base rates (5-3), size factors (Appendix 12), grade (Appendix 10), depreciation (Appendix 11).

Commercial and industrial: land by cluster, value by income

Part VI. Income evidence from the Burke County Income Approach and Capitalization Rate study

Commercial land clusters

0 Downtown Morganton central business district (priced per sq ft)

1–2 Commercial and industrial inside Morganton city limits

3 Commercial corridor between I-40 and US 70

4 Rural

Improved commercial site: $8,000 to $408,000 per acre

Value = Net Operating Income ÷ Cap Rate

Property type	Cap rate range
Multi-family (Morganton)	5.0% – 9.4%
Strip retail center	5.2% – 10.2%
Office, suburban	6.0% – 11.4%
Industrial warehouse	5.2% – 10.2%
Drugstore, net lease	4.0% – 8.0%
Fast food, net lease	3.8% – 7.8%

Stronger, safer income = lower cap rate = higher value. Full models at Table C-25, Appendix 19

Present-use value: rates set by the State

Part VII. G.S. 105-277.2 to 105-277.7; G.S. 105-317(c) allows market and PUV schedules to be adopted simultaneously

Class (per acre)	Mountains MLRA 130	Piedmont MLRA 136
Agricultural I	$1,200	$950
Agricultural II	$835	$645
Agricultural III	$545	$420
Horticultural I	$2,485	$1,370
Horticultural II	$1,705	$890
Forestry I	$445	$380
Forestry II	$300	$280
Class IV / VI non-productive	$40	$40

Source: 2027 Use-Value Manual, NC Use-Value Advisory Board (G.S. 105-277.7), June 2026. Full schedule at section 7-10

Who qualifies

Agricultural 10 ac and horticultural 5 ac in production with $1,000 average gross income; forestland 20 ac under a written forest management plan

How it works

Both values are kept; tax is billed on the lower. The difference accrues as deferred tax, a lien on the land

If disqualified

Three prior years of deferred tax become due with interest (G.S. 105-277.1F)

The tests the 2027 values must pass before notices go out

Section 4-5. Standards from the IAAO Standard on Mass Appraisal, adopted as part of the SOV

Accuracy

Median ratio

90% – 110%

The middle appraised-value-to-sale-price ratio, countywide and, as far as practical, in each market area

Uniformity

Coefficient of dispersion

10% – 25%

Single-family 15% or less; newer, homogeneous homes 10%; rural and income property 20%; vacant land 25%

Fairness across price

Price-related differential

0.98 – 1.03

Above 1.03 means lower-value homes are assessed at a higher share of market than expensive ones

For owners: values change, revenue does not

Every value, and the schedules themselves, can be challenged

“Will my taxes go up?”

- The Tax Administrator sets value; the Board sets the rate, separately and afterward
- G.S. 159-11(e): the budget must publish a revenue-neutral rate for comparison
- A bill changes based on how a property moved relative to the county as a whole, and on the rate adopted

1 — Informal review

Filed with the Tax Office within the window on the notice. Most appeals resolve here

2 — Board of Equalization & Review

G.S. 105-322. Formal hearing; Board may raise, lower or sustain

3 — Property Tax Commission

G.S. 105-290. Within 30 days of the Board’s notice; then the courts

SOV — Challenge the schedules

G.S. 105-317(c)(3)b. Except to the Board’s order and appeal to the PTC within 30 days of the first notice

Key dates for the 2027 Schedule of Values

Adoption and public notice record under N.C.G.S. 105-317(c)

Oct 19, 2026	COMPLETE	Schedules delivered to the Board; copy filed for public inspection	G.S. 105-317(c)(1)
Oct 21, 2026	COMPLETE	Notice of public hearing published	G.S. 105-317(c)(2)
Nov 16, 2026		Public hearing on the proposed schedules; no vote tonight	G.S. 105-317(c)(2)
Week of Nov 23, 2026		Board adopts the schedules, after the seven-day waiting period	G.S. 105-317(c)(2)–(3)
Nov 30 – Dec 21, 2026		Notice of adoption published, four consecutive weeks	G.S. 105-317(c)(3)
Late Dec 2026		Last day to challenge the schedules at the Property Tax Commission: 30 days after first notice	G.S. 105-317(c)(3)b
Jan 1, 2027		Effective date of the reappraisal; schedules apply to every parcel	G.S. 105-286, 105-317(c)
February 2027		Notices of value mailed to every owner (expected); appeal period opens	G.S. 105-322