

**RURAL SITE VALUATION  
NON –AGRICULTURAL/HORTICULTURAL LAND; OTHER USE  
OR SPECIAL VALUATION PARCELS**

**OBJECTIVE:** To establish the policy, procedures and methods concerning the valuation of land uses that are not considered agricultural or horticultural land.

**REFERENCE:**

Chapter 77 – Revenue and Taxation – 77-201 – Property Taxable; valuation; classification. (7/2019).

Title 350 – Nebraska Department of Property Assessment and Taxation  
Chapter 14 – Agricultural Land and Horticultural Land Assessment Regulations 14-005  
Other Agricultural and Horticultural Land Uses  
005.01 There are other land uses in rural areas, which are not classified as agricultural land and horticultural land uses. All of these areas will need to have market studies conducted by the assessor to determine the proper assessment of the land. Other land uses shall not be classified as agricultural and horticultural land and shall be assessed at 100% of actual or market value. (3/15/2009).

Directive 12-3–Nebraska Department of Revenue Property Assessment, Determining Whether a Site is a “Farm Home Site”. (8/6/2012).

**SARPY COUNTY TERMINOLOGY:**

- **Homestead** – Shall mean the home or homes and adjoining land occupied by a family or families (Webster Dictionary).
- **Site** – Shall mean all land, which is not agricultural or horticultural land within an agricultural or horticultural parcel.
- **Farm Home Site** – means land contiguous to a farm site which includes an inhabitable residence and improvements used for residential purposes and which is located outside of urban areas or outside a platted and zoned subdivision.(Dir 12-3)
- **Farm Site** – means the portion of land contiguous to land actively devoted to agriculture which includes improvements that are agricultural or horticultural in nature, including any uninhabitable or unimproved farm home site.(Dir 12-3)
- **Primary Acre** - Contains a Site that will support an inhabitable dwelling and may contain other improvements. It is up to one (1) acre in size.
- **Secondary Acre(s)** – May contain other improvements and may contain areas supporting an uninhabitable/habitable dwelling. Typically acres 2, 3, 4 and 5.
- **Residual Acre(s)** – Is the remainder of land which is not the Primary or Secondary Acre(s). Residual Acre(s) is limited only by the size of the parcel; typically greater than 5 acres.

**POLICY:** The intent of this Standard Operating Procedure is to demonstrate the valuation method applied to the non-agricultural/horticultural component of agricultural land. In accordance with Nebraska State Statute 77-201, it is the policy of the Sarpy County Assessor’s Office to value the site (non-agricultural/horticultural) portion of the agricultural/horticultural parcel at 100% of its actual or market value. The market value will be established utilizing standard mass appraisal methods as is the case with all classes of real property.

The application of the Rural Site or Farm Home Site Model is determined by statute. Should the parcel contain a Farm Site as defined above, the Farm Home Site Model would be applicable; all others without a Farm Site would then be valued using the Rural Site Model.

**MODEL APPLICATION EXAMPLES**

**Farm Home Site Model:**

Parcel 010378375 contains 2.11 acres total of non-agricultural or non-horticultural land components. The Primary Acre is contiguous to a farm site that includes an inhabitable residence used for residential purposes. The Secondary Acres are contiguous to land actively devoted to agriculture that include improvements that are agricultural or horticultural in nature.



Valuation Method:

Primary Acre (1 <sup>st</sup> Acre x 69,500)	1 x 69,500 = \$69,500
Secondary Acres (2 <sup>nd</sup> 3 <sup>rd</sup> 4 <sup>th</sup> 5 <sup>th</sup> Acres x 22,560)	1.11 x 22,560 = <u>\$25,042</u>
Total Site Valuation	\$94,542

Parcel 010403280 contains 5.14 acres total of non-agricultural or non-horticultural land components. The Primary Acre is contiguous to a farm site that includes an inhabitable residence used for residential purposes. The Secondary Acres are contiguous to land actively devoted to agriculture which includes improvements that are agriculture or horticultural in nature. Residual Acres contain .14 acres.



Valuation Method:

Primary Acre (1 <sup>st</sup> Acre x 69,500)	1 x 69,500 = \$69,500
Secondary Acre(s) (2 <sup>nd</sup> 3 <sup>rd</sup> 4 <sup>th</sup> 5 <sup>th</sup> Acres x 22,560)	4 x 22,560 = \$90,240
Residual Acre(s) (>5 <sup>th</sup> Acre x 10,250)	.14 x 10,250 = <u>\$ 1,435</u>
Total Site Valuation	\$161,175

Parcel 010406468 contains 3.35 acres total of non-agricultural or non-horticultural land components. This site does not contain an inhabitable dwelling therefore will not contain the Primary Acre as it is being valued as agricultural/horticultural. However, the site does contain improvements which are agricultural in nature and which are contiguous to land devoted to agriculture. Gravel driveways, which lead to the field for agricultural/horticultural purposes, are to be valued as agricultural/horticultural land. This particular parcel abuts Platteview Rd. An adjustment factor of .90 was determined for busy road.



Valuation Method:

Secondary Acre(s) ((2 <sup>nd</sup> – 5 <sup>th</sup> Acres x 22,560) x .90)	3.35 x 20,304 = <u>\$68,018</u>
Total Site Valuation	\$68,018

**Rural Site Model:**

Parcel 010973125 contains 1.31 acres total of non-agricultural or non-horticultural land components. The Primary Acre contains a site that supports an inhabitable residence; however, it is not contiguous to a farm site, therefore, is to be valued using the Rural Site Model.



Valuation Method:

Primary Acre (1 <sup>st</sup> Acre x 69,500)	1 x 69,500 = \$69,500
Secondary Acre(s) (2 <sup>nd</sup> 3 <sup>rd</sup> 4 <sup>th</sup> 5 <sup>th</sup> Acres x 22,560)	.31 x 22,560 = \$ 6,994
Total Site Valuation	\$76,494

Parcel 011593449 contains 3.82 acres total of non-agricultural or non-horticultural land components. The Primary Acre contains a site that supports an inhabitable residence and it is contiguous to a farm site, however, since the legal description includes a *subdivision name*, is to be valued using the Rural Site Model. Legal Description: Lot 1 Olivo Estates 3 (3.92 AC).



Valuation Method:

Primary Acre (1 <sup>st</sup> Acre x 69,500)	1 x 69,500 = \$69,500
Secondary Acre(s) (2 <sup>nd</sup> - 5 <sup>th</sup> Acres x 22,560)	2.92 x 22,560 = \$65,875
Total Site Valuation	\$135,375

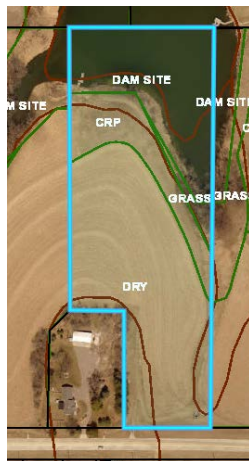
Parcel 010404775 contains 1.71 acres total of non-agricultural or non-horticultural land components. The Primary Acre contains a site that supports an inhabitable residence; however, it is not contiguous to a farm site, therefore, is to be valued using the Rural Site Model. The other improvements on this parcel support the residence and are not agricultural/horticultural in nature – not a farm site. These lots do reflect an additional locational market adjustment using factor 1.25.



Valuation Method:

Primary Acre ((1 <sup>st</sup> Acre x 69,500) x 1.25) = 86,875	1 x 86,875 = \$86,875
Secondary Acre(s) ((2 <sup>nd</sup> - 5 <sup>th</sup> Acres (.71 x 22,560) x 1.25) = 28,200	.71 x 28,200 = <u>\$20,022</u>
Total Site Valuation	\$106,897

Parcel 011574008 contains 3.37 acres total non-agricultural or non-horticultural land component that is a recreational pond. The site is contiguous land devoted to agriculture. This site cannot contain any dwelling or other improvements therefore will not contain the Primary or Secondary Acre(s) as they are being valued as agricultural/horticultural land. The Acres, in this case, will begin with the Residual Acre(s).



Valuation Method:

Residual Acre(s) (1 <sup>st</sup> Plus Acres x 10,250)	3.37 x 10,250 = <u>\$34,543</u>
Total Site Valuation	\$34,543



Parcel 010398511 is located in the floodway and contains .54 acres total non-agricultural or non-horticultural land component. This is an agricultural parcel with a non-agricultural/horticultural land component with non-public road easements, driveways or lanes, ect. The private driveway is highlighted. This site does not contain a dwelling or other improvements, therefore, will not contain the Primary or Secondary Acre(s) as they are being valued as agricultural/horticultural land. The Acres, in this case, will begin with the Residual Acre(s) using the FRMF table for parcels located in the floodway.



Valuation Method:

Residual Acres (1st Plus Acres x 3,000)	.54 x 3,000 =	<u>1,620</u>
Total Site Valuation		\$ 1,620

**Farm Home Site Model and Rural Site Model:**

There are instances with multiple residences on a parcel. If the multiple residences have separate homesteads, each will include a Primary Acre, Secondary Acre(s) and Residual Acre(s), if applicable, with a market value calculated for each homestead. If the multiple residences share a common homestead, then there will be only one Primary Acre, Secondary Acre(s) and Residual Acre(s) if applicable, with a market value calculated for the one homestead. For example, this hypothetical agricultural parcel has three residences. Houses 1 and 2 occupy a single homestead. House 3 occupies a separate homestead.



Valuation Method:

A. The first homestead contains 6.96 acres.

Primary Acre (1 <sup>st</sup> Acre x 69,500)	1 x 69,500 = \$69,500
Secondary Acre(s) (2 <sup>nd</sup> 3 <sup>rd</sup> 4 <sup>th</sup> 5 <sup>th</sup> Acres x 22,560)	4 x 22,560 = \$90,240
Residual Acre(s) (>5th Acre x 10,250)	1.96 x 10,250 = <u>\$20,090</u>
Total 1 <sup>st</sup> homestead	\$179,830

B. The second homestead contains .83 of an acre.

Primary Acre (1 <sup>st</sup> Acre x 69,500)	.83 x 69,500 = <u>\$57,685</u>
Total 2 <sup>nd</sup> homestead	\$57,685

Total Site Valuation      \$179,830 + \$57,685 = \$237,515

**Commercial Use on Agricultural/Horticultural parcel**

This is an agricultural parcel, 011588210, with non-agricultural or non-horticultural land components totaling 7.25 acres. There are two different sites; the site to the northwest contains a one-acre home site, Primary Acre. It also contains a 3.15 acre farm site, Secondary Acres, which contain improvements that are agricultural/horticultural in nature. This particular parcel has direct access to Highway 370. An adjustment factor of .90 was determined for busy road access. The 4.10 acre site to the east side of the parcel is commercial use and is valued using a commercial model.



**Valuation Method:**

A. The northwest site contains 3.15 acres.

Primary Acre (1 <sup>st</sup> Acre x 62,500)	1 x 62,550 = \$62,550
Secondary Acre(s) (2 <sup>nd</sup> 3 <sup>rd</sup> 4 <sup>th</sup> 5 <sup>th</sup> Acres x 20,305)	2.15 x 20,305 = <u>\$43,656</u>
	\$106,206

B. The East site contains 4.10 acres.

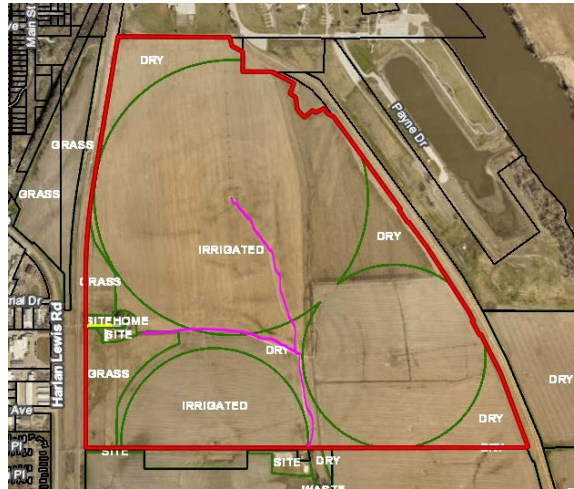
Commercial Model (\$43,560 per acre)	4.10 x 43,560 = <u>\$178,596</u>
	\$178,596

Total Site Valuation	\$106,206 + \$178,596 = \$284,802
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**AG Other Use**

Driveways within the parcel which vehicle access to improvements such as hay sheds, pole barns, enclosed livestock confinements, are considered non-agricultural or non-horticultural land. Gravel driveways which lead to the field for agricultural/horticultural purposes are to be valued as agricultural/horticultural land. The example below shows both types of driveways; to the site (yellow line) and to the fields (pink line).



A handwritten signature in black ink, appearing to be 'Dan L'.

APPROVED  
DATED: 01/18/2021