Norway, Maine: the sales ratio study and the coefficient of dispersion

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What the COD measures, the number the firm's study delivered, the published guidelines, the sample behind each class, and the certified ratio against the State valuation. Prepared 5 November 2026 from the Town's Freedom of Access Act production and Maine Revenue Services publications. Printable version (PDF). The study's individual sales and sub-class tables are on the sales ratio study page.

1. What a sales ratio study is, and what the COD measures

A sales ratio study takes each parcel that sold, divides its assessed value by its sale price, and looks at the spread of those ratios. If every parcel were assessed at exactly its market value every ratio would be 1.00. The **median** ratio says where the roll sits against the market. The **coefficient of dispersion (COD)** says how uniform it is: take each ratio's distance from the median, average those distances, and divide by the median, as a percentage. A COD of 5 means the typical sale is assessed within about 5% of the median level; a COD of 20 means within about 20%. Uniformity, not level, is what Maine's Constitution requires of a roll: taxes must be "apportioned and assessed equally according to the just value thereof" (art. IX, §8), and a parcel assessed 20% above its neighbors pays 20% more than its share whatever the mill rate. The **price-related differential (PRD)**, the mean ratio divided by the weighted mean, says whether expensive and inexpensive properties are assessed at different levels.

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COD = average of |ratio − median| ÷ median × 100
Example: ratios 0.95, 1.00, 1.05 → median 1.00, distances 0.05, 0, 0.05, average 0.033 → COD 3.3
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2. The number the study delivered

The Town produced one Sales Ratio Analysis report (run 22 Aug 2026), prepared by John E. O'Donnell & Associates. Filter as printed: BuildingValue > 0; sale dates 1 Jan 2025 to 31 Dec 2026 (sales printed 17 Jan 2025 to 30 Jul 2026). The ratios test the 2026 revaluation values against the sale prices. The header prints an **Average Deviation of 4 (391/87)** and a **Quality Rating of 4**, as whole numbers; Average Deviation is the same kind of measure as the COD. Recomputed here from the 87 printed ratios, to two decimals:

Group	Sales	Median	Mean	Weighted mean	COD	PRD	Lowest	Highest
All sales in the study	87	1.000	0.999	0.998	4.48	1.002	0.78	1.12
Houses, not on the water	60	1.010	1.009	1.009	4.11	1.000	–	–
Waterfront houses and camps	11	1.010	0.994	0.979	5.58	1.015	–	–
Mobile / manufactured homes	10	0.970	0.943	0.945	5.26	0.997	–	–

3. The published guidelines

Source	What it says
IAAO Standard on Ratio Studies (2013), Table 1-3	Median ratio 0.90 to 1.10; PRD 0.98 to 1.03; COD 5.0 to 10.0 for newer, more homogeneous single-family areas, 5.0 to 15.0 for older, more heterogeneous areas, 5.0 to 20.0 for rural, seasonal or recreational areas. The table notes that a COD below 5.0 may indicate sales chasing or a non-representative sample. Check the current edition for exact wording.
MRS Rule Ch. 201 (18-125 CMR ch. 201), §§3–4	A segregated ratio study needs at least eight samples in each class; where sales fall short the minimum is reached by adding appraisals (§3(D)). Classes are studied separately when sales do not reflect the class mix or when class average ratios differ by more than ten points; the example residential classes are nonwaterfront, waterfront and condominium (§4). The rule governs the State Valuation; it does not by its terms bind a town's revaluation contractor.

Source	What it says
36 M.R.S. §327 and MRS practice	A municipality whose assessments fall below 70% of just value, or whose quality rating (COD) exceeds 20, loses State reimbursements; the certified ratio is the town's own statement of its assessment level on the Municipal Valuation Return.
The Norway revaluation contract	The signed contract (19 Feb 2026), art. XXII: the sales ratio and coefficient of dispersion are to be verified on final delivery and "computed in the manner suggested by Maine Revenue Services." No target ratio is stated.

4. What the sample behind each class looks like

The roll has about houses not on the water 1,489, waterfront houses and camps 419, mobile homes 518, vacant land 707, multi-family 94, commercial 177. The study is filtered to parcels with a building value, so vacant land, which the revaluation repriced on its own tables, is tested by no sale at all. The report prints a class on 73 of the 87 sales and leaves it blank on 14, prints no separate class for mobile homes or multi-family, and does not state how the sales were split into classes, so the eight-sample minimum cannot be tested from the report alone. Twenty-five qualifying sales in the Town's transfer records are not in the study and no reason is given. The study lists no appraisals of the kind Rule 201 counts toward the minimum.

5. The certified ratio against the State valuation

The Town certified its 1 October 2026 roll to the State at a ratio of 1.0000. Maine Revenue Services' 2026 State Valuation for Norway is $939.1 million; its 2025 figure was $828.1 million. The committed roll is $1,326.2 million gross (land plus buildings) and $1,163.7 million net of $162.5 million in exemptions: 1.412 times the 2026 State figure gross, 1.239 times net. The year before, at 20.38 mills, the roll was $559.9 million net of exemptions against a State valuation of $828.1 million, and the Town certified 80% (2024); 85% (2023).

	State valuation (MRS)	Town roll, gross	Gross ÷ State	Town roll, net	Net ÷ State	Certified ratio
2025	$828.1M	–	–	$559.9M	0.676	80% (2024); 85% (2023)
2026	$939.1M	$1,326.2M	1.412	$1,163.7M	1.239	1.0000

Read with care: the State Valuation for a year is set from sales ending two years earlier (the 2026 figure reflects the market as of 1 April 2024), and it is a net figure after the State's own adjustments, so a gap between a fresh revaluation and the State figure is expected in a rising market. What the gap does not settle is whether a certified ratio of 1.00 is the right statement of the new roll's level; the study above, with its sample sizes, is the only published test of that.

6. What this page does not say

It does not say that any parcel is over- or under-assessed, that the study was done wrongly, or that anyone should file anything. A COD below 5.0 is, in the IAAO's words, a figure that "may indicate" a problem with the sample, not a finding; a class with three sales has no reliable COD at all. The questions these figures raise are for the Town, its assessors and Maine Revenue Services. Every ratio used here is printed in the study on the documents page.

Sources: Sales Ratio Analysis, NorwayReval (J.E. O'Donnell & Associates), produced under FOAA; the Town's commitment books and signed commitment papers; MRS Municipal Valuation Return Statistical Summaries; MRS State Valuation history 2007–2026; IAAO Standard on Ratio Studies; 18-125 CMR ch. 201; Me. Const. art. IX §8; 36 M.R.S. §§327, 701-A.