

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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Ratio Study Narrative 2023

| General Information | |
|---------------------|----------|
| County Name | Hamilton |

| Person Performing Ratio Study | | | |
|-------------------------------|--------------|--------------------------------------------------------------------------------------------------|-----------------------------|
| Name | Phone Number | Email | Vendor Name (if applicable) |
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| Sales Window | 1/1/2022 | to | 12/31/2022 |
|---------------------------------------------------------------------------------|----------------------------------------------------------------------------|----|------------|
| If more than one year of sales were used, was a time adjustment applied? | If no, please explain why not. | | |
| | Hamilton County had ample sales in the time frame of 01/01/22 to 12/31/22. | | |
| | If yes, please explain the method used to calculate the adjustment. | | |
| | | | |

Groupings

Please provide a list of township and/or major class groupings (if any). Additionally, please provide information detailing how the townships and/or major classes are similar in market.

****Please note that groupings made for the sole purpose of combining due to a lack of sales with no similarities will not be accepted by the Department****

Hamilton County groups and evaluates commercial/industrial land and improvements for the entire County rather than by Township. This is due to a lack of sufficient commercial/industrial sales for each township. Our commercial properties are now reviewed and grouped by similar uses (segmentation). Due to segmentation, commercial/industrial values are analyzed and trended based on county-wide sales data according to use, and land base rates are established by location for each use.

AV Increases/Decreases

If applicable, please list any townships within the major property classes that either increased or decreased by more than 10% in total AV from the previous year. Additionally, please provide a reason why this occurred.

| Property Type | Townships Impacted | Explanation |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Commercial Improved | | |
| Commercial Vacant | Adams 11% INCREASE Clay 22% INCREASE Delaware 13% INCREASE Fall Creek 59% DECREASE Jackson 11% DECREASE Noblesville 33% INCREASE Wayne 12% DECREASE Westfield Washington 11% INCREASE | Improved vacant lot and split land to AG use Demo of existing buildings for 10 redevelopment projects Added 3 new parcels, demo of 2 sites for redevelopment Improved 2 vacant lots for Grocery and Senior Living Improved 1 vacant lot 5 parcels rived for improvement, 18 parcels previously improved demoed for redevelopment Reclassification of use 5 land parcels priced for construction |

| | | |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Industrial Improved | Adams 11% INCREASE Noblesville 14% INCREASE Westfield 10% INCREASE | Added small industrial and addition to existing industrial 3 new mid-size warehouses and 2 large warehouses 2 new Industrial buildings, one industrial remodel 1 parcel split to residential |
| Industrial Vacant | Delaware 70% INCREASE Fall Creek 71% INCREASE | Priced land for large industrial being constructed Reassessment/reclassification of parcel |
| Residential Improved | Adams 15% INCREASE Clay 14% INCREASE Delaware 12% INCREASE Fall Creek 12% INCREASE Jackson 15% INCREASE Noblesville 14% INCREASE Wayne 11% INCREASE Westfield Washington 19% INCREASE White River 11% INCREASE | 78 permits for new dwellings and trending 379 permits for new dwellings and trending and partial land order 2 permits for new dwellings, 35 additions and 35 remodels and trending 288 permits for new dwellings and trending 143 permits for new dwellings plus reassessment and land order and trending 341 permits for new dwellings and trending 11 permits for new dwellings plus reassessment and trending 1306 permits for new dwellings plus half reassessment, partial land order and trending 8 permits for new dwellings 4 additions and trending |

| | | |
|---------------------------|--------------------------------------|--------------------------------------------------------------|
| Residential Vacant | Clay 15% INCREASE | 14 new plats creating 353 new parcels and partial land order |
| | Jackson 20% INCREASE | 9 new plats creating 147 new parcels and land order |
| | Noblesville 12% DECREASE | Parcels now improved upon |
| | Wayne 18% DECREASE | Parcels now improved upon and land order |
| | Westfield Washington 58% DECREASE | Parcels now improved upon and partial land order |
| | | |

Cyclical Reassessment

Please explain which townships were reviewed as part of the current phase of the cyclical reassessment.

Ag-Adams, Noblesville

Res-Jackson Township, Wayne Township and a portion of Washington and Clay Townships

Comm/Ind/Ex--25% of commercial, industrial & exempt based on segmentation of property classes. Property classes reassessed include: commercial outlots (restaurants, fast food, banks, etc.), commercial retail properties, and older downtown city areas of larger municipalities.

Was the land order completed for the current cyclical reassessment phase? If not, please explain when the land order is planned to be completed.

Yes. The Land Order is now being created and conducted for neighborhoods or areas consistent with the Reassessment Cycle. Each year of cyclical reassessment, a portion of the Land Order is being up[dated and completed in the county and the townships for those neighborhoods identified as part of the cyclical reassessment cycle.

Comments

In this space, please provide any additional information you would like to provide the Department in order to help facilitate the approval of the ratio study. Such items could be standard operating procedures for certain assessment practices (e.g. effective age changes), a timeline of changes made by the assessor's office, or any other information deemed pertinent.

Effective year – When necessary, effective year (age) changes are established utilizing the percent completion chart found in the Real Property Assessment Guidelines. For properties where a permit for remodel has been taken out, we visit the property and upon inspection will establish what type of physical changes or updates were done. Effective age and condition are changed/updated based on what percentage of the dwelling has been updated. For properties that have sold and are listed as being totally remodeled, the same approach is used. Sales information/listings will usually indicate what updates have been done to the dwelling and adjustments will be made accordingly. Grades of structures may also be reviewed if a remodel is extensive and quality of materials used have been significantly upgraded over the original construction.

Transitional neighborhoods – Some neighborhoods exist where homes are being demolished and rebuilt with new construction. These “transition neighborhoods” makes the job of establishing market value for these types of properties/neighborhoods more difficult. In these areas, separate neighborhoods or separate house model types may be set up to differentiate older homes from newer construction.

Hamilton County completed trending in house with no outside vendor. The ratio study and equalization were also completed in house. We utilize SPSS software (with the assistance of Bob Denne) to run statistical analyses on all parcel data to ensure that we are assessing property within State guidelines.

The following are data stats for Hamilton County to aid you in your analysis:

Total Parcel Count – 142,594

There were **3,304** new parcels created by either the **128** new plats or the **133** splits recorded.

There were **151** parcels were deleted either by new plats or combinations recorded.

Trending - Similar to 2022 residential assessments, the 2023 residential assessments will also see a significant increase in value. Market sales data continues to show a significant rise in market values of residential property. As can be seen in the township data under the “Residential Improved” section above, value increases by township range from 11% to 19%. While some of this increase may be attributed to new construction, a large part of the increase is directly related to the market. MIBOR data for Hamilton County indicates year-over-year change in median sale price of 13.5% from January 2022 to January 2023.

Total number of 01/01/2022 through 12/31/2022 sales used: 8,594

Improved Sales- 8,491

Vacant Sales- 140