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### **An Overview of Brown County's 2013 Annual Trending**

The following steps were taken to conduct the 2013 annual trending in Brown County:

#### **General Overview:**

Overall the Brown County market remains flat. For the entire trending process sales from 1/1/2012 through 2/28/2013 were used. The only exception to this was the inclusion of sales from the 2011 period for the Commercial Improved study as there were only a limited number of 2012 sales. There was no time adjustment of any sales, due to percentage of change remaining flat. The Hamblen Conservancy taxing district continues to be the most active of all sales areas within the county. Sales from the Cordry/Sweetwater Lake area remain rather stable to a slight increase for the desirable properties. Although there are some bank and short sales in this area. Overall, it is very parcel specific. For the balance of the county the number of sales remains constant with past years and sale prices also remain fairly stable.

Brown County has only one township (Washington) where the number of vacant commercial properties exceeds a count of twenty-five (25). The majority of these is supporting properties for an improved parcel and actually should be combined. Due to the limited number of vacant commercial properties, there is relatively no sales activity for this grouping. There was one sale occurring in 2010 and it was included in the study. This was the same and only sale that was included with the 2012 ratio study.

The newly revised cost tables and location code multiplier as provided by the state was implemented for all residential and commercial/industrial properties. Every residential neighborhood was analyzed. Sales were the primary base for any market factor changes. Additional information such as appealed properties and the net result of the cost table updates was also taken into consideration when determining neighborhood factor adjustments, as the newly implemented mandated cost tables resulted in changes that were not uniform and consistent amongst all properties within a designated area.

Commercial and Industrial cost tables were also implemented and property classes were factored accordingly.

#### **Land Values:**

Land base rates were reviewed and as a whole were left unchanged. There were two neighborhoods that required a small reduction in its land base rates. The new agricultural land rate was also implemented.

### **Market Adjustment Factors (Residential):**

As a result of the updated cost tables every improved residential property was affected in some manner. The newly updated cost tables did not produce a uniform adjustment for all properties. Several properties decreased in value, with several properties also increasing in value. As a result of these changes, each neighborhood was reviewed to determine if an adjustment was necessary. Depending on the property type, the incurred sales, market factors experienced all three scenarios (increased, decreased, no change). As stated above, Brown County remains relatively stable especially for its residential properties, with the Hamblen Conservancy area being the most active. New construction continues to take place throughout the county but there aren't any newly developed subdivisions being platted.

### **Cost Table Updates (Commercial):**

New commercial and industrial cost table updates were the starting point for updating commercial and industrial improvement values. The depreciation year was also changed. Only the township of Washington had any activity, as it is only of two townships that has more than twenty-five (25) commercial properties. The other being Jackson. There are only a total of ten (10) improved industrial properties in the entire county.

### **Use of Sales information**

Brown County is committed to utilizing as many valid sales as possible, including multiple parcel sales. As stated above, the time period for sales used was from January 1, 2012 through February 28, 2013 for all class studies. The one exception would be the Commercial Improved grouping as it was expanded to include sales from 2011. There was no time adjustment for any of the sales used. An additional file, titled *Brown Ratio Study Sales exclusion\_inclusion file* has been included with the submission of the ratio study detailing those sales that were originally marked as being "valid for trending purposes" but were trimmed from the study and those that were included but originally marked invalid. A total of 39 sales that had originally been marked as being valid were trimmed for a wide variety of reasons. Brown County is committed to using as many sales as possible, evident by the extreme number of multiple parcel sales included in the study. Multiple parcel sales made of fifteen percent of the total sales used in the county (33/226).