

## **Procedures for Annual Adjustments Decatur County**

### **Residential**

- Step 1: The Residential land values were completely redone as well as some neighborhood re-delineation. The land values were established by vacant land sales in the neighborhood. If no vacant land sales could be found, then they were established by allocation or abstraction from the improved sales. There was no additional trending done to the land values.
- Step 2: After the land vales were established, those values were added to the current improvement values and compared to the improved sale prices. A separate trending factor was then applied to the dwelling of the property to raise or lower the values to an acceptable median level. If there were no sales in the neighborhood, then consideration was given to homes for sale in the neighborhood or to the % of changed caused by the cost tables from last year.
- Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

### **Commercial / Industrial**

- Step 1: The C/I land values were established with a new land order. These values were established by vacant land sales – and where there were no vacant land sales abstraction or allocation methods were employed. There were no additional trending factors applied to the land.

The land values for rural commercial and industrial properties were established the same as the township homesite rates.

- Step 2: The values were compared to the improved sale prices. A separate trending factor, based on the percentage of change needed to reach the acceptable median lever was then applied to the improvements of the property. Due to the limited amount of sales, the commercial and industrial properties were grouped together for sale ratio study.

For income producing properties, income data sheets were mailed out and GRM's or capitalization of income was used to assist in determining the values.

- Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

Using the paired sales analysis – we found no need to time adjust the sale prices.

**It is also important to point out that the DLGF cost tables caused great concern in the change in value from 2011. Although we tried to offset these changes with trending, with the number of sales in smaller counties it was hard to find evidence for the change in value – and will probably result in a higher number of appeals.**