CONTRACT FOR TRENDING-2007ANNUAL UPDATE ASSESSMENT TECHNICAL ASSISTANCE

This contract is entered into this 15 day of May, 2007, by and between the County Assessor as representative for the Township Assessors of Lawrence County, Indiana, hereinafter referred to as the "Assessors", and Reller's Southern Indiana Appraisal, LLC, hereinafter referred to as "Professional Appraiser".

RECITALS

A. The Assessors have determined that they should employ the Professional Appraiser as a technical advisor for annual assessment purposes according to the provisions of 50 IAC 21 and subsequent provisions set forth in HEA 1001 (2005) and SB 327 (2005);

B. The Assessors wish to contract with the Professional Appraiser and the Professional Appraisers are willing to be contracted by the Assessors;

C. The Professional Appraiser is a Professional Appraiser as that term is defined in IC 6-1.1-4-17(c) and IC 6-1.1-31.7

1. CONSIDERATION

The assessors shall pay the Professional Appraiser as follows:

A fee of $63,700 (Sixty-three thousand seven-hundred dollars) to perform all duties and responsibilities set forth in this agreement.

Any additional Level II services not covered in this agreement shall be billed at a rate of $50/hour.

2. CERTIFIED SUPERVISOR

Kirk Reller, owner/ manager of Reller's Southern Indiana Appraisal, LLC shall serve as project supervisor, representative and analyst for this contract.

3. PROFESSIONSL APPRAISER CERTIFICATION; CONTRACT VOID ON REVOCATION.

(a) Reller's Southern Indiana Appraisal, LLC is certified as a "professional appraiser" under IC 6-1.1-31.7. The Professional Appraiser represents and warrants that it is certified as a "professional appraiser" under IC 6-1.1-31.7 at the time of entering into this Contract; and will take all steps necessary to remain certified as a "professional appraiser" under IC 6-1.1-31.7 through the term of this Contract.

(b) In accordance with IC 6-1.1-31.74, this Contract is void and the Contractor may not receive additional funds under this Contract, if the Professional Appraiser's certification as "professional appraiser" under IC 6-1.1-31.7 is revoked.

4. CONTRACT REPRESENTATIVE.

The assessors shall designate the Lawrence County Assessor, as Contract Representative to serve as the primary contact person for the Lawrence County Assessors.

5. CONTRACT REPORTS AND MONITORING.

By the 20th of each month the Professional Appraiser shall deliver to the Contract Representative a written report summarizing all work completed during that period. The report shall include, but not be limited to, the number of parcels reviewed in the office and field. Written reports shall also accompany each claim that is submitted to the county for payment.

The Assessors may at all times inspect the records of the Professional Appraiser to verify the progress and evaluate the quality of work being performed. The Professional Appraiser shall also make all records associated with this contract, and all final reports available to the Department of Local Government Finance and the Legislative Services Agency on an unrestricted basis.

6. NON-DISCRIMINATION.

Pursuant to IC 22-9-1-10, SIAC shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Contract, with respect to the individual's hire, tenure, terms, conditions, or privileges of employment, because of the individual's race, color, handicap, national origin, or ancestry.

7. LIABILITY.

Reller's Southern Indiana Appraisal, LLC agrees to indemnify, defend, and hold harmless the Assessors and their townships and county, and all agents, officers and

employees of those townships and that county, from all claims and suits including, court costs, attorney's fees, and other expenses, caused by any act or omission of the Professional Appraiser and/or its subcontractors, in connection with this Contract.

Reller's Southern Indiana Appraisal, LLC shall not be held liable for any delays, errors, or omissions resulting from problems caused by the County's computer software or hardware systems.

8. FORCE MAJEURE

Neither party shall be liable for delays or performance failures resulting from and caused by acts beyond the party's control. Such acts shall include acts of God, acts of war, epidemics, communication line failures, power failures, earthquakes, and other similar disasters. In every case the delays must be beyond the control and without the fault or negligence of the non-performing party.

9. MAINTAINING A DRUG-FREE WORKPLACE

Reller's Southern Indiana Appraisal, LLC agrees to make a good faith effort to provide during the term of this Contract a drug-free workplace, and that it will give written notice to the Assessors within ten (10) days after receiving actual notice that an employee of the Professional Appraiser has been convicted of a criminal violation occurring in Professional Appraiser's workplace.

10. INSURANCE AND WORKER'S COMPENSATION.

The contractor shall carry automobile, public liability and worker's compensation in the minimum amounts as follows:

TYPE	COVERAGE	AMOUNT
Automobile	Bodily Injury	$100,000/300,000
Automobile	Property Damage	$100,000
Public Liability		$1,000,000/2,000,000
Worker's Compensation		Statutory requirement

If requested, a certificate from an insurance carrier authorized to do business within the State of Indiana shall be furnished to the County Assessor attesting to the above coverage.

11. PROFESSIONAL APPRAISER RESPONSIBILITIES.

A. Professional Appraiser shall review and verify all sales disclosures for the period of January 1, 2005 through December 31, 2006 that are provided by the assessors. Additional sales from 2003, 2004 and 2007 shall also be reviewed on an as-needed basis to provide adequate sample sizes. For all sales where the assessed value and sale price differ by 20 percent (20 %) or more, a field inspection shall be conducted by a Level II Assessor to help determine the reason for the variance. Any changes made to the field card shall be noted and revised on the county's computer record by the appraiser. After reviewing all sales the appraiser shall assist the county in documenting those sales deemed unusable and listing reasons for such classification.

B. Professional appraiser shall data collect, grade, photograph and data enter up to 25 commercial and industrial parcels for March 1, 2007 new construction. All field work shall be completed by an experienced Level II employee. Final values, prior to submission to the assessors, shall be determined by the project manager.

C. Professional appraiser shall review the 2006 equalization / sales analysis and make appropriate changes to neighborhood ratios. If needed, additional neighborhoods will be created or existing neighborhoods may be combined. If needed, new boundary lines will also be drawn for each neighborhood. Existing neighborhoods may also be further stratified to identify those classes of property that deviate from the typical property types or ratios within a neighborhood.

D. After neighborhood factors, improvement multipliers and land rates have been determined the contractor shall load those changes into the control pages of the county's Proval computer system. The appraiser shall carry out recalculations of each individual neighborhood. The assessors shall be responsible for changing the neighborhood numbers, and land rates on each property card. The assessors shall also carry out recalculations of each taxing unit, printing of new cards, and printing of all "Form 11's".

E. Appraiser shall provide the county with a bound, updated land order and neighborhood analysis report.

F. Appraiser shall verify that the study meets all criteria and methodology required in application of "Standard on Ratio Studies" published by the International Association of Assessing Officials. (50 IAC 14-2-1 Method, Sec. 1)

G. Appraiser shall assist the county in preparing an electronic data copy of the equalization study to the DLGF for final approval. The assessors shall send the

report to the DLGF. All real property assessment data that is generated and delivered to the assessors shall be in a format that is acceptable to the DLGF data analysis department and the LSA. The Appraiser shall provide data to the Assessors with complete parcel characteristics that are formatted to meet the requirements prescribed by the DLGF and LSA.

H. Professional Appraiser shall review the 2006 land order and make any necessary changes to the current base front foot rates, acreage rates or site rates. Any required changes to the land tables shall be made by the appraiser. Changes to individual property cards shall be carried out by the assessors. Appraiser shall develop land base rates for any new subdivisions platted and recorded between March 2, 2006 and March 1, 2007.

I. Appraiser shall conduct an additional field review of 300 commercial, industrial or utility parcels for use change, obsolescence or other updates. Any needed changes will be data entered by the appraiser. The 300 parcels will be selected in cooperation with the assessors from Bedford, Mitchell and Oolitic. The review shall consist of an on-site inspection, verification of use type, verification of construction data, review of grade, condition and depreciation and review of land data. New photographs shall also be taken of improvements. Review shall be set up on a rotating basis of 300 parcels per year, based upon assessors' specifications.

J. Appraiser shall provide representation at any public hearings required.

K. Appraiser may obtain any relevant data from local appraisers or subcontract with a local appraiser to assist with final valuations.

L. Appraiser shall be responsible for time trending sales that fall outside the 2005 and 2006 pools.

M. Appraiser shall provide the county with ten (10) days of assistance for PTABOA hearings, or township informal hearings resulting from March 1, 2007 appeals. Any additional hearing time requested by the assessors would be billed at $50/hour for Level II employees.

N. Appraiser shall review all data submitted to the assessors for rental properties and assist the assessors in preparing gross rent multipliers to be used for residential-type rentals. Appraiser shall also conduct a review of income and expense data submitted to the assessors for multi-unit apartments. Additional rental data submitted on retail and commercial properties shall also be reviewed by the appraiser.

12. TIME AND MANNER OF PAYMENT.

The professional appraiser shall submit to the county periodic claims for the amount of work actually completed during each billing period. The amount of payment is

subject to approval by the Contract Representative. The Contract Representative shall base approval upon inspection of the claim and verification the work billed has been completed. Payment shall be made within thirty (30) days after the approval of Contract Representative and Board of Commissioners.

Payments due under this contract shall be reduced by the amount of ($100) one hundred dollars per business day for each business day that items listed in paragraph 14 remain incomplete as of the completion date. Contractor shall not be held responsible for delays resulting from the County's assessment software or hardware, delays resulting from legislative changes that pertain to trending/ equalization, delays resulting from rule changes by the DLGF, or delays in obtaining necessary sales disclosures from the County.

If all work is not completed under this contract by the completion date of this Contract, all payments will be suspended until all work is completed. Payment of the suspended amount will be made to the Contractor within thirty (30) days after certification has been made by the Contract Representative that all work has been completed.

13. CONFIDENTIAL NATURE OF APPRAISAL DATA.

The Contractor shall assure that no individual on the Contractor's staff shall disclose any appraisal information to any individual, firm or corporation other than appropriate public officials and their authorized agents. Any data, which is to be released, shall be provided to the Assessor(s) who shall provide for its release.

14. COMPLETION DATE.

A complete review of all required sales, the establishment of neighborhood ratios, the development of a complete equalization study and review and the submission of the equalization study to the DLGF shall all be completed no later than September 15, 2007.

Public hearings, and PTABOA hearings are not subject to this date.

15. GENERAL PROVISIONS

A. This Contract sets forth the entire agreement and understanding of the parties with respect to the subject matter and supersedes all prior oral and written agreements and understanding between the Assessors and the Professional Appraiser. No representation, promise, inducement or statement of intention so set forth.

B. No waiver, alteration, modification, or cancellation of any of the provisions of this Contract shall be binding unless made in writing and signed by all those signing this Contract, or their successors in office. The failure of either party at any time or times to require performance of any provisions of this agreement shall not be

considered a waiver and will in no manner affect the right at a later time to enforce that provision.

C. In the event that one or more of the provisions contained in this Contract shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions contained in this Contract. If any provisions contained in this Contract shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it then shall appear.

D. This Contract shall be subject to and interpreted in accordance with the law of the State of Indiana and suit, if any, shall be brought in Indiana courts.

E. This Contract shall be binding upon and inure to the benefit of the parties and their respective successors, assigns and legal representatives, provided, however, that this Contract is not binding upon a successor to the elected office of an undersigned Assessor without the successor's prior written consent, nor can the rights, duties, and privileges of the Professional Appraiser under this contract be transferred, sublicensed, or assigned by it, either whole or in part, without the prior written consent of the Assessors.

F. If the effective date of the annual updates is postponed, this contract may be amended to meet any additional requirements.

16. COUNTY RESPONSIBILITY.

Lawrence County Assessors shall provide to the Professional Appraiser one copy of each sales disclosure and one corresponding field sheet for the development of neighborhood ratios. After all neighborhood ratios and updated land values have been implemented the assessors will produce an updated field sheet for each relevant sale that shows updated values arrived at by application of the neighborhood factor.

The assessors shall provide maps on an as-needed basis.

The assessors shall be responsible for data entry of all revised land rates and neighborhood numbers. Assessors shall carry out all recalculations and print all updated property cards and assessment notices.

Assessors shall have final approval and be responsible for certification of all new assessed values for the year of March 1, 2007 that result from carrying out this contract.

Assessors shall provide one copy of each property card that is to be data collected for March 1, 2007 new construction and a corresponding plat map if needed by the appraiser. Assessors shall also provide one copy of each property card to be reviewed as part of the commercial and industrial review. Plat maps for those parcels shall be provided by the assessors on an as-needed basis.

County shall provide one computer terminal for use by the Appraiser on an as-needed basis.

IN WITNESS WHEREOF, the parties have executed this contract by their duly authorized officers this 15 day of May, 2007.

Lawrence County Assessor

Attested by: Lawrence County Auditor

Lawrence County Commissioner

Approved by: Lawrence County Council

Lawrence County Commissioner

Lawrence County Commissioner

Kirk Reller
Owner / Manager
Reller's Southern Indiana Appraisal, LLC