

Ratio Study Narrative 2025

General Information	
County Name	MARTIN

Person Performing Ratio Study			
Name	Phone Number	Email	Vendor Name (if applicable)
Kirk Reller	(812)205-6330	reller5@frontier.com	Reller's Southern Indiana Appraisal, LLC

Sales Window	1/1/2024	to	12/31/2024
If more than one year of sales were used, was a time adjustment applied?			
☒ No	<p>Explain, why not: For Commercial Improved the sales window was expanded to include sales from January 1, 2021 through December 31, 2024. There was no measurable change and limited market data to derive a time adjustment.</p> <p>For Residential Vacant the sales window was also expanded to include sales from January 1, 2020 through December 31, 2024. With few sales the data was limited in arriving at a time adjustment. No time adjustment was applied</p>		
☒ Yes	<p>Explain the method used to calculate the adjustment:</p> <p>The Residential Improved grouping of parcels from Center, Halbert, Lost River, Mitcheltree and Rutherford Townships was expanded to include sales from 1/1/2023 to 12/31/2024. The 2023 sale prices were adjusted using a 3 % rate based on the following methodology.</p> <p>The 2024 Midwest CPI was 2.8%. The US FHA Housing Index for Indiana was around 5%, the Zillow Indiana Index was also around 5% and the Indiana Realtors Association is showing increases in the 4 percent range</p> <p>This grouping of sales represents the more rural part of the County with a much less active housing market. The 3 % adjustment was used since this area is a less active real</p>		

	estate area in one of the smaller counties in the state. It is more reflective of the market than the 4 to 5% range of other indices.
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Groupings

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

For **Residential Improved sales**, the 5 smaller townships were grouped into one sales pool. These townships are similar in topography, amenities, mix of homes and demand for homes. They are each sparsely populated with a terrain of heavily wooded hills with large tracts of State Forest ground and wide river bottoms where the White River bisects the county. Median sale prices in these townships for homes is in the \$100,000 to \$130,000 range with very few sales over \$265,000.

For **Residential Vacant sales** from all townships were grouped in one comprehensive sales based on the type of sales. The typical sales of Residential Vacant properties tend to be primarily for recreational type usage regardless of the township. There are some sales of platted lots also that are held for possible future construction.

There are very few sales of building sites that would be classified as Residential Vacant. Most new home construction sites are splits from large tract agricultural parcels. This is a large reason why there are very few sales in this category.

For **Commercial Improved sales** a grouping consisting of Halbert Township and Perry Township was used. Almost all commercial sales in the county occur in these two townships. The biggest driver of sales is location on a state highway, in this case Highway 231 which runs north-south through Perry Township and Highway 50 which runs East-West through Perry and Halbert. Along with highway site sales these two townships also share similar traditional older downtown areas. Sales of downtown buildings fall within the same prices range and there is similar, more limited demand for these types of properties. While there are more sales in Perry Township in a typical year, one of the highest recent sales was in Halbert Township.

The **Industrial Improved** parcels were grouped for review and trended using the same corresponding trend factors as Commercial Improved parcels. While there are not enough

usable sales to develop a Ratio Study for this class the similarities to Commercial Improved parcels would justify the use of the same trend factors. Many of the parcels in the Commercial Improved category and Industrial Improved category are very similar in usage and very similar in market factors that drive their values such as proximity to state highways. Many small shops, auto repair garages, GCK type storage buildings could easily fall in either category.

Cyclical Reassessment

Please explain which townships were reviewed as part of the current phase of the cyclical reassessment. Also, list any townships where the number of parcels reviewed were more than the formally approved reassessment plan. Note: All parcels reviewed should meet the 25% requirement with the 2% tolerance threshold (23-27%)

Center Township (Excluding West Shoals); Part of Halbert Township and Part of Perry Township (including parts of Loogootee Town)

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Land Order		
The land order used for the January 1, 2025, assessment along with the Narrative (optional) will be published on DLGF’s website. Please provide the following information:		
Date the land order was submitted to PTABOA.	pending	
Action taken by the PTABOA.	☐ Approved	☐ Denied
Effective date of the land order.	1/1/2025	
Was the land order updated as part of the 2024 cyclical reassessment?	☒ Yes	☐ No
Any other changes or issues?		

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.
<p>Martin County is one of the smallest counties in the state by population and by parcel count. The total parcel count for the county is approximately 10,000 parcels. Martin County was originally platted with ten townships but 4 of the original townships make up the Crane Naval Weapons Center.</p> <p>Martin County has one area, The Town of Crane, (Tax District 009, Neighborhood 9090-0009) with a great deal of variance in sale prices for similarly constructed homes. Most of the homes in Crane are World War II era military housing. Some of the homes have been completely remodeled while others have been abandoned. Many of the sales in Crane are contract sales or private, non market sales, and most sales in this area are excluded from the Ratio Study.</p> <p>For Effective Age changes there is not a rigid guideline that works the same for each house since each house is different. A more generalized methodology based on the weighted contributory value of components is used. For example, the most visible and common change</p>

that affects Effective Age is roof replacement, often with a standing seam metal roof. An average roof replacement will run around \$15,000. Generally 70 percent of that cost could be realized as a potential appreciation in the value of the home. On average a roof replacement would add \$10,000 to \$12,000 to the resale value of a home and the Effective Age would be adjusted to account for the increased value.

Other visible exterior updates that can increase the value of a home and require Effective Age changes include new Vinyl Siding and Replacement Windows. Home owners could expect Returns on Investment in the 65 percent range. A \$15,000 investment would yield roughly a \$10,000 increase in the potential value of a home. Again the Effective Age would need to be adjusted to account for this increase in value.

Interior updates can also significantly increase the potential resale value of a home. The most common of these improvements are painting, kitchen remodeling, and installation of laminate flooring. Interior update information is not as readily available. Some information could be obtained from MLS listings or discussions with homeowners during the review process. As with the exterior components the potential increase in value would be in large part arrived at from the expenditure and the Return on Investment of the cost of the new improvements. Changes to the Effective Age would be carried out in the same manner, but would be harder to quantify.