Ratio Study Narrative 2025

General Information	
County Name	LAWRENCE

Person Performing Ratio Study			
Name	**Phone Number**	**Email**	**Vendor Name (if applicable)**
Kirk Reller	(812)-205-6330	reller5@frontier.com	Kirk Reller

Sales Window	**1/1/2024**	**to**	**12/31/2024**

If more than one year of sales were **used, was a time adjustment applied?**	
☒ No	Explain, why not: For Residential Improved in Indian Creek/ Spice Valley (ICSPV); Marion Township, Marshall Township, and Shawswick Township a sufficient number of sales was available to use only the 1-1-24 to 12-31-24 windo. The sales window for Shawswick Commercial Improved sales was expanded to include sales from 1-1-2022 to 12-31-2024 and the Grouped Commercial Improved section was expanded to include sales from 1-1-2021 to 12-31-2024. Due to the limited number of sales and lack of year over year sales no time adjustment was applied to sales before 1-1-2024. The sales window for Residential Vacant sales was expanded to include sales from 1-1-2021 to 12-31-2024 in Shawswick Township and 1-1-2022 to 12-31-2024 for the Grouped Residential Vacant section. Due to the limited number of sales no time adjustment was derived.
☒ Yes	Explain the method used to calculate the adjustment: The sales window for for the Residential Improved grouping of Bono, Guthrie and Pleasant Run Townships was expanded to include sales from 1/1/2022 through 12/31/2024..

	The sales window for Perry Township Residential Improved was expanded to include sales from 1-1-2023 to 12-31-2024. These Townships have a far less active real estate market than the rest of the County, especially compared to Marion, Marshall and Shawswick. With real estate markets that lag the rest of the county a 3 % rate was considered reasonable to time adjust the 2022 and 2023 sales to 1/1/2025 based on the following methodology. The yearly Midwest CPI, for 2023 was 3.2%. The US Federal Housing Authority housing index for Indiana in 2023 was 7%, but the Regional Index for the Bloomington area was 3% and Zillow's index for Indiana for 2023 was 5%. The data from the Indiana Realtor Association is showing an increase in the range of 4% for this period. 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. These were all very similar to those increases in 2023 so the same adjustment of 3% was used for the 2024 year The 3 % annal rate was considered reasonable to adjust the 2022 and 2023sales.

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** the townships of Bono, Guthrie and Pleasant Run have been grouped together for one sales pool. These three townships comprise the eastern third of the county. They are very hilly, heavily wooded and the most sparsely populated townships in the county. The small towns within the townships have very limited sales, typically at the lower end of sales within the county. Most home sales within these three townships fall within the $85,000 to $200,000 range. The townships of Indian Creek and Spice Valley have been combined in a second residential improved grouping. These two townships comprise the southwest corner of the county. There is little discernable difference between the townships as far as topography, mix of property types or price range of homes. This is a very hilly rolling area bisected by the White River. Both townships have small

towns with homes typically at the lower end of the real estate market within the county. There are a limited number of rural subdivisions developed in the 1980's with a mix of ranch and bi-level homes. Typical price ranges of homes in these townships tends to fall between $100,000 and $275,000. Both townships also abut the Crane Naval Weapons Center on the west.

For residential vacant, all townships, excluding Shawswick, have been combined into one grouping. Most sales of land within Shawswick Township are primarily for future new construction of homes for people working in the Bedford area. Once you get outside of this township the demand for unimproved residential property is driven by two factors. The first is building sites for people that live within Lawrence County but work in other counties. Both Perry and Marshall Townships have larger numbers of people that work in Monroe County while in Indian Creek many of the residents work at the Crane Naval Weapons Center in Martin County. The second determinant of land sales is out-of-county buyers wanting recreational sites for hunting and fishing. Sites such as these are found throughout the townships away from Bedford and tend to sell in the same price range.

For commercial improved Shawswick Township serves as one study group and Marion Township serves as a second group. There were 2 useable valid commercial improved sales outside of those two townships (one sale from Pleasant Run and one from Spice Valley). These two sales have been included with the Marion Township group in order to be represented in the Ratio Study. They are both rural offices and more typical of similar properties found within Marion Township.

For Industrial Improved properties there were not enough usable valid sales to develop a Ratio Study for that property class. However, for review purposes the Industrial Improved properties were looked at in the same groupings as the Commercial Improved. These parcels were trended using the same factors as those applied to the Commercial Improved properties in their corresponding market areas and neighborhoods. Many types of these properties have shared characteristics which would allow them to fit in either category. Examples of this would be GCM General Office versus GCI Industrial Office which are often very similar. This would also include, but not be limited to buildings that are used as Industrial Small Shop could just as easily be Commercial Garage. Many package pre-engineered structures could also fall into this area with multiple similar GCK buildings being in both the Commercial Improved and Industrial Improved classes. With similar structural characteristics and the same outside market forces both groups were trended with the same factors.

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%)

25% Of each property class in each tax district are reviewed in each phase. 25% of each township was reviewed during Phase 2, (2023).

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.
The county has two methods of changing effective ages that are applied to sold and unsold property. The first step in changing effective ages is made during the second (review) step of the Cyclical Review. Data collectors make the initial on-site physical inspection during the reassessment process and their work is then reviewed by a Level 3 Assessor. As part of this review effective ages are often changed based upon the degree of changes from minor adjustments for items such as the addition of central air units, or the addition of small exterior features like a patio. New roofs, which are predominantly standing seam metal, new siding, and larger new exterior features require more significant changes to the effective age. Home additions and replacement of multiple components result in the largest changes to effective ages.

In addition to effective age determinations made during the Cyclical Review the county has implemented a multi-step process for obtaining data relative and pertinent that would yield a change in the Effective Age which corresponds to a potential value change. This is done utilizing a "Remodel Worksheet Questionnaire" which covers all components of the structure including electrical, framing, light fixtures, painting, plumbing, roofing, etc.

The questionnaire is used to obtain dates as to when each component of the home was updated or if it was original. Data from this remodel sheet is plugged into another worksheet which is used to calculate the overall effective age based upon the weighted contribution of updates.

The questionnaire is sent to sellers of homes, to home owners that have obtained building permits and are left with homeowners by the field data collectors when the data collectors notice the home has been remodeled