

Ratio Study Narrative 2024

General Information	
County Name	Kosciusko

Person Performing Ratio Study			
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Sales Window	1/1/2022 to 12/31/2023
If more than one year of sales were used, was a time adjustment applied?	If no, please explain why not.
<p>For studies within the Improved Industrial and selected Improved Commercial townships the sales window was expanded to include sales from 1/1/2022 thru 12/31/2023.</p> <p>This occurred in the following townships:</p> <p>Imp Ind = Plain and Wayne which were grouped together</p> <p>Imp Com = The grouping of Harrison, Lake, Washington. The township of Tippecanoe which was a stand alone study</p>	<p>Improved Industrial and Improved Commercial – sales were not time adjusted due as a calculation could not be done with any accuracy as the result of very few sales, no paired sales and non-comparable properties being sold within the classification.</p>
	If yes, please explain the method used to calculate the adjustment.
	<p>Res Vacant: 01/01/2023 through 12/31/2023</p> <p>Res Improved: 01/01/2023 through 12/31/2023 – with the exception of some condominium ratio studies (property class 550) - sales from 01/01/2019 through 12/31/2023 were used when additional sales data was needed. The CPI (Consumer Price Index) was used to calculate the time adjustment – however - when data was available and appropriate, a trendline was developed using 2 to 5 years of data, to more accurately show the increase per year in Sale Prices for those specific neighborhoods.</p>

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 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****

Industrial Improved: Due to the lack of sales and most townships not exceeding 25 parcels assigned to the classification, the townships of Plain and Wayne were combined together. Plain and Wayne are grouped together due to their proximity to U.S. 30; a four-lane expressway that is a major highway that crosses Northern Indiana.

Commercial Improved. The townships of Plain, Van Buren and Wayne are grouped together, due to their influences of U.S. 30 and State Road 15. The townships of Turkey Creek and Tippecanoe had sufficient sales to analyze on their own. With limited sales the smaller townships of Harrison, Lake and Washington were grouped together. These smaller communities have less commercial presence but together they are more of characteristic of what is happening in the market.

Statistical studies were not completed in the classes of Industrial Vacant and Commercial Vacant as there were not enough sales despite looking outside of the timeframe. Only two townships have greater than 25 parcels assigned to the Industrial vacant classification and only four townships have greater than 25 parcels assigned to the commercial vacant classification.

Residential Vacant: Sales were divided into 6 groupings.

Plain ResVac

T Creek, Van Buren ResVac

Tippecanoe ResVac

Wayne, Clay, Lake ResVac

TV – Triton Schools ResVac

Whitko Schools ResVac

Plain, Turkey Creek, Tippecanoe and Wayne Townships had an adequate number of sales to trend on their own.

Scott and Jefferson Townships are predominantly agricultural in nature and had NO valid residential land sales.

Clay, Etna, Franklin, Harrison, Jackson, Lake, Monroe, Prairie, Seward, Van Buren and Washington had an insufficient number of land sales to trend on their own and were combined with the larger townships as described below:

Clay and Lake sales were included with the Wayne study as they are in the Warsaw school system and are neighboring townships.

Etna, Franklin, Harrison, and Seward were combined as they are located in the Tippe Valley and Triton School systems and are neighboring townships located on the western side of the county. The 1 Prairie sale was added to this study (even though in the Warsaw School System) as Prairie's land make up (half residential – half agricultural) is more similar to Etna Township than its other neighboring Warsaw School townships and it is a neighboring township to Etna.

Jackson, Monroe and Washington sales were combined as they are in the Whitko School System and are neighboring townships.

Van Buren was included with Turkey Creek as they are in the Wawasee School system, share a lake (Dewart) and are neighboring townships.

Residential Improved: Sales were divided into 14 groupings. The following townships had an adequate number of sales to trend on their own. Clay, Harrison, Franklin, Lake, Plain, Tippecanoe, Turkey Creek, Van Buren, Washington, Wayne and Seward. Monroe and Jackson Townships were combined as they had a limited number of sales, are adjacent townships, same school system and share the Town of Packerton. Etna and Prairie townships were combined as they are neighboring townships and they have similar overall parcels (½ residential – ½ agricultural). Scott and Jefferson Townships were combined as they too had a limited number of sales, are adjacent townships and share the Town of Nappanee.

Cyclical Reassessment

Please explain which townships were reviewed as part of the current phase of the cyclical reassessment.

Industrial and Commercial: 803 Parcels - Wayne Township (Alphabetical: Byzantine Inc thru RMD Real Estate LLC plus three additional parcels (Urban Hospitality Capital), and storage condominiums.

Residential: 9,734 Parcels - Wayne Township (excepting the following subdivisions – Southtown, Shadow Lakes, Deeds Creek, The Country, Hickory Estates and Timberline Addition).

Agriculture: 1,920 Parcels – Clay Township, Etna Township (remainder of parcels), Jackson Township, Monroe Township (remainder of parcels), Wayne Township (Alphabetical: Albertson, Allan to Lucas, Harold).

Exempt: 541 Parcels – Clay Township, Franklin Township, Monroe Township, Wayne Township (Alphabetical: Abundant Life Assembly of God thru Kosciusko County Commissioners).

Utility/Mineral: 44 Parcels – Clay Township, Franklin Township, Monroe Township, Scott Township, Wayne Township (Alphabetical: AT&T Communications Inc thru Kosciusko County Rural Electric).

Land Order

Was the land order completed for the current cyclical reassessment phase? If not, please explain when the land order is planned to be completed?

No.

The land order was not completed for the current cyclical reassessment phase. Updates were added as needed based on the real estate market indications from trending. Our next land order will not be until our Review Group 2025, which is 05/01/2024 through 12/31/2024.

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.

Duplicate State Numbers:

There are 17 duplicate state numbers on our ratio study. These are residential vacant land/lot sales that are on our ResVac tab, then were improved and sold again as improved residential sales and are on our ResImp tab. They are also on our Formatted tab. Each sale has a have different SDFID number. These parcels’ state numbers are listed here:

- | | |
|--------------------------|--------------------------|
| 43-07-28-100-016.000-016 | 43-08-22-100-085.000-023 |
| 43-10-01-200-032.000-031 | 43-10-01-200-197.000-031 |
| 43-11-03-400-418.000-032 | 43-11-03-400-437.000-032 |
| 43-11-03-400-438.000-032 | 43-11-03-400-444.000-032 |
| 43-11-07-200-802.000-032 | 43-11-11-200-006.000-032 |
| 43-11-11-200-069.000-032 | 43-11-11-300-941.000-032 |
| 43-11-11-300-954.000-032 | 43-11-11-300-967.000-032 |
| 43-11-11-300-977.000-032 | 43-11-25-400-366.000-033 |
| 43-11-28-100-189.000-031 | |

Multi-Parcel Sales:

Every year we have sales that contain several parcels with several SDFID numbers for the one sale. This is due to the fact that some of the parcels included in the sale are non-contiguous and require a separate SDFID number. This year, on the **Formatted Tab Only**, Multi-Parcel Sales have **only** the SDFID number from the main parcel listed and a note off to the side of each additional parcel showing their **actual** SDFID number. This solution was offered by Christopher Wilkening during review of our 2023 Ratio Study. He stated that to run correctly the State’s statistical software requires all parcels in a Multi-Parcel Sale to have the same SDFID number.

Anomalies:

43-04-13-403-953.000-025 – this is a single parcel sale with two different SDFIDs. Property was held by two Trusts – each transferring their ½ interest – with a total sale price of \$90,000 (\$45,000 on each disclosure). On the Formatted Tab we have listed one SDFID in the appropriate column and the 2nd SDFID on the far right in red. The two SDFIDs are:

C43-2023-0041241

C43-2023-0041242

43-08-13-400-110.000-023 – this is a single parcel sale with two different SDFIDs. Property was held in Sellers Name and also their Trust – each transferring their ½ interest – with a total sale price of \$365,000 (\$182,500 on each disclosure). On the Formatted Tab we have listed one SDFID in the appropriate column and the 2nd SDFID on the far right in red. The two SDFIDs are:

C43-2023-0040628

C43-2023-0040627

Storage Condominiums

In 2023 our condominium storage units were being assessed as detached garages with a property class of 550 or 551. For 2024 we have changed these to Commercial Mini Warehouses – property class 481. Sales that occurred in 2023 have a property class of 550 or 551 on their disclosures but the property record cards for 2024 will show 481.

Jellystone Lots:

Yogi Bear’s Jellystone Park Camp-Resorts are a chain of over 80 family campgrounds throughout the United State and Canada. Our campground spans two townships and contains over 1400 parcels. Each lot is individually owned. Sites are allowed to have park models, travel trailers, shed, decks, porches, etc – the majority of which are personal property and rarely listed on sales disclosures. We trend Jellystone when the land order is completed every four years. This was not the year for our land order.

General Information:

Kosciusko County has once again seen unprecedented increases in median sale prices in 2023 – but a decrease in the number of sales. Low inventory of homes, however, has created a highly competitive situation, forcing buyers to pay higher prices. This was evident when trending showed substantial increases in several neighborhoods. The increasing market values were also evidenced by the large number of building permits issued in Kosciusko County in 2023. With the ever-increasing values, homeowners were fixing up their homes and then selling at/or above listing price at times. These upgrades do not always require a building permit and are discussed below.

Statistical studies were conducted on each neighborhood to determine if any adjustments were needed for this assessment year to both sold and unsold properties. Sales were used from 1-1-2023 thru 12-31-2023 in the adjustment process (unless prior sales were needed) and their physical characteristics were reviewed to compare with their property record card. Adjusting for changes in the market cannot be done accurately if the record of the property does not accurately reflect the property as it was at the time of the sale. We are committed to using as many valid sales as possible. When it is discovered that parcels within a neighborhood are not assessed accurately or consistently, we reassess that neighborhood by recalculating the land base rates based on recent valid sales and collect information to update the improvement data.

The process used by the Kosciusko County Assessor's Office to verify that the information on the property record cards accurately reflects the property at the time of the sale includes an inspection of the property from the public roadway adjacent to the property, reviewing GIS and Pictometry images of the property taken over a period of time, review of any of information that might be available on the local multiple listing service, or on internet based services used to market real estate (Zillow, Trulia, Realtor.Com). If information gathered through these searches indicates there have been changes to the property, we try to determine the extent of the changes, or renovations.

Renovation to a property generally tend to lower a property's effective age, since at least some portion of the property has been updated and is now new. The amount of change varies with the magnitude of the renovations. New roof and siding might make a slight change to the effective age, where a more in-depth renovation that would include new windows, updates to the mechanicals, and interior updates, would warrant a greater change in the effective age.

Depending on the magnitude of the renovations a grade change may be appropriate as well as the effective age adjustment. Due to the high cost of new construction, it has become increasingly more economical to renovate an existing structure than to start from scratch. Many of these in-depth renovations take the original structure down to the framing and essentially replace all major components of the home. This is very common around the lakes where the removal of the existing structure would mean current regulations regarding setbacks would come into play; renovation of an existing structure generally does not require the structure comply with the new guidelines. Many renovations in our county have changed modest homes into homes that are well above average in quality and size, and are essentially new homes. This magnitude of renovations justifies a change in the grade, and effective age, of the home.

While out on sales disclosure verification we make note of apparent changes to "non-sold" parcels in the neighborhood as well as the sold parcels. If subjective changes are warranted, they are applied equally to the sold and un-sold properties in the neighborhood. In Kosciusko County, building permits are required for any renovations that change the footprint of the structure, or change the volume of the structure (roof-line changes, second stories, etc.) so some renovations can be made without the Assessor's office being made aware of them.

Adjusting the effective age of a property is based on ten major components of a home and their contribution, as a percent, to the home's total value. The components include: Foundation, Frame, Siding, Roof, Windows, Plumbing/Electrical, Heating/Cooling, Kitchen, Flooring, Interior Paint/Trim. We have developed a formula that will produce an effective age when the original date of construction and the renovation date of each of the above items are imported. By having all our assessing staff use this formula we have achieved greater uniformity in estimating a property's effective age. Information about the updates is obtained from several places: building permits (which are not required in all municipalities when making interior improvements), Multiple Listing Services, internet searches, Homeowner, reassessment questionnaires, Pictometry aerials and exterior visual inspections of homes in a subdivision when out on sales disclosures. This method is applied to sold and unsold parcels equally as they are found. Our assessing staff routinely keeps an eye out for updated properties while in the field and any neighborhood that is undergoing gentrification. Following is a copy of our Estimating Effective Age Worksheet.

ESTIMATING EFFECTIVE AGE

Parcel Number	Enter parcel number here	→	<input style="width: 95%;" type="text"/>
Year Built	Enter age here	→	<input style="width: 95%;" type="text"/>
Year Renovated	Enter renovation date here	→	<input style="width: 95%;" type="text"/>
Enter percent of component renovated in green boxes below →			
Enter individual renovation dates in red boxes below if different from main renovation date ↘			

House Components		Percent of Total Cost	Year Built or Renovated	Weighted Age
Foundation	Original	100.00%	0	0.00
	Renovated	0.00%	0	0.00
Frame	Original	100.00%	0	0.00
	Renovated	0.00%	0	0.00
Siding	Original	100.00%	0	0.00
	Renovated	0.00%	0	0.00
Roof	Original	100.00%	0	0.00
	Renovated	0.00%	0	0.00
Windows	Original	100.00%	0	0.00
	Renovated	0.00%	0	0.00
Plumbing/electrical	Original	100.00%	0	0.00
	Renovated	0.00%	0	0.00
Heating/cooling	Original	100.00%	0	0.00
	Renovated	0.00%	0	0.00
Kitchen	Original	100.00%	0	0.00
	Renovated	0.00%	0	0.00
Flooring	Original	100.00%	0	0.00
	Renovated	0.00%	0	0.00
Int painting/trim	Original	100.00%	0	0.00
	Renovated	0.00%	0	0.00
Total				
		100%		
Indicated Effective Age				0