

## Ratio Study Narrative 2025

General Information	
County Name	Clark

Person Performing Ratio Study			
Name	Phone Number	Email	Vendor Name (if applicable)
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Sales Window	1/1/2023	to	12/31/2024
If more than one year of sales were used, was a time adjustment applied?			
<input checked="" type="checkbox"/> No	<p>Explain, why not:</p> <p>There was no time adjustment as all the sales used were from the vacant residential class. With no paired sales and the lack of uniformity in vacant parcels, an adjustment percentage could not be calculated with any accuracy.</p> <p>A sales window from 1/1/2024 to 12/31/2024 was predominantly used.</p> <p>The window was expanded to include sales from 1/1/2023 to 12/31/2023 for the following townships ONLY due to a lack of sales:</p> <p><u>Commercial Improved:</u></p> <p>Silver Creek. Due to only 2 sales occurring in 2024, 5 sales from 2023 were included.</p> <p><u>Residential Vacant:</u></p> <p>Carr: Due to only 3 sales in 2024, 4 sales from 2023 were included.</p> <p>Charlestown: Due to only 10 sales in 2024, 6 sales from 2023 were included.</p> <p>Jeffersonville: Due to only 13 sales in 2024, 4 sales from 2023 were included.</p> <p>Monroe: Due to only 7 sales in 2024, 2 sales from 2023 were included.</p> <p>Utica: Due to only 15 sales in 2024, 9 sales from 2023 were included.</p>		

	All 2023 sales were used from the previous year's study except for those with significant changes.
<input type="checkbox"/> Yes	Explain the method used to calculate the adjustment:

### 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\*\***

Commercial Improved (ChasJeffCI): The townships of Charlestown and Jeffersonville were combined. These two townships border each other and share annexed areas as commercial areas transition from one township into the other. These same two townships required grouping in the 2021, 2022, and 2023, and 2024 studies.

Residential Improved (OwenWashRI): The townships of Owen and Washington are two adjacent rural townships in the NE corner of the county that both share the same school corporation. These two townships required grouping in the 2024 study.

Statistical studies were not completed in the classes of Industrial Vacant and Industrial Improved due to lack of parcels and sales in these classes for any of the townships. This was the same scenario as it was for the 2021, 2022, 2023, and 2024 studies.

Commercial Vacant – A statistical study was not completed due to lack of sales throughout the county. This was the same scenario as it was for the 2023 and 2024 study.

Commercial Improved – All townships excluding Charlestown, Jeffersonville & Silver Creek had inadequate numbers to complete a study despite expanding the sales period and these townships are not commercial comparable to the other populated townships. As stated above, Charlestown and Jeffersonville were combined again this year.

Residential Vacant studies were not conducted for the townships of Bethlehem, Oregon, Owen, Silver Creek, Union, Washington, and Wood due to a lack of sales in each. This was the same for the 2024 study.

Residential Improved study was not conducted for the township of Bethlehem due to a lack of sales.

### 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%)**

The townships of Carr, Oregon, Owen, and Jeffersonville were the predominant areas of focus for reassessment.

Additional individual parcels were also reassessed to complete the required percentages for their classifications. See the Clark Workbook file for a complete list of reassessed parcels.

### 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.	3/18/2024	
Action taken by the PTABOA.	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Denied
Effective date of the land order.	1/1/2025	
Was the land order updated as part of the 2024 cyclical reassessment?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> 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.**

When determined appropriate, the standard operating procedure (SOP) for making effective age changes is based upon the following:

- Additions – compute an effective age based upon utilizing the original year constructed, the original square footage, the additional square footage added and any additional renovations taking place in the year of construction establishing a weighted average of all the components of value.

- Remodels/Renovations – compute an effective age based utilizing the original year constructed, the percentage of the entire house that was renovated, utilizing the DLGF percentage of completion chart to assist in establishing a weighted average of all the components of value).

IAAO Ratio Study standards indicate that “outlier ratios” can result from any of the following:

1. An erroneous sale price.
2. A nonmarket sale
3. Unusual market variability
4. A mismatch between the property sold and the property appraised.
5. An error in the appraisal of an individual parcel
6. An error in the appraisal of a subgroup of parcels
7. Any of a variety of transcription or data handling errors in preparing any ratio study

Outliers should be:

1. Identified
2. Scrutinized to validate the information and correct errors.
3. Trimmed, if necessary, to improve sample representativeness

As a result, there were individual parcels that met these guidelines and were trimmed. Reference the file titled Clark County Sales Reconciliation File for those sales that were trimmed.

Other: There are six sales that were used in the vacant residential portion of the study that are now improved parcels. The formatted tab will reflect only the land value in the Current Total AV, whereas in the workbook file, the Current Total AV will reflect its total value (land and improvements.)

Those parcels are: 10-03-18-900-040.000-003, 10-06-24-200-056.000-027, 10-18-11-700-728.000-004, 10-20-01-000-335.000-010, 10-41-01-700-893.000-037, and 10-42-01-400-437.000-039.

Clark county has continued to experience an extremely large number of new housing starts, which has carried over from prior years. As a result, multiple sales occurred with parcels where the new housing start was picked up as a percentage of completion as of 1/1/24 and then sold as completed construction prior to 1/1/25. As a result, the percentage of increase for these sold parcels is significantly greater than that of the sold properties that were 100% complete as of 1/1/24. You will notice these results in many neighborhoods, most notably in the following:

10085065, 10085074, 10095009, 10095012, 10105089, 10105120, 10105127, 10115006, and 10125016

Trending was conducted on Commercial Improved in Charlestown, Jeffersonville, and Silver Creek townships. Trending was conducted on Residential Vacant in Carr, Charlestown,

Jeffersonville, Monroe, and Utica townships. Trending was conducted on Residential Improved in all townships except Bethlehem.

Any townships/classes not listed above were not trended due to a lack of sales.