

Ratio Study Narrative 2026

General Information			
County Name Clay County			
Person Performing Ratio Study			
Name Phone Number Email Vendor Name (if applicable)			
Daniel Solomon	812-448-9013	Daniel.Solomon@tylertech.com	Tyler Technologies
Sales Window			
1/1/2024 to 12/31/2025			
If more than one year of sales were used, was a time adjustment applied?			
☒ No Explain, why not: With very few sales occurring on the same property over the 24-month period, we cannot reliably time adjust sales with any confidence. The sales in Clay County that have sold twice over this period are usually foreclosure, rehab, or flip properties. These conditions are unreliable and do not represent accurate market value changes. The decision to use 2 years of sales is to produce enough valid sales to conduct a ratio study.			
☒ 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 lack of sales with no similarities will not be accepted by the Department**			
Township Residential Improved Properties combined for the purpose of this ratio study were done so on the basis of both geographic and economic factors. Below is a list of townships combined with further details: <u>Brazil:</u> Brazil City (the county seat) and the surrounding area make up Brazil Township. This township lies at the center of the county. The area is comprised of a denser population, higher number of amenities, and is more urban than the surrounding townships. The more urbanized, less agricultural and more commercial focus causes different influences to affect, or not affect, this township than the surrounding rural, agricultural townships. <u>Dick Johnson/Van Buren:</u> Dick Johnson and Van Buren townships are contiguous and border Brazil Twp, the county seat, on the North. They are sparsely populated, rural twps. composed of mostly agricultural farms and small towns. The proximity to Brazil city creates slightly more market elasticity than the rural southern extremes of the county. Properties in both twps. are affected by the same influences and the growth being static. <u>Cass/Perry/Sugar Ridge/Washington:</u> All of these combined twps. are contiguous and are located in south-central Clay County: These twps. are more sparsely populated than the			

aforementioned Dick Johnson/Van Buren area. Much of their population and development is along the IN-59 corridor. The predominant use is Agricultural with several small towns. This area is affected by the same market forces and rarely fluctuates. Even during the 2008 housing crisis, this combined area seemed insulated from a drop in value. These twps. are affected by the same influences and the growth being static.

Jackson/Posey: Jackson and Posey twps. are contiguous and located in central Clay County. These twps. have similar economic composition and like most of the county, the predominant use is agricultural with a few small towns spreading throughout. These two townships are two of the most developed, outside of Brazil township (the county seat). Economic factors influence both areas similarly and growth is static.

Harrison/Lewis: Harrison and Lewis twps. are contiguous and located in the most southern parts of Clay County. These twps. are predominantly rural, agricultural areas and are affected by the same economic factors. Both are static with very few changes in economic growth.

Residential Vacant

Properties were combined county-wide but did not produce enough data to conduct a valid analysis and ratio study. Much of the land in rural areas is purposed as agricultural. The majority of non-agricultural vacant land sales occur between affiliated parties or adjacent property owners. In Brazil (the county seat) a large portion of vacant parcels end up in tax sales or similar. As a result, the residential vacant portion of the Ratio Study has been omitted.

Improved/Unimproved Commercial and Improved/Unimproved Industrial

Due, once again, to the rural nature of Clay County, there is a low density of commercial/industrial properties. Many of the sales that do take place also convey personal property or involve remodeling or change of use of the property, making gathering sufficient sales data tricky. Due to the lack of data, commercial and industrial improved sales have been grouped together in a county-wide Com/Ind Improved grouping. There was not enough vacant commercial or industrial data to conduct a study. As such, the Vacant Ind/Com sections have been left blank due to a lack of valid sales.

Please explain clearly which property classes and groupings in the ratio study were trended.

Residential Improved properties were trended according to market data mostly on a neighborhood basis. Brazil township neighborhoods are the most individualized and diverse. The median and average trending change for neighborhoods in Brazil Township was -9%. Dick Johnson Township, with ample sales coverage, received a -20% factor reduction which was the largest reductions in the county. Van Buren Township received a median and average decrease in trending factor of -9%. As a grouping with contiguous borders and similar market conditions, the factors of these two northern townships are much closer than they were previously. Neighborhoods in Posey and Jackson Townships, a contiguous grouping positioned in a corridor between Brazil City and I70, received an average downward trend of -8%. In the most southern grouping, Lewis Township neighborhoods received a reduction of -6% average trending decrease while Harrison Township neighborhoods received an average trending change of -9%. The final grouping of Cass, Perry, Sugar Ridge, and Washington

township contains the least amount of sales data despite covering the most townships and square mileage. This makes calculating annual trending factors difficult in these areas despite using two years of sales data. This year, efforts were made to standardize the trending factors across this grouping. Cass Township, which typically lacks enough sales in a window to trend either direction, had sufficient market data this year for an adjustment. A 5% market increase was added to the main neighborhood in the township. It remains one of the lowest factors in the county and the single lowest of the major township neighborhoods. Factors in Sugar Ridge township were largely unadjusted as it lacked direct sales data and was already positioned centrally in the grouping. Minor trending was performed in the town of Centerpoint where local sales data allowed. Factors for Perry and Washington townships were reduced. Using current as well as historical sales data for the townships as well as factors and trending changes from the surrounding area of similar economic and market conditions, the major neighborhood in Perry township as well as the major neighborhood in Washington township were reduced -10%. These townships of similar influences now lay closer in trending factor and can more accurately be trended as a grouping moving forward.

No trending was performed on Commercial or Industrial factors.

Cyclical Reassessment

Please identify the townships included in the current phase of the cyclical reassessment. Additionally, specify any townships where the number of parcels reviewed exceeded the total outlined in the approved reassessment plan. Ensure all reviewed parcels meet the 25% requirement, with a 2% tolerance (acceptable range 23-27%).

Phase 4 of assessment included Cass, Perry, Sugar Ridge, and Van Buren Townships.

Land Order

The land order used for January 1, 2026, assessment along with the Narrative (optional) will be published on Department's website. Please provide the following information:

Date the land order was submitted to PTABOA.

Action taken by the PTABOA (if any).

☐ Approved

☐ Denied

☒ Other (The Land order update has been completed and values are current, but due to limited PTABOA meeting dates it has yet to be reviewed)

Effective date of the land order.

1/1/2026

Was the land order updated as part of the 2025 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 with 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.