

Narrative

General Information

County Name: CLARK

Person Performing Ratio Study: KEN SURFACE

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Sales Window (e.g. 1/1/18 to 12/31/18):

Sales from the period of 1/1/18 through 12/31/2018 was the period used for all groupings. The following analysis were expanded:

Industrial Vacant – Due to only 1 sale in 2018 and no sales from 2017, the 1 sale was combined with the Commercial Vacant analysis

Industrial Improved – county wide – due to only 1 sale in 2018, the timeframe was expanded to include 7 sales from 2017

Commercial Vacant – The townships of Charlestown, Jeffersonville, & Utica were combined together “JeffareaVC”. These three townships share common annexation of properties. Due to limited number of sales 9 of the 16 used sales were from the 2017 time period. The Silver Creek township was a stand alone but 6 of the 8 sales are from the 2017 time period due to the limited sales activity

Commercial Improved – The townships of Charlestown, Jeffersonville & Utica were combined together “JeffareaIC”. These three townships share common annexation of properties. The townships of Monroe, Union & Wood were combined with the township of Silver Creek. Silver Creek accounted for 5 of the 9 total sales. None of the other 3 townships had more than 2 sales and had zero sales in 2017

Residential Vacant – The townships of Carr, Union & Wood were combined together “CountySW”. These three townships are in the same region of the county, share same school corp. and were combined together in last year’s study as well. Carr accounted for 18 of the 23 sales. The townships of Beth, Oregon, Owen & Washington were combined together “CountyNW”. These 4 townships are in the same region of the county, share same school corp. and were combined together in last year’s study as well. None of the townships had more than 2 sales.

Residential Improved – The township of Bethlehem was combined with Owen as it only had 1 sale in 2018 and only 1 sale in 2017 (not used). These two townships were combined together in the last year’s study as well.

There was no time adjustment of any sales outside of the mandated time period as there isn't enough supporting evidence to accurately adjust with any confidence. Within the Industrial Improved study, one cannot calculate a reliable time adjustment based upon only 8 sales of non-comparable properties. The same applies to the analysis of commercial vacant, which had limited number of sales in 2017 and 2018, county wide.

Groupings

The groupings for statistical purposes took place are:

See above narrative for explanation of “groupings”.

For neighborhood groupings – the following were combined for factor calculations:

- 10025015 & 10025017
- 10044080 – 10044083
- 10045058 & 10045060
- 10045140 & 10045142
- 10105072, 10105077, 10105079
- 10105080 & 101005079

AV Increases/Decreases

If applicable, please list any townships within the major property classes that either increased or decreased by more than 10% in total AV from the previous year. Additionally, please provide a reason why this occurred.

Property Type	Townships Impacted	Explanation
Commercial Improved	Utica	6 additional parcels as well as other parcels experiencing new construction
Commercial Vacant	Carr Utica	Carr =1 parcel changed class code accounted for all of the decrease Utica = 1 fewer parcels was the result of the decrease as well as others becoming improved
Industrial Improved	Carr Utica	Carr =1 parcel increased in land value and imp value – accounted for the entire increase

		Utica = 2 additional parcels as well as new construction
Industrial Vacant	Utica	2 fewer parcels was the reason for the decrease
Residential Improved	Monroe Utica	Increase in the number of improved parcels with the addition of new construction Same reason applies for both townships
Residential Vacant	Monroe Union Utica	Large reduction in the number of vacant parcels as they are now improved due to new construction Same reason applies for all 3 townships

Cyclical Reassessment

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

Charlestown – all properties with the exception of selected Improved Agricultural were reviewed

Utica – all properties with the exception of vacant residential

Washington – All properties were reviewed

Jeffersonville Township – a limited number of neighborhoods were reviewed – see workbook values for identification

See workbook values for all designated parcels conducted during the year throughout the county

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, scheduled for year two of the cycle

Comments

During the sales verification and validation process, it was determined that numerous parcels were not being assessed with finished basements. This information was verified through sales research, MLS listing information and interior pictures posted on the websites. Every effort goes into ensuring that similar non-sold properties with basements are also assessed correctly.

However, this will always be a continual challenge for the county. Additionally, many properties also had negative market factors removed or adjusted, that had been applied in prior years due to prior appeals or the property being valued as rental property.

The DLGF provided a sales reconciliation file identifying a total of 3144 sales that occurred during the 2018 timeframe as needing an explanation as to why they were not used if they are not contained within the ratio study. The 3144 sales identified by the DLGF was done without review and therefore identifies several that are “invalid sales”.

From this list of 3144 parcels it was determined that 587 of the sales were sales of various “invalid sales” nature. For example (142 = unusual market activity; 69 = sale not reflective of market, 67 = sold twice in same year, 49 = financial institution sale, 37 = relationship, 28 = purchased for future development (developer to developer), 28 = adjacent owner, 18 = non market transaction, 11 = contract sale.

Additionally, the county used approximately 30 sales that were not listed on the DLGF reconciliation report.

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.

After complete scrutiny from the county, Clark County utilized more than 82% of the all-inclusive list of parcels were identified in the DLGF reconciliation sales file. This percentage increased to approximately 95%, once the file was adjusted, eliminating truly non valid sales

See the Sales Reconciliation Response file for a complete detail for every parcel not utilized in the study. Response was not provided for the 2017 sales contained in the DLGF report as only 16 sales were used on as needed basis.

A total of 2600 sales were used in the study, of which 93 were multi-parcel sales.