

## **An Overview of DeKalb County's 2018 Annual Trending**

### **Revised March 15, 2018**

#### **Step 1: Re-Delineation of Neighborhoods**

The vast majority of neighborhoods in DeKalb County were completely re-examined and, where necessary, re-delineated for annual trending in 2018. This portion of trending included all property classes.

#### **Step 2: Calculation of New Land Values**

New land values were calculated for 2018 and in only limited circumstances did sales warrant new land values for 2018. For residential property, small adjustments may have been made based on sales, but the market adjustment factor was the primary means of updating residential property values. For commercial and industrial properties, land values generally stayed consistent between January 1, 2017 and January 1, 2018. Some market areas or some use types warranted influence factors; these factors were reviewed and adjusted accordingly.

#### **Step 3: Calculation of New Residential Factors & Residential Studies**

All neighborhoods had factors recalculated. This was due to any cost table updates, the depreciation date being changed and local cost multiplier updates.

#### **Step 4: Updated Commercial & Industrial Improvement Values**

The depreciation date, cost schedules and the local cost multiplier for this year's trending of commercial and industrial improvements were updated. Certain class codes in certain neighborhoods and/or townships did need adjusting. Market areas were created in these neighborhoods with a corresponding factor to the improvement.

***Due to Cyclical Reassessment parcels were reassessed. Parcels that were reassessed for 2018 are noted in the Reassessed column of the workbook. Properties were examined via site visits as well as aerials along with property photos. Changes were made accordingly.***

***A Sales Reconciliation file was provided by the DLGF. The sales period provided in the file were from January 1, 2016 to December 31, 2017. Unlike prior years, not only sales that were marked valid for trending were included in the Sales Reconciliation file. This led to a large number of sales on the "Sales Recon not Used" tab of the Ratio Study File.***

***During the year the county researches the sales disclosures that are filed with the assessor's office. The county verifies that the sale that took place represents a valid market value transaction. Things that are checked are typically motivated buyer and seller acting in their best interests, typically market exposure, valuable consideration given, typical financing, if the intended use of the property***

*is the same as the current use and warranty deed. The verification process involves checking local listings, the MLS, calls to buyers and/or sellers and internet research.*

*Newville Township(3), Stafford Township(3) and Troy Township(3) did not have enough valid sales to perform individual Improved Residential Studies. I was determined not to run a consolidated study on these townships. The reason for this decision was based on combined there were only five (9) valid sales for a two (2) year period, with such a small combined sample size, a study would not give any useful results.*

*For the Industrial Improved portion of the study, there were only three valid industrial sale in the county in the time period. A consolidated study was not able to be done due to lack of valid sales.*

*For the Industrial Vacant portion of the study, there were no valid sales in any township to perform a study. A consolidated study was not able to be done due to lack of valid sales.*

*For the Commercial Vacant portion of the study, there were no valid sales in any township to perform a study. A consolidated study was not able to be done due to lack of valid sales.*

*Jackson Keyser and Union Townships had enough sales to perform a Vacant Residential study individually. Other townships had sales but not enough to conduct their own study. A consolidated study was not done on these townships. With the intended use, size and locations of the parcels it was determined that a consolidated study would not provide any useful results.*

*Union Township had enough Improved Commercial sales to perform a study individually. There were not enough combined valid sales to do a combined study in the other townships.*

*Since two years of sales were used in this year's ratio study it was determined that the the 2016 improved residential sales needed to be adjusted for time. This can be supported by Sperling's Best Places website. <https://www.bestplaces.net/county/indiana/dekalb> It stated that "Home Appreciation is up 3.1% in the last 12 months." The time adjustments are shown on the Formatted tab. No other class of property was adjusted as a lack of data existed.*