

# Narrative

## General Information

County Name: Delaware

Person Performing Ratio Study: Christopher Ward

Sales Window (e.g. 1/1/20 to 12/31/20):

If more than one year of sales were used, was a time adjustment applied? If no, please explain why not. If yes, please explain the method used to calculate the adjustment.

Only one year was needed due to amount of valid sales in the County.

## Groupings

In the space below, please provide a list of township and/or major class groupings (if any). Additionally, please provide information detailing how the townships and/or major classes are similar in market.

12 Commercial improved sales were grouped into County Wide. 3 Commercial vacant sales were grouped into County wide. 14 Vacant residential sales were grouped into County wide.

The sales that are grouped together into County wide are grouped together based on the following:

These townships are rural in nature. They are smaller and are homogenous to one another.

There were no trending of Commercial or Industrial this year. Therefore they were grouped together for valid sale reporting purposes. We did not feel that we should have separate grouping that were township specific as no trending occurred.

**\*\*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\*\***

## 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.

<b>Property Type</b>	<b>Townships Impacted</b>	<b>Explanation</b>
Commercial Improved	0	
Commercial Vacant	Harrison  Mt. Pleasant	Lost 2 major parcels to new construction/ Parcel changed from Vacant Commercial to Improved commercial  Lost 1 Major parcel to new construction/ Parcel changed from Vacant Commercial to Improved Commercial
Industrial Improved	0	
Industrial Vacant	0	
Residential Improved	Center  Hamilton  Niles  Perry  Salem  Washington	Center Township was involved in phase 3 of reassessment and values were corrected as necessary. Values were also trended as part of ratio study.  Values were trended as part of ratio study  Values were trended as part of ratio study
Residential Vacant	Center	Center Township was involved in phase 3 of reassessment and land values were corrected as necessary. Additionally, 121 parcels were added in 2021 as compared to 2020.

	Mt. Pleasant	Mt. Pleasant Township was involved in phase 3 of reassessment and land values were corrected as necessary. Additionally, 56 parcels were added in 2021 as compared to 2020
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**Cyclical Reassessment**

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

Phase 3 reassessment included the following: Center township, Mt. Pleasant township, Monroe township, and Liberty township.

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

Land order was not completed. It will be completed as part of phase 4.

**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.

Delaware County uses three methods in determining the effective age of a dwelling or any other improvement on a parcel. We have listed these steps and examples of each below.

**Methodology for Determining the Effective Age of an Improvement**

1. The basic method used for an improvement that has been completely remodeled is:

1.  $A-B/2+B=New\ Effective\ Age$

Where: A= Remodel year

B= Original or “actual” documented construction year

Example: Dwelling constructed in 1960 is remodeled (complete interior/exterior) in 2020.

In this case, we determine the effective age by taking 2020 and subtracting 1960. This calculation equals 60. 60 divided by 2=30. 1960 + 30 = 1990. The Eff Age would then be 1990. This adjustment is required because the functional utility of the property has been increased due to the remodel or renovation.

2. Here is a secondary method that we use when the original structure has had square footage added to the existing improvement. This method requires the calculation of the “average” or “weighted” age. Using the following formula, we are able to calculate the average age of the structure.

- a. Determine the percentage by taking the Original SF divided by the Total Square Footage
- b. Multiply the original construction year by the percentage
- c. For the addition, determine the percentage by taking the Additional SF divided by the total square footage.
- d. Multiply the additions construction year by the percentage
- e. Determine the new Actual “average” Age by adding the two numbers together, rounding to the nearest whole number. (In the example below the total equals 1974.4; rounded to nearest whole number equals 1974)

<u>Structure</u>	<u>SF</u>	<u>Total SF</u>	<u>%</u>	<u>Year</u>	
Original	3200	4200	76%	1960	1489.6
Addition	1000	4200	24%	2020	484.8

*Effective Age:* **1974**

3. The third used method in determining the effective age of an improvement is based on actual appraisal and/or marketing data. Because of the source of the data, this is the most subjective evaluation of remaining economic life and the corresponding change to effective age. Sometimes the data used for determining the effective age is not verifiable but rather, is determined by the appraiser's subjective view of property characteristics that are needed to reach a pre-determined Scope of Work. In cases like this, the effective age that was determined by the appraiser must be used to arrive at the new value.

Example: Kitchen is usable however; the seller believes in order to sell the property they need to replace the kitchen cabinets. If the appraiser believes the condition of the dwelling had any determination based on how the kitchen looked, the appraiser may increase condition from "F" to "AV."

To ensure this is applied consistently throughout the county, the Standard Procedures for Review, in Randolph County ensures that each time a data collector steps onto a parcel, regardless of the initial reason, be it New Construction, Removal, Notice by Tax Payer or local, everything is subject to review. By constantly reviewing data from Listings, Permits, Reassessments or Reviews of Opportunity (driving to one parcel and passing another and noticing something may or may have not changed), Tax Sale and Foreclosure Parcels, we can solidify our data to ensure ALL parcels are being treated as they are, not what taxpayers want them to be.

Additionally, if a parcel requires a change to the effective age due to remodel or addition of living area, this is not something that we can blanket apply to the entire neighborhood. We cannot assume, based on 2 or 3 sales in a neighborhood that had significant interior updates, that the entire neighborhood has made these same significant interior updates. We can only do the best we can with the data available to us. Unfortunately, since we do not do interior inspections of homes, this data is only made available to the Assessor when the property is listed or sold.