

An Overview of Jefferson County's 2008 Annual Trending September, 2008

The following steps were taken to conduct the 2008 annual trending in Jefferson County:

Step 1: Calculation of New Land Values

New land values were calculated county wide using a combination of last year's values and 2006 and 2007 sales. Residential land values saw a small adjustment, but the overall assessment value of residential properties was updated due to the market adjustment factor. Commercial and industrial land values saw an increase from last year's rates. Various market areas or use types warranted influence factors; these properties were reviewed and had factors applied to them accordingly.

Step 2: Calculation of New Residential Factors & Residential Studies

Per 50 IAC 14, a preliminary ratio study was conducted for vacant and improved residential properties at the township level. Market adjustment factors were calculated based upon 2006 and 2007 sales. Valid information taken from the 2007 appeals was also used in the process to arrive at trended values for the 2008 year. Studies were conducted indicating various property classes that needed further analysis, which included reassigning parcels to new class codes or stratifying neighborhoods. After the ratio study analysis was completed on parcel, an analysis on sold vs. unsold properties at the neighborhood level was conducted to determine the relationship between the two.

Step 3: Updated Commercial & Industrial Improvement Values

New commercial and industrial cost table updates were the starting point for updating commercial and industrial improvement values. The county also changed the year of depreciation from 2006 to 2007. The Nexus Group Construction Cost Index (NCCIsm) was used to update these cost tables. These detailed construction cost models have been constructed by Nexus Group and applied uniformly by property class based on specific usage, wall type and other characteristics.