

2007 Martin County Trending Project

Activity Summary

General

Martin County is one of the smallest counties in the state both geographically and by population. The county is made up of 6 townships with a total parcel count of just under 10,000 total parcels.

Commercial

In the town of Loogootee a large enough sample of improved commercial sales was available to develop a trending factor. Applying this trend factor to the improved parcels yielded an increase in most parcels. In the remaining taxing districts the number of improved sales was limited. In those districts a cost index derived from *Marshall and Swift* was loaded into the county's Proval software system and batch recalculation of commercial and industrial properties were carried out.

The cost index was developed from reviewing 4 different time-adjusted indexes in the *Marshall and Swift* manual. The index arrived at was 1.33 (133%). After the commercial and industrial recalculation was carried out, new depreciation figures were applied using January 1, 2006 as the new effective date to determine depreciation instead of the prior January 1, 1999 date. The market data available was used to help determine obsolescence depreciation if needed.

As part of the review of commercial property, the county's appraisal vendor carried out field inspections of 40% of the improved property in Shoals and West Shoals, and reviewed 15% of the improved commercial property in Loogootee. During the field inspection each property was checked for size, occupancy, use type, condition, and for variances that may have occurred since the 2002 revaluation.

Commercial Land

Due to the limited amount of raw land sales for commercial and industrial property, the county contracted with a local Realtor/Broker to carry out a review of various parcels in both Perry and Halbert townships to help establish land valuations in those areas. The appraisals carried out were used to supplement and revise the land values established by the county.

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Residential

All sales disclosures for residential properties are initially verified and validated by the county assessor's office by phone contact with the parties involved in the sale. For those parcels where the sale price and assessed value differ by more 20% a field inspection is carried out by the county's appraisal vendor. These inspections often result in finding renovated, omitted or removed improvements. Discussions with the owners onsite often yields new information about the financing or family relationships which do not always appear on the disclosures.

Sales throughout the county were very flat in 2006 and created a drag on the residential valuations. Significant changes were made to the residential parcels during the 2006 trending project, but most of the changes for 2007 were relatively modest.

Income Producing Properties

Martin County has a very limited number of multi-family housing apartments. The county has obtained income and expense data from the majority of those properties and is in the process of comparing the capitalized net income to the assessed valuations. The county has also gathered rental data from residential rentals to develop GRM's.

Other Data Sources

Unlike most counties there is very little data available through the MLS for properties in the county. What data is available has been incorporated into the 2007 valuation process.