

# Narrative

## General Information

County Name: MONROE

Person Performing Ratio Study: Ken Surface

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

Sales from the period of 1/1/20 through 12/31/20 was the period used for all groupings. The following analysis were expanded to include 2019 sales. A total of only 20 sales were utilized from 2019

Vacant Residential: The following townships (Polk/Salt Creek Grouping & Washington) utilized sales from 2019 due to lack of sales in 2020

Improved Residential: Due to the lack of sales, the township of Indian Creek utilized sales from 2019 due to lack of sales in 2020.

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 confidence. Very limited sales and zero paired sales.

Industrial Vacant, Industrial Improved: Due to less than 5 sales within 2020 and no valid sales within the immediate time frame that were available to increase the count to at least 5 sales. The study of this class was not completed.

Residential Vacant: Townships of Bean Blossom and Indian Creek had less than 5 sales within 2020 and no valid sales within the immediate time frame that were available to increase the count to at least 5 sales. The study of this class was not completed.

## Groupings

The following townships, within the following classification studies were grouped together for statistical purposes.

Vacant Residential: Polk & Salt Creek (ResVacPolkSC). These townships border each other, are extremely rural in nature and both reside in the most South East portion of the county. These two townships were required to be grouped together in the 2019 study as well

Improved Residential: Polk & Salt Creek (ResImpPolkSC). These two townships border each other, are extremely rural in nature and both reside in the most South East portion of the county. These two These two townships were required to be grouped together in the 2019 study as well

Commercial Vacant: Bloomington, Perry & Richland (VacComBPR) These three townships border each other and serve as the hub for all desired industrial properties within the county. One of the used sales was a multi-parcel sale incorporating parcels residing in different townships due to bordering each other.

**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. The calculation for the change uses the AV from the prior year with the prior year property class and the AV from the current year with the current year property class.

<b>Property Type</b>	<b>Townships Impacted</b>	<b>Explanation</b>
Commercial Improved		none
Commercial Vacant	Bloomington  Clear Creek Perry  Richland	Predominant reason was 1 newly created parcel and 6 parcels changed in property class code to vacant commercial  Change in 1 parcel from improved to vacant  Predominate reason was 2 newly created parcels,3 parcels changing in property class to vacant commercial and 1 parcel being removed from a developer’s discount, which contributed most of the change in AV  Predominate reason was 5 newly created parcels, 6 parcels changing in property class to vacant commercial and additional parcels either having developers discount removed or land base rates changed due to upcoming new construction

Industrial Improved	Richland	1 additional parcel from last year – was an Ag class, now improved industrial – new construction \$20,969,300 AV
Industrial Vacant		none
Residential Improved	Richland	Predominate reason was new construction. 17 newly created parcels, 84 changed from a prior non-residential class code to residential and 75 parcels changed from class code 500 to 510
	Van Buren	In addition to the normal trending, 1 newly created parcel number and 39 parcels changed from a non-improved residential class code to that of 510
Residential Vacant	Richland	Predominate reason was 111 newly created parcels for the assessment year, various neighborhoods had land base rates changed per trending
	Van Buren	Predominate reason was various neighborhoods had land base rates changed, multiple parcels had developers discount removed due to sales and new housing starts. 1 new parcel was created and 3 parcels changed in class code to vacant residential

### **Cyclical Reassessment**

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

Predominate reassessment areas were

Perry Township – all class types

Perry (Perry City – taxing district) – Carry over from the prior cyclical year

Polk Township – entire township

Indian Creek – Entire township

See workbook values for designated parcels

Land order was presented in a prior year. Multiple neighborhoods were updated within the reassessed area's as well as other neighborhoods throughout the county as deemed appropriate

## Comments

Neighborhood Groupings:  
53003019 & 53003020

Class code 419 – designated class code use for other commercial housing – rental properties within residential neighborhoods – assigned to same neighborhood as residential properties in the same area.

The standard operating procedure (SOP) for making effective age changes is based upon the following:

- Additions – compute an effective age based upon utilizing the original year constructed, the original square footage, the additional square footage added and any additional renovations taking place in the year of construction establishing a weighted average of all the components of value.
- Remodels/Renovations – compute an effective age based utilizing the original year constructed, the percentage of the entire house that was renovated, utilizing the DLGF percentage of completion chart to assist in establishing a weighted average of all the components of value).

The county relies solely on its building permit system to discover new construction as well as the cyclical reassessment process as outlined by the Indiana Code.

All sold properties have their baseline property characteristics verified against MLS when available.

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. Reference the file titled Monroe Sales Reconciliation for those sales that were trimmed.

A total of 82% of the sales identified in the provided DLGF Reconciliation file were used in the 2020 study