

March 1, 2017

Barry Wood
Director Assessment Division
Department of Local Government Finance
Indiana Government Center North
100 North Senate Avenue N1058(B)
Indianapolis, IN 46204

Dear Barry,

We have completed the 2017 ratio study for Parke County. All sales we deemed valid were used, including multi-parcel sales and land sales that have since been improved. We used sales between 1/1/16-12/31/2016 for Residential properties and due to a lack of sales, we used sales between 1/1/15-12/31/16 for Commercial and Industrial properties. When we reviewed paired sales for the area we did not see that an adjustment for time was necessary so there was no time adjustment applied to the 2015 sales.

Residential and Ag Homesites

We grouped all townships together for "Vacant Residential" land sales to create a better market comparison. The townships were grouped together because they share similar economic factors. This allowed us to include all sales in a similar area, rather than basing land rates on one or two sales. Rates were changed as necessary.

We grouped Greene, Howard, Jackson, Liberty, Penn, Raccoon, Reserve, Sugar Creek, and Wabash Townships together for the "Improved Residential" portion of the ratio study because of their similar economic factors. Adams, Florida, Union, and Washington Townships were not grouped with any other townships for the "Improved Residential" portion of the ratio study. Trending factors have been added to help bring the median ratios closer to 1.00.

Commercial and Industrial

We grouped the Commercial and Industrial properties within each township together when developing trend factors, since the construction types and sizes of these properties are very similar. We have adjusted building factors within Commercial neighborhoods that bring us closer to a market value. There are very few Commercial and Industrial vacant land sales due to the fact that most of the land for sale in Parke County is in row crop. There was a lack of market information to have a separate commercial vacant study of its own. For this reason we did group the Commercial Industrial Improved and Vacant sales into one study group.

Large Change Area

When reviewing our value change by Townships we identified (11) areas that we felt needed addressed. Those areas are broke down by study section then Township below.

Commercial Improved:

1. Sugar Creek Township- Approximately a 24% or \$94,000 decrease. This is due to parcel 61-03-08-000-104.000-014. There is an appeal on this property for a reduction in value due to the condition of the building and these adjustments have been made for 2017 as well anticipating the PTABOA resolution.
2. Wabash Township-Approximately a 25% or \$314,000 increase. This is due to parcel 61-10-20-000-313.000-018. There was new construction of a 10,800 sq. ft. office building added.

Commercial Vacant:

1. Union Township-Approximately a 37% or \$65,000 decrease. This is due to parcel 61-12-07-000-413.000-015. The dwelling was demolished on this property and it was changed from being residentially improved to vacant.

Industrial Improved:

1. Penn Township-Approximately a 22% or \$272,000 increase. This is due to parcel 61-06-13-000-129.000-010 having a new warehouse added and parcel 61-06-13-000-150.000-010 having a large addition to an existing warehouse.

Residential Vacant:

1. Florida Township-Approximately a 15% or \$348,000 decrease. This is due to parcels 61-13-24-000-101.000-003, 61-13-14-000-206.200-003, and 61-13-23-204-056.000-003 being new split parcels and then also the removal of improvements on parcels 61-13-14-201-026.000-003, 61-14-14-402-002.100-003, and 61-14-26-000-303.000-004.
2. Greene Township-Approximately a 44% or \$104,000 increase. This is due to an increase to the land rates in 203602. This land rate increase did result in an average increase of \$5,000 roughly for the neighborhood.
3. Howard Township-Approximately a 40% or \$92,000 increase. This is due to the developer's discount being removed from parcels 61-04-21-401-035.100-006, 61-04-21-403-008.100-006, 61-04-21-401-006.100-006, 61-04-21-403-015.100-006, and 61-04-21-401-034.100-006.
4. Jackson Township-Approximately a 19% or \$165,000 decrease. This is due to parcel 61-16-01-000-404.000-007 having land split out to another parcel and the removal of buildings from parcels 61-16-22-000-406.000-007 and 61-16-06-000-404.000-007.
5. Liberty Township-Approximately a 18% or \$70,000 decrease. This is due to parcel 61-02-16-401-009.000-008 having the buildings moved to another parcel and then the classification changed from improved to vacant.
6. Sugar Creek Township-Approximately a 59% or \$70,000 decrease. This is due to parcel 61-03-11-000-109.000-014 having the buildings removed and then the classification changed from improved to vacant.
7. Union Township-Approximately a 42% or \$1,925,000 increase. This is due to parcels 61-12-01-102-007.000-015, 61-12-11-101-005.000-015, 61-12-10-302-003.000-015, and 61-12-10-302-006.000-015 having homesites added. In addition to that, there were two neighborhoods that had large increases to the excess acreage rate. Neighborhood 190907-Paradise Bay Sub (roughly a \$1,400,000 increase over 70 parcels) and 191529-Sue San Sub (roughly a \$375,000 increase over 14 parcels) the excess acre rate almost doubled due to sales in the area being low. These are high dollar sale prices that were causing an inequity when comparing them to low dollar sales prices and a change had to be made to bring our price related differential (PRD) to an acceptable level.

In addition to these large changes for each Township we did find that over 10% of the Industrial Improved parcels increased more than 10%. There was a change to (6) parcels that provoked this increase and those parcels and why they changed is listed below.

1. 61-06-13-000-129.000-010- New Warehouse Constructed
2. 61-06-13-000-150.000-010- Addition to current warehouse
3. 61-07-09-000-218.000-021- Change of grade, condition and effective year per reassessment lister
4. 61-07-09-000-226.000-021- Added Pole Frame warehouse and lean-to
5. 61-07-09-201-007.000-021- Added Utility Storage Bldg. and T3AW
6. 61-11-08-000-105.100-001- Corrected Sketch and bldgs. per taxpayer request

Summary

Overall, we saw a slight increase in value within Parke County. As for year three of the cyclical reassessment, we reviewed within the districts of Raccoon Township, Union Township, Wabash Township, Montezuma Town-Wabash Township, and Mecca Town which you will see reflected in the workbook.

If you have any questions feel free to contact me.

Sincerely,

Katie Potter