

February 27, 2018

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 2018 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 1/1/16-12/31/2017 for Commercial, Industrial, and Residential properties to obtain an appropriate representation of the market. 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 2016 sales.

Residential and Ag Homesites

We grouped all townships together for “Vacant Residential” land sales to create a better market comparison. These were grouped together because this is a rural area that shares a similar economic factor. There are very little residential vacant land sales in Parke County which is due to this being a very strong agricultural community, with almost 25% of the parcels being agricultural vacant land. The vacant land market is very minimal with exception to land on a major lake in Union Township. 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, Liberty, Reserve, Sugar Creek, and Wabash Townships together for the “Improved Residential” portion of the ratio study. These areas are similar because they have comparable economic factors, are mostly rural un-platted land, and have mostly similar sized houses with almost half of the houses built prior to 1930. 45% of the parcels within these areas are Agricultural and they make up 60% of the Agricultural parcels in the County. Adams, Florida, Jackson, Penn, Raccoon, Union, and Washington Townships were not grouped with any other townships for the “Improved Residential” portion of the ratio study. Land Rates and market adjustment factors have been adjusted 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. 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. These are similar since they are mostly smaller commercial or industrial businesses in a rural environment with similar economic factors. There are very few Commercial and Industrial vacant land sales due to the fact that most of the land for sale is in row crop. For this reason we did group the Commercial Industrial Improved and Vacant sales into one study group. We have adjusted building factors within Commercial and Industrial neighborhoods to bring the median ratios closer to 1.00.

Large Change Area

When reviewing our value change by Townships we identified (4) areas that we felt needed addressed. Those areas are broke down by study section then Township below.

Commercial Improved:

1. Jackson Township- This area was reviewed this year as part of the cyclical review. There is approximately a 13%, or \$232,900, increase. This is due to the following reasons:
 - 61-16-08-000-115.000-007 - Changed \$14800 due to new discovery-added com bldg as dwelling
 - 61-16-08-000-116.000-007 - Changed \$28200 due to sketch updated to reflect recent changes to property
 - 61-16-08-000-117.000-007 - Changed \$24700 due to sketch updated to reflect recent changes to property
 - 61-16-08-000-129.000-007 - Changed \$57300 due to sketch updated to reflect recent changes to property
 - 61-16-08-000-138.000-007 - Changed \$50300 due to new discovery-added t3aw & paving
 - 61-16-08-101-012.000-007 - Changed \$86000 due to new construction-2017 t3aw

Industrial Improved:

1. Wabash Township-There is approximately a 140%, or \$2,639,900, increase. This is due to the following reasons:
 - 61-09-01-000-203.000-016 - Changed \$92200 due to corrected pricing error
 - 61-09-01-000-201.000-016 - Changed \$2545300 due to combination of parcel 61-09-01-000-102.000-016

Residential Vacant:

1. Jackson Township- This area was reviewed this year as part of the cyclical review. There is approximately a 15%, or \$110,000, increase. This is due to an excess land rate increase in neighborhood 180309, Rocky Fork Lake. Properties continue to sale on Rocky Fork Lake and an increase in land value was required so the excess land rate was increased from \$6,000 to \$7,600. This did reflect in approximately an average increase of \$1,400 for the vacant land parcels.

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. 61-05-36-000-412.000-012 - Changed \$598900 due to moved building here from parcel 61-05-36-000-407.000-012
2. 61-06-31-000-108.000-012 - Changed \$81800 due to change in use; Agricultural land to Industrial undeveloped
3. 61-06-31-000-109.000-012 - Changed \$1100 due to change in use; Residential land to Industrial undeveloped
4. 61-07-09-000-227.000-021 - Changed \$47200 due to new construction
5. 61-09-01-000-201.000-016 - Changed \$2545300 due to combined parcel 61-09-01-000-102.000-016
6. 61-09-01-000-203.000-016 - Changed \$92200 due to corrected pricing error

Summary

Overall, we saw a slight increase in value within Parke County. As for year four of the cyclical reassessment, we reviewed within the districts of Florida Township, Rosedale Town, Jackson Township, and Reserve Township which you will see reflected in the workbook.

If you have any questions feel free to contact me.

Sincerely,

Katie Potter