

May 21, 2010

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 ratio study for the 2010 Perry County trending. All sales that we deemed valid were used, including multi-parcel sales and land sales that have since been improved. We also included 2008 sales so that we had a better base of sales to determine whether values needed to increase, decrease, or stay the same in a given neighborhood. After speaking to numerous real estate agents and appraisers, we determined no time adjustment was necessary.

Residential and Ag Homesites

All townships were grouped together to create a better market comparison for vacant land sales. 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 have been changed where necessary. Also, we grouped Anderson, Clark, and Leopold together, as well as Oil, Tobin, and Union. These townships were grouped together because of similar economic factors. Some additional neighborhoods were created due to new subdivisions. Also, trending factors have been added to help bring the median ratios closer to 1.00.

Commercial and Industrial

There were very few sales outside of Troy Township. Because of this we grouped all of the Commercial and Industrial properties together. The construction types and sizes for the Commercial and Industrial are very similar so these two categories were grouped together when we were developing trending factors. They are grouped that way on the ratio study as well. We also included 2008 sales so there was a larger pool of sales. The local golf course went down in value based on income and expense information. We used a cap rate of 12% based on sales and cross referenced that information to a national and regional study to ensure accuracy. Due to a lack of zoning, we have not had any vacant Commercial or Industrial sales. We reviewed some sales we had in 2006 and after speaking with local appraisers feel that our land rates are still correct. Trending factors were added to help bring the median ratios closer to 1.00, if they were needed at all.

Summary

Overall, we saw a little to no increase in value of Residential property. There was little to no movement in value of Commercial and Industrial properties.

There are very few Commercial and Industrial unimproved land sales, due to the fact that most land available for sale in Perry County is in row crop. That is the reason we reviewed our 2006 vacant land sales (not included) for Commercial and Industrial properties to make sure we are assessing them properly. If you have any questions feel free to contact me.

Sincerely,

Mendy Ward