

May 7, 2012

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 2012 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 2010 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 were changed where necessary, with the implementation of the new Land Order. We did see a drop in some areas with the new Land Order. Also, we grouped Clark and Oil together as well for the "Improved Residential" portion of the ratio study. These townships were grouped together because of similar economic factors. They both are remote, rural areas along the I-64 corridor. 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 properties 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 2010 sales so there was a larger pool of sales. Due to a lack of zoning, we have not had any vacant Commercial or Industrial sales. We did use the abstraction methodology for the creation of our Land Order. This, in addition to reviewing past vacant sales, is what was used to create our rates. We did see a drop in Troy Township, specifically the taxing district of Cannelton, with some of the Commercial/Industrial properties. Trending factors were added to help bring the median ratios closer to 1.00, if they were needed at all.

Summary

Overall, we saw some drop in value within Perry County. It did seem as though we saw a higher volume of sales, but those seemed to drive value down some.

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 past vacant land sales (not included) for Commercial and Industrial properties, in addition to the abstraction method, to make sure we are assessing them properly. If you have any questions feel free to contact me.

Sincerely,

Mendy Lassaline