March 24, 2018

Mr. Barry Wood, Assessment Director
Indiana Department of Local Government Finance
100 North Senate Avenue, N 1058(B)
Indianapolis, IN 46204

RE: St. Joseph County Ratio Study
2018 pay 2019

Dear Mr. Wood:

The enclosed data for St. Joseph County reflects the proposed Assessed Value Changes for the January 1, 2018 assessment year. We have conducted a ratio study based on sales in the Residential, Industrial, and Commercial classes for the purpose of the Annual Adjustment to market value as required by 50 IAC27, using guidelines provided by the Department of Local Government Finance.

The study includes all available sales from the period of January 1, 2017 to December 31, 2017. Properties were reviewed for characteristics at the time of sale, using MLS, Zillow, permits and field inspections. The records were updated to reflect all changes. All sold and unsold properties were treated equally and equitable. The new agricultural land base rate and the 2018 Update Cost Tables were applied. The Location Cost Multiplier did not change from January 1, 2017. Commercial and Industrial sales were additionally reviewed against LoopNet Commercial, field visits and buyer/seller information.

During 2018 pay 2019, our 4th phase of Cyclical Reassessment involved visiting and reviewing over 28,500 parcels of residential, commercial, industrial, and agricultural properties. During that period, our dedicated staff used Pictometry, field inspections and updated photographs to review property data characteristics. Field inspections were completed on building permits and Sales Disclosures. You will see in our workbook that Madison and Union Township Residential class increased due to trending factors applied. In Union Township the Commercial class increased primarily due to new construction and review.

Initially, the study included 3,527 valid sales from January 1, 2017 through December 31, 2017. St. Joseph County is committed to utilizing as many valid sales as possible during the trending process. We have taken every step to ensure the sales used provide the most accurate information relating to the residential and commercial/industrial market within the County. We have also used as many multi parcel sales as possible and have the tab called “Multi Parcel Sales” for identification. Of these 3,527 sales, 3,244 were used in the study. The “outliers” are identified on the attached “Sales Not Used” worksheet. Additionally, sales were excluded which had a change in use or property class (i.e. rental properties using income valuation, land removed from Developer’s discount, new construction, etc.) or did not meet other tests of acceptability when verified by our Sales Disclosure Department.
All acceptable sales were stratified by township, neighborhood and property class type for this analysis resulting in some properties being reported in a different neighborhood this year. We researched and trimmed outliers, applied suggested factors, and calculated the 2018 pay 2019 assessments contained in the attached workbook.

*Improved Residential:* Each of our townships had sufficient number of sales to support their own ratio study. All acceptable sales were stratified by township and neighborhood. No trending was indicated in Liberty and Greene Townships. All other townships had sufficient sales to apply factors to some of their neighborhoods.

*Vacant Residential:* After reviewing all of our Residential Vacant sales county-wide, only 4 sales were valid. Not enough to analyze data.

*Improved Commercial:* Due to insufficient sales of commercial property in many townships, the study was conducted on a county-wide basis by Property Class. All sales were reviewed for validity. Upon further review and analysis of economic trends and conditions it was determined that no factor is warranted. The results of the Combined Study by Property Class Code are shown.

*Vacant Commercial:* After reviewing all of our Vacant Commercial sales county-wide, only 4 sales were valid. Not enough to analyze data.

*Improved Industrial:* After reviewing all of our Improved Industrial sales county-wide, only 4 sales were valid. Not enough to analyze data.

*Vacant Industrial:* After reviewing all of our Vacant Industrial sales county-wide, no sales were valid. No data to analyze.

Please review the attached ratio study, workbook, and sales not used files for St. Joseph County. Please contact us if you have any questions or concerns.

Thank you,

Respectfully submitted,
Arcelia Dorado
Director of Assessments

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