

## Summary of Switzerland County 2019 Annual Adjustment Methodology

### **Method**

The sales comparison method using local market data was used to adjust the assessments in Switzerland County for 2019. The annually adjusted values used in the study were developed using updated land values, applied physical depreciation as of January 1, 2019, 2019 Local Cost Multiplier, and changes in parcel characteristics discovered during Phase I Cyclical Reassessment and new construction field activities. Sales used for the 2019 annual adjustments were from January 1, 2017 to December 31, 2018. Land base rates and neighborhood factors were examined in each neighborhood and property class.

Due to the lack of adequate paired sales or re-sales data, a reliable indication of overall market movement in Switzerland County, solely as a function of time, cannot be reasonably supported. Therefore, no time adjustment has been developed or applied for any property class in this study.

The DLGF's file "SWITZERLAND Sales Reconciliation 02-26-2019.xlsx" was added to the study as the "Sales Reconciliation" tab. All 199 sales in that file have been fully reconciled.

### **Industrial Vacant Properties:**

Sales for vacant industrial properties were expanded to include valid transactions occurring from January 1, 2016 to December 31, 2018. There were no valid industrial sales during this expanded sales horizon.

### **Industrial Improved Properties:**

Sales for improved industrial properties were expanded to include valid transactions occurring from January 1, 2016 to December 31, 2018. There were no valid industrial sales during this expanded sales horizon.

### **Commercial Vacant Properties:**

There were no valid sales countywide during the study time horizon. Analyses of the commercial improved property class were considered as indicators of market forces affecting industrial vacant and improved in addition to the commercial vacant classes.

### **Commercial Improved Properties:**

There were 8 valid commercial improved sales countywide occurring from January 1, 2015 to December 31, 2017 whose data were combined for analysis. The Price Related Differential is outside statistical tolerance. Due to the low sales sample size, the Spearman Rank Test was performed showing no significant vertical inequity.

### **Residential Vacant Properties:**

Sales for vacant residential properties were expanded to include all valid transactions occurring from January 1, 2015 to December 31, 2018. There were an insufficient number of sales to allow for a credible analysis of any individual township. Due to the low sales sample size, the Spearman Rank Test was performed showing no significant vertical inequity.

### **Residential Improved Properties:**

Sales for improved residential properties included all valid transactions occurring from January 1, 2017 to December 31, 2018. It was necessary to group Craig, Pleasant, York and Posey Townships in order to enhance the statistical reliability of the study. These Townships are mostly rural areas consisting of primarily agricultural parcels. Each has similar socioeconomic characteristics that drive the sales market when compared to each other.