

Ratio Study Narrative 2023

General Information	
County Name	BROWN

Person Performing Ratio Study			
Name	Phone Number	Email	Vendor Name (if applicable)
Ken Surface	317-753-5555	ken@nexusltd.co	Nexus LTD

Sales Window	1/1/2022 to 12/31/2022
If more than one year of sales were used, was a time adjustment applied?	If no, please explain why not.
Sales window of 1/1/2022 thru 12/31/2022 was used.	Sales were not time adjusted due to the minimal amount (4) sales used and they were used in the improved commercial study, where no two sold properties were actually comparable
For the study of commercial improved, the time frame was expanded to 1/1/2021 to 12/31/2022. Washington township used 4 sales form 2021 as there was only 6 sales in 2021 to be used. These were the same 4 sales used in the 2022 Ratio Study	

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Groupings

Please provide a list of township and/or major class groupings (if any). Additionally, please provide information detailing how the townships and/or major classes are similar in market. ****Please note that groupings made for the sole purpose of combining due to a lack of sales with no similarities will not be accepted by the Department****

There were no groupings.

Statistical studies were not completed in the classes of Industrial Vacant, Industrial Improved, Commercial vacant as there were not enough sales despite looking outside of the timeframe.

Nor are there enough designated parcels in the two industrial classes for all four townships to complete a study. Only the townships of Washington have enough vacant commercial properties to conduct a study. Only the townships of Jackson and Washington have enough parcels to conduct a study.

AV Increases/Decreases

If applicable, please list any townships within the major property classes that either increased or decreased by more than 10% in total AV from the previous year. Additionally, please provide a reason why this occurred.

Property Type	Townships Impacted	Explanation
Commercial Improved		
Commercial Vacant		
Industrial Improved		
Industrial Vacant		
Residential Improved	Hamblen	Increase was due to base rate changes and reassessment
Residential Vacant	Hamblen	Increase was due to base rate changes and reassessment

Cyclical Reassessment

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Please explain which townships were reviewed as part of the current phase of the cyclical reassessment.

Reassessment was conducted in Van Buren Township
Reassessment was conducted in Hamblen Township taxing district 001
Miscellaneous parcels were reassessed within the taxing district 005 to round out the required 25% benchmark for improved exempt and vacant commercial and improved commercial

Was the land order completed for the current cyclical reassessment phase? If not, please explain when the land order is planned to be completed.

Annual adjustments to the land order were completed and will be implemented for the 2023 assessment date.

Comments

In this space, please provide any additional information you would like to provide the Department in order to help facilitate the approval of the ratio study. Such items could be standard operating procedures for certain assessment practices (e.g. effective age changes), a timeline of changes made by the assessor's office, or any other information deemed pertinent.

When determined appropriate, the standard operating procedure (SOP) for making effective age changes is based upon the following:

- Additions – compute an effective age based upon utilizing the original year constructed, the original square footage, the additional square footage added and any additional renovations taking place in the year of construction establishing a weighted average of all the components of value.
- Remodels/Renovations – compute an effective age based utilizing the original year constructed, the percentage of the entire house that was renovated, utilizing the DLGF percentage of completion chart to assist in establishing a weighted average of all the components of value).

IAAO Ratio Study standards indicate that “outlier ratios” can result from any of the following:

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1. An erroneous sale price
2. A nonmarket sale
3. Unusual market variability
4. A mismatch between the property sold and the property appraised
5. An error in the appraisal of an individual parcel
6. An error in the appraisal of a subgroup of parcels
7. Any of a variety of transcription or data handling errors in preparing any ratio study

Outliers should be:

1. Identified
2. Scrutinized to validate the information and correct errors
3. Trimmed if necessary, to improve sample representativeness

As a result, there were individual parcels that met these guidelines and were trimmed. Reference the file titled Brown Reconciliation File for those sales that were trimmed

OTHER:

You should find one parcel (07-06-10-300-123.000-002) where the workbook values do not match the formatted tab values from the ratio study file. This is due to sale price is for a vacant residential sale and the property is now improved. The formatted tab reflects the land value only in the total value column, whereas the workbook total value column reflects both land and improvements.