

Narrative

General Information

County Name: Delaware County

Person Performing Ratio Study: Christopher Ward

Sales Window (e.g. 1/1/19 to 12/31/19):

If more than one year of sales were used, was a time adjustment applied? If no, please explain why not. If yes, please explain the method used to calculate the adjustment.

Only one year was needed due to the amount of valid sales in the county.

Groupings

In the space below, 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.

~~No townships or major class groupings~~ Ten Commercial improved sales that were grouped into County wide. One Commercial vacant grouped into county wide. Five industrial improved sales grouped into county wide. Five vacant residential sales grouped into county wide. One vacant sale in County Wide vacant sales was trended because it was attached to an improved residential neighborhood in the same township

The five sales that were grouped into vacant residential county wide are grouped together based on the following:

These five townships are rural in nature. They are smaller than the other townships and are homogenous to one another.

Nothing that was commercial or Industrial class was trended this year, therefore they were grouped together for valid sale reporting purposes. We did not feel that we should have separate grouping that were township specific as no trending occurred.

****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****

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	0	
Commercial Vacant	Delaware township Harrison township Liberty township Monroe township Mt. Pleasant township	Land rates changed during phase 2 of reassessment Land rates changed because of new construction 1 parcel class change from ag to vacant commercial Removal of commercial building and fencing Land rates changed on parcel that involved new construction of Auto Dealership
Industrial Improved	Center township	Part of phase 2 reassessment
Industrial Vacant	Mt. Pleasant township	1 parcel was deleted. Only 2 parcels in township
Residential Improved	0	
Residential Vacant	Delaware township Hamilton township Harrison township Niles township Perry township	Land changes due to phase 2 of reassessment Changed land value of 5 vacant lots that have sold and are being built but have not changed property class Land changes due to phase 2 of reassessment Property class changes from Res Vacant to Res Improved due to new construction Property class changes from Res Vacant to Res Improved due to new construction

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Cyclical Reassessment

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

Phase 2 reassessment included the following: Center township, Liberty township, Harrison township and Delaware township.

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

Land order will be completed as part of phase 4 of reassessment

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.

Delaware County uses three methods in determining the effective age of a dwelling or any other improvement on a parcel. We have listed these steps and examples of each below.

Methodology for Determining the Effective Age of an Improvement

1. The basic method used for an improvement that has been completely remodeled is:

1. $A-B/2+B$ =New Effective Age

Where: A= Remodel year

B= Original or “actual” documented construction year

Example: Dwelling constructed in 1969 is remodeled (complete interior/exterior) in 2019.

In this case, we determine the effective age by taking 2019 and subtracting 1969. This calculation equals 50. 50 divided by 2=25. 1969 + 25 = 1994. The Eff Age would then be 1994. This adjustment is required because the functional utility of the property has been increased due to the remodel or renovation.

2. Here is a secondary method that we use when the original structure has had square footage added to the existing improvement. This method requires the calculation of the “average” or “weighted” age. Using the following formula, we are able to calculate the average age of the structure.

- a. Determine the percentage by taking the Original SF divided by the Total Square Footage
- b. Multiply the original construction year by the percentage
- c. For the addition, determine the percentage by taking the Additional SF divided by the total square footage.
- d. Multiply the additions construction year by the percentage
- e. Determine the new Actual “average” Age by adding the two numbers together, rounding to the nearest whole number. (In the example below the total equals 1992.82; rounded to nearest whole number equals 1993)

<u>Structure</u>	<u>SF</u>	<u>Total SF</u>	<u>%</u>	<u>Year</u>	
Original	5400	7000	77%	1985	1528.45
Addition	1600	7000	23%	2019	464.37

Effective Age: **1993**

3. The third used method in determining the effective age of an improvement is based on actual appraisal and/or marketing data. Because of the source of the data, this is the most subjective evaluation of remaining economic life and the corresponding change to effective age. Sometimes the data used for determining the effective age is not verifiable but rather, is determined by the appraiser's subjective view of property characteristics that are needed to reach a pre-determined Scope of Work. In cases like this, the effective age that was determined by the appraiser must be used to arrive at the new value.

Example: Kitchen is usable however; the seller believes in order to sell the property they need to replace the kitchen cabinets. If the appraiser believes the condition of the dwelling had any determination based on how the kitchen looked, the appraiser may increase condition from "F" to "AV."

To ensure this is applied consistently throughout the county, the Standard Procedures for Review, in Randolph County ensures that each time a data collector steps onto a parcel, regardless of the initial reason, be it New Construction, Removal, Notice by Tax Payer or local, everything is subject to review. By constantly reviewing data from Listings, Permits, Reassessments or Reviews of Opportunity (driving to one parcel and passing another and noticing something may or may have not changed), Tax Sale and Foreclosure Parcels, we can solidify our data to ensure ALL parcels are being treated as they are, not what taxpayers want them to be.

Additionally, if a parcel requires a change to the effective age due to remodel or addition of living area, this is not something that we can blanket apply to the entire neighborhood. We cannot assume, based on 2 or 3 sales in a neighborhood that had significant interior updates, that the entire neighborhood has made these same significant interior updates. We can only do the best we can with the data available to us. Unfortunately, since we do not do interior inspections of homes, this data is only made available to the Assessor when the property is listed or sold.