

Narrative

General Information

County Name: Lake

Person Performing Ratio Study: Dionne Adams

It should be noted that the annual adjustment requirements were performed by different entities, depending on the township involved. In Calumet and Ross townships, each individual office reviewed the sales files, performed market adjustments and all other activities regarding the annual adjustment process.

In the remaining nine townships of Cedar Creek, Center, Eagle Creek, Hanover, Hobart, North, St. John, West Creek and Winfield, the county contracted with Nexus Group, Inc. to perform all aspects of the annual adjustment process.

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

Valid sales occurring between 1/1/2019 through 12/31/2019 are included in the study. All townships except Ross also included an additional year of sales (1/1/18 through 12/31/18).

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.

In all townships except Ross, two years of sales were used. No time adjustment was applied as there were very few paired sales- most properties that resold were rehabbed and flipped.

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.

****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****

North Township Special Study

A separate study was conducted for North Township. It is divided into NW, NE, SW and SE. The results of that study are included on the Summary tab. The color-coded map is also included with the attachments submitted.

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 Vacant	Cedar Creek	Cedar Creek had 3 new parcels for 2020 that account for the increase.
	Hanover	Hanover- 1 new parcel responsible for the increase.
	North	North- newly created parcels for 2020 responsible for increase
	West	West- 1 new parcel responsible for increase.
Industrial Improved	Center	Center- one new property valued at 14 Million
Residential Improved	Hanover	Hanover- over 400 new dwellings added
Residential Vacant	Hanover	Hanover- over 600 new parcels created for 2020

Cyclical Reassessment

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

Areas in Calumet, Center, Hobart, North, Ross, St John, and Winfield were reviewed during this phase of reassessment.

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

The land order was not complete during this phase of reassessment. It is planned to be complete during the last phase.

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 determining an effective age, there are a variety of items we are looking at. Exterior- new roof, siding, windows. Interior- updating of electrical, plumbing, remodeling of kitchens, baths, flooring. Basements being partially or totally finished. Is the remodel just an update, or is it an entire rehab? In short, we take the % of the structure being updated and use a weighted age approach, an example is below.....

Take the year built and subtract it from the year it was remodeled. Then take the percentage that it was remodeled and multiply that by the difference from the first equation and then add that to the original year built.

Example

$$2019 \text{ (year remodeled)} - 1955 \text{ (year built)} = 64$$

$$64 \times .50 \text{ (half remodeled)} = 32$$

$$1955 + 32 = 1987 \text{ effective age}$$