

## **Procedures for Annual Adjustments Floyd County**

### **Residential**

- Step 1: The Residential land values were trended by sales of vacant land within the neighborhood. An entirely new land order was developed for the reassessment of Floyd County. These land values were established on vacant land sales as well as using allocation or abstraction methods of extracting the land values. One Huge difference that has caused a great increase in values was the change of philosophy of woods and non-farmed ground. The land was changed from woodland or non-tillable to Res excess and Ag Excess. This has created great increases in land values. Homesite rates were also greatly increased.
- Step 2: After the land factors were established, those values were added to the current improvement values and compared to the improved sale prices. A separate trending factor was then applied to the improvements of the property to raise or lower the values to an acceptable median level. If there were no sales in the neighborhood, then consideration was given to homes for sale in the neighborhood or the neighborhood was trended as similar neighborhoods. Changes in the cost and depreciation tables have also caused erratic changes in values.
- Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

### **Commercial / Industrial**

- Step 1: The C/I land values were trended by sales of vacant land within the neighborhood. An entirely new land order was developed for the reassessment of Floyd County. These land values were established on vacant land sales as well as using allocation or abstraction methods of extracting the land values. The land values of commercial and industrial land also greatly increased due to the change of philosophy of secondary and useable undeveloped land as compared to the primary land.
- Step 2: After the land factors were established, those values were added to the current improvement values and a sales ratio study was performed on the total value. In reviewing the commercial properties and industrial sales ratios, the following was noted:
- There were not sufficient sales to establish trending factors for Franklin, Georgetown, Greenville, and Lafayette townships. Those areas were therefore trended by grouping them with New Albany Township. The cost and depreciation tables have created erratic changes of values not only within each neighborhood but also within each property class. These values cause great concern when it comes to the defense of values.
- Step 3: The established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

**The range of sales used was from 01/01/2010 through 03/01/2012. The paired sales analysis showed that no time adjustment was needed and the sales price in the study is the actual sales price of the property.**

