

Mr. Barry Wood
Assessment Director
Department of Local Government
100 N Senate Ave
Rm N1058
Indianapolis, IN 46204

Re: Submittal of Hamilton County Ratio & Equalization Study 2013 pay 2014

The attached excel files depict our ratio statistics per township and by property classes. The first sheet is a summary of each Township's parcel count, COD, PRD, and Median. The additional sheets are by property classes with detailed data and multi-parcel sales.

We are submitting our 2013 pay 2014 worksheet values of all parcels for the County in the format you directed. We are also attaching an excel file of sale parcels from 01-01-2011 to 03-01-13 that were changed and the reason they were changed.

We collapsed townships that are under the same purview of management. They are collapsed as follows: Noblesville, White River & Wayne, Adams, Jackson and Washington, Delaware and Fall Creek Townships. We collapsed all commercial and industrial property classes to arrive at a sufficient sample size for those townships with to few sales to analyze.

Hamilton County completed our trending in house with no outside vendor. The ratio and equalization was completed in house as well. Hamilton County utilizes SPSS software (with the assistance of Bob Denne) to run statistical analyses on all parcel data to ensure that we are assessing property within State guidelines.

Narrative of Hamilton County's trending procedures

Residential:

Hamilton County had sufficient sales in the time period of 01-01-2011 to 03-01-13 in a majority of neighborhoods to trend residential properties for the 2013 pay 2014 tax year. There are some neighborhoods that did not have enough sales to establish trending factors. We combined neighborhoods where we could. We also utilized our previous year's appeals in those neighborhoods that we experienced a larger number of appeals in. If all avenues were applied and we still did not have enough data to arrive at a trending factor, we did not change the neighborhood.

Step one: We captured all vacant land sales that now have subsequent improvements to ensure we were using all possible sales. Per 50 IAC 14, we ran ratios of vacant land sales to establish base rates by neighborhood in all townships. If warranted, base rates and or

excess rates were changed. We saw very little change in land values, so most base rates stayed at their 2012 rates.

Step Two: We captured all multiple parcel sales and summed the totals of all parcels land and improvement value to ensure we were using all possible sales. There is a notation in the header file of each property class category if it was a vacant or multiple parcel sales. Per 50 IAC 14, we ran ratios of residential improved sales by neighborhood in all townships to define any problem areas. If warranted we stratified any neighborhoods that were falling outside the requirements either by age, story height, square foot, etc. We applied a neighborhood factor adjustment if warranted. Then we re-ran ratios to ensure that we were within the guidelines.

Step Three: We ran ratios by township by class to ensure that our changes were within the guidelines. Reviewed any changes in neighborhoods that are adjacent to township lines to ensure all properties were being treated the same in those adjoining neighborhoods.

Commercial & Industrial:

In establishing values for the 2013 commercial/industrial trending, the starting point used was the Real Property Assessment Guidelines provided by the Department of Local Government Finance. The assessed values were compared to actual sales, along with reviewing income and expense data, appraisals and other appeal information from previous years was instrumental in establishing the 2013 values. The appeal process over the past few years is what supplied income, expense and cap rate data. Reality rates, Integra and RERC real estate report were used to help establish valid cap rates. Web sites, such as Loopnet and Co-Star, were used to help arrive at current leasing information and cap rates information in the area or for like use types where no information was available in the County. The above appeal information helped us with a more working knowledge of market data versus a purely cost approach. With the use of the above tools and information we were able to establish final values that represent the market value in use for the property.

The following are data stats for Hamilton County to aid you in your analysis:

Total Parcel Count: **118,490**

There were new parcels created by either the **87** new plats or the **132** splits recorded.
There were **359** parcels deleted either by new plats or combinations recorded.

Total Valid and Invalid Sales Disclosures submitted for **01-01-11** through **03-01-13**:
31,251

Total number of **01-01-11** through **03-01-13** sales used: **12,768**

Total number of sales that were validated used in ratio: **11,816**

Any questions, please contact myself or Kim Powell.

Sincerely,

Robin Ward
Hamilton County Assessor
317-776-9668