

An Overview of Harrison Jefferson County's 2010 Annual Trending April, 2010

The following steps were taken to conduct the 2010 annual trending in Harrison County:

Calculation of New Land Values

New land values were calculated county wide using a combination of last year's values and 2009 and the January and February sales of 2010. Sales from 2008 and when necessary sales from 2007 were used if the sample size from 2009 and 2010 was too small. There was no time adjustments made to the 2007 or 2008 sales used. Residential and commercial land values remained for the most part constant. The majority of the changes in assessed values resulted from the change in the market adjustment factor for the residential classes and cost table/depreciation adjustments in the commercial/industrial classes. Any changes obtained from the analysis performed were calculated and entered into the CAMA system.

Calculation of New Residential Factors & Residential Studies

Per 50 IAC 14, a preliminary ratio study was conducted for vacant and improved residential properties at the township level. The study indicated property classes that needed further analysis, which included reassigning parcels to new class codes or stratifying neighborhoods. After final the analysis was completed on parcels new neighborhood factors were assigned. Minimal market factors were changed as a result of the analysis. Only seven (7) neighborhoods of one hundred eighty-three (183) saw change. Of those seven, three saw a slight increase while the remaining four saw a decline in market factor. Once these new factors were established, they were entered into the CAMA system.

Neighborhood 3113503 was trended slightly upwards based on the use of less than five sales. This was due to the neighborhood being compared to another neighbor that better reflected the trend for that area/township. Neighborhood 3107552 was also trended slightly upwards based on the use of less than five sales. Only three sales were used in the analysis, but this constitutes over ten percent of the parcels in that neighborhood. Neighborhood 3105513 on the other hand was trended downwards on the basis of less than five sales. The three sales used for the trending equates to over 20% of the parcels in that neighborhood.

For the vacant residential study, most townships had ample sales to perform the statistical analysis but for those that did not, 2007 sales from the 2009 Ratio Study were used. The townships where 2007 sales were used were Blue River, Taylor, Webster, Jackson, Franklin, Spencer and Boone. No vacant residential sales were reported for Washington or Heth townships.

Updated Commercial & Industrial Improvement Values

New commercial and industrial cost table updates were the starting point for updating commercial and industrial improvement values. The county also changed the year of depreciation for these classes. The Nexus Group Construction Cost Index (NCCISM) was used to update these cost tables. These detailed construction cost models have been constructed by Nexus Group and applied uniformly by property class based on specific usage, wall type and other characteristics. Due to the lack of improved commercial sales throughout the county, 2007 sales from the 2009 Ratio Study were used to give a better representation of the county. Using the 2007 sales brought in sales that were outside of Harrison Township as that was the only township being represented using 2008, 2009 and 2010 sales.

No median analysis is being reported on the vacant industrial, vacant commercial and improved industrial property classes. This is due to only Harrison Township having greater than 25 parcels in both vacant commercial and improved industrial. This excludes the other townships from having an analysis being performed on those class codes. One sale is being shown in the vacant commercial tab in the ratio study. No township has greater than 25 parcels in the vacant industrial class. Not Applicable is being reported as none of these three class codes had an analysis performed on them.