

Ratio Study Narrative 2023

General Information	
County Name	Kosciusko

Person Performing Ratio Study			
Name	Phone Number	Email	Vendor Name (if applicable)
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Sales Window	1/1/2022 to 12/31/2022
<p>If more than one year of sales were used, was a time adjustment applied? Yes</p> <p>If necessary, the following major class groupings utilized sales from the following time frames to have a larger sample size for greater reliability.</p> <p>Ind Vacant: 01/01/2019 thru 12/31/2022</p> <p>Ind Imp: 01/01/2019 thru 12/31/2022</p> <p>Comm Vacant: 01/01/2019 thru 12/31/2022</p> <p>Comm Imp: 01/01/2019 thru 12/31/2022</p> <p>Res Vacant: 01/01/2022 thru 12/31/2022</p> <p>Res Imp: 01/01/2022 thru 12/31/2022 with the exception of Condominiums – Property Classes 550 & 555. Where needed, sales from 01/01/2018 thru 12/31/2022 were used.</p>	<p>If no, please explain why not.</p> <p>N/A</p> <p>If yes, please explain the method used to calculate the adjustment.</p> <p>Older sales were time adjusted using the CPI (Consumer Price Index).</p>

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Groupings

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****

Industrial Vacant: There were seven industrial vacant sales from 2019 thru 2022 in the entire county. In Kosciusko County most of the industrial properties are in, or around, Warsaw (Wayne & Plain Township). There are some industrial properties in the out-lying townships but they account for just a small percentage of the county's total number. Some townships have no industrial, or industrial vacant properties at all. Historically, Kosciusko County has very few, and occasionally no, industrial vacant sales on a yearly basis. Therefore, the Industrial Vacant grouping includes all townships.

Industrial Improved: There was an adequate amount of industrial improved sales in the smaller townships, which allowed us to group them together instead of combining with Wayne and Plain. Grouping the smaller townships together, where there is less industrial presence, is a more accurate representation of the market. The smaller townships include, Jackson, Lake, Monroe, Clay, Seward, Franklin, Washington, Harrison, Tippecanoe, Prairie, Etna, Turkey Creek, Van Buren, Jefferson, and Scott. Wayne and Plain townships were grouped together due to their proximity to U.S. 30; a four-lane expressway that is a major highway that crosses Northern Indiana. This area is heavily populated when compared to the rest of the county.

Commercial Vacant: There were six commercial vacant sales from 2019 thru 2022 in the entire county. In Kosciusko County most of the commercial properties are in, or around, Warsaw (Wayne & Plain Township). There are some commercial properties in the out-lying townships but they account for just a small percentage of the county's total number. Therefore, the Commercial Vacant grouping includes all townships.

Commercial Improved: Due to the influences of U.S. 30 and State Road 15, we grouped Wayne and Plain townships together. Van Buren Township, located just north of Plain, is also influenced by State Road 15 and the traffic between Warsaw and Goshen, IN. For this reason, we grouped Wayne, Plain, and Van Buren together. Turkey Creek and Tippecanoe had sufficient sales to trend on their own. The twelve remaining townships were grouped together because they make up the smaller communities in Kosciusko County and therefore have less commercial presence. Together they are more characteristic of what is happening in the market.

Residential Vacant: Sales were divided into 6 groupings. The following townships had an adequate number of sales to trend on their own: Plain, Turkey Creek, Tippecanoe and Wayne. Jefferson was combined with an adjoining township - Van Buren - due to a lack of sales. The remaining township's land sales were consolidated as each one had an insufficient number of sales to trend on their own. These townships included: Clay, Seward, Jackson, Harrison, Etna, Washington, Lake and Franklin. Scott, Prairie, and Monroe Townships had no valid vacant sales. These are predominantly agricultural townships.

Residential Improved: Sales were divided into 15 groupings. The following townships had an adequate number of sales to trend on their own. Clay, Harrison, Franklin, Lake, Plain, Prairie, Tippecanoe, Turkey Creek, Van Buren, Washington, Wayne, Etna and Seward. Monroe and Jackson Townships were combined as they had a limited number of sales, are adjacent townships and share

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the Town of Packerton. Scott and Jefferson Townships were combined as they too had a limited number of sales, are adjacent townships and share the Town of Nappanee.

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	Van Buren	<u>Van Buren</u> : One new parcel in this class & one original parcel with new construction.
Commercial Vacant	Clay, Plain, Tippecanoe and Wayne	<u>Clay</u> : One parcel due to ag land rate increase. <u>Plain</u> : Removed developer's discount on one parcel. <u>Tippecanoe</u> : One parcel changed from improved to vacant. <u>Wayne</u> : 5 parcels went from improved to vacant.
Industrial Improved	Washington	<u>Washington</u> : One parcel added new construction.
Industrial Vacant	Clay, Etna, Plain, Van Buren and Washington	<u>Clay</u> : One parcel due to ag land rate increase. <u>Etna</u> : Corrected land type on one parcel. <u>Plain</u> : One parcel changed from improved to vacant. <u>Van Buren</u> : 4 parcels increased due to ag rate increase. <u>Washington</u> : Removed developer's discount on one parcel.

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Residential Improved	Clay	Reassessment, building permits, trending
	Etna	Reassessment, building permits, trending
	Franklin	Reassessment, building permits, trending
	Harrison	Reassessment, building permits, trending
	Lake	Reassessment, building permits, trending
	Monroe	Reassessment, building permits, trending
	Plain	Building Permits, sizeable trending increases on two large lakes and their channels
	Prairie	Reassessment, building permits, trending
	Scott	Reassessment, building permits, trending
	Seward	Reassessment, building permits, trending
	Tippecanoe	Building Permits, trending increases on multiple lakes and their channels
	Turkey Creek	Building Permits, trending increases on multiple lakes and their channels
	Van Buren	Building Permits, trending increases on multiple lakes and off-water neighborhoods
Wayne	Partial Reassessment, building permits, trending	

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Residential Vacant	Etna	Reassessment, trending, removal of dev disc on large subdivision
	Harrison	Reassessment, trending increases on several lakes, change of land from Ag to Res
	Jefferson	Reassessment, trending, change of land from Ag to Res
	Lake	Reassessment, trending, change of land from Ag to Res
	Monroe	Reassessment, trending, change of land from Ag to Res
	Plain	Combination of vacant lots with improved parcels and the split of one large lakefront parcel into several new parcels with no prior AV
	Prairie	Reassessment, trending, change of land from Ag to Res
	Scott	Reassessment, change of large parcel from Res to Ag (pastureland)
	Seward	Reassessment, trending, change of land from Ag to Res

Cyclical Reassessment

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

Residential: Clay, Etna, Franklin, Harrison, Jackson, Lake, Monroe, Prairie, Scott, Seward, Washington and Partial Wayne (619 parcels in 5 subdivisions)

Agriculture: Partial Etna (178 parcels), Franklin, Harrison, Partial Monroe (114 parcels), Prairie

Commercial/Industrial: Clay, Etna, Franklin, Harrison, Jackson, Lake, Monroe, Plain, Prairie, Scott and Partial Wayne (132 parcels)

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Exempt: Etna, Harrison, Jackson, Lake, Plain, Prairie, Scott

Utility/Mineral: Etna, Harrison, Jackson, Plain, Prairie

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

No. The land order was not completed for the current cyclical reassessment phase. Updates were added as needed based on the real estate market indications from trending. Our next land order will not be until our Review Group 2025, which is 05/01/2024 through 12/31/2024.

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.

Duplicate State Numbers: There are several duplicate state numbers on our ratio study. The Commercial Improved tab contains two – the parcel was a part of a multi parcel sale in 03/2022 then sold individually in 05/2022. The 2nd duplicate parcel was a part of a multi parcel sale in 09/2020 and then sold individually in 01/2022. These also show up on the formatted tab. Also on the formatted tab are several duplicate parcels – but they are vacant land sales (from our Res Vac tab) that then were improved and sold as an improved parcel and are on our Res Imp tab.

Kosciusko County has once again seen unprecedented increases in median sale prices in 2022 – but a decrease in the number of sales. Low inventory of homes however, has created a highly competitive situation, forcing buyers to pay higher prices. This was evident when trending showed substantial increases in several neighborhoods. The increasing market values were also evidenced by the large number of building permits issued in Kosciusko County in 2022. With the ever-increasing values, homeowners were fixing up their homes and then selling at/or above listing price at times.

Statistical studies were conducted on each neighborhood to determine if any adjustments were needed for this assessment year to both sold and unsold properties. Sales were used from 1-1-2022 thru 12-31-2022 in the adjustment process (unless prior sales were needed) and their physical characteristics were reviewed to compare with their property record card. Adjusting for changes in the market cannot be done accurately if the record of the property does not accurately reflect the property as it was at the time of the sale. We are committed to using as many valid sales as possible.

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When it is discovered that parcels within a neighborhood are not assessed accurately or consistently, we reassess that neighborhood by recalculating the land base rates based on recent valid sales and collect information to update the improvement data.

Adjusting the effective age of a property is based on ten major components of a home and their contribution, as a percent, to the home's total value. The components include: Foundation, Frame, Siding, Roof, Windows, Plumbing/Electrical, Heating/Cooling, Kitchen, Flooring, Interior Paint/Trim. We have developed a formula that will produce an effective age when the original date of construction and the renovation date of each of the above items are imported. By having all our assessing staff use this formula we have achieved greater uniformity in estimating a property's effective age. Information about the updates is obtained from several places: building permits (which are not required in all municipalities when making interior improvements), Multiple Listing Services, internet searches, Homeowner, reassessment questionnaires, Pictometry aerials and exterior visual inspections of homes in a subdivision when out on sales disclosures. This method is applied to sold and unsold parcels equally as they are found. Our assessing staff routinely keeps an eye out for updated properties while in the field and any neighborhood that is undergoing regentrification. Following is a copy of our Estimating Effective Age.

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ESTIMATING EFFECTIVE AGE					
Parcel Number	Enter parcel number here	→			
Year Built	Enter age here	→			
Year Renovated	Enter renovation date here	→			
Enter percent of component renovated in green boxes below →					
Enter individual renovation dates in red boxes below if different from main renovation date ↩					
House Components			Percent of Total Cost	Year Built or Renovated	Weighted Age
Foundation	Original	100.00%	5%	0	0.00
	Renovated	0.00%		0	0.00
Frame	Original	100.00%	10%	0	0.00
	Renovated	0.00%		0	0.00
Siding	Original	100.00%	10%	0	0.00
	Renovated	0.00%		0	0.00
Roof	Original	100.00%	10%	0	0.00
	Renovated	0.00%		0	0.00
Windows	Original	100.00%	10%	0	0.00
	Renovated	0.00%		0	0.00
Plumbing/electrical	Original	100.00%	15%	0	0.00
	Renovated	0.00%		0	0.00
Heating/cooling	Original	100.00%	10%	0	0.00
	Renovated	0.00%		0	0.00
Kitchen	Original	100.00%	10%	0	0.00
	Renovated	0.00%		0	0.00
Flooring	Original	100.00%	10%	0	0.00
	Renovated	0.00%		0	0.00
Int painting/trim	Original	100.00%	10%	0	0.00
	Renovated	0.00%		0	0.00
Total			100%		
Indicated Effective Age					0