

Ratio Study Narrative 2024

General Information	
County Name	HAMILTON COUNTY

Person Performing Ratio Study			
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Sales Window	1/1/2023 to 12/31/2023
If more than one year of sales were used, was a time adjustment applied?	If no, please explain why not.
	No. Hamilton County had ample sales in the time frame of 01/01/2023 to 12/31/2023.
	If yes, please explain the method used to calculate the adjustment.
	Not applicable

Groupings

Please provide a list of townships 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****

Residential properties continue to be grouped by study section per township. Hamilton County groups and evaluates sales of Commercial and Industrial land and improvements for the entire County rather than by Township. This is due to a lack of sufficient commercial/industrial sales for each township. Our commercial properties are now reviewed and are grouped into neighborhoods defined by similar uses (market segmentation). In other words, neighborhoods are defined by putting parcels in competing market segments such as apartments, large retail, small retail, office, hotels, industrial, older downtown districts, self-storage, etc. Due to segmentation, commercial/industrial values are analyzed and trended based on county-wide sales data primarily according to use, and land base rates are established by location for each defined use class.

Cyclical Reassessment

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

Agricultural – Jackson Township and Wayne Township

Residential – Delaware Township, part of Clay Township

Commercial/Industrial/Exempt/Utilities – 25% of parcels from these groups are evaluated as part of Cyclical Reassessment each year. This year, neighborhoods included in Reassessment are:

Apartments (neighborhoods 293407, 293408, 214599)

Older Downtown commercial areas in smaller municipalities (neighborhood 293415)

Commercial/Industrial development parcels used as Ag land and allocated 2% (293430)

Commercial/Industrial Other neighborhood (293420) – Clay Township, Delaware Township

Land Order

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

Yes. Land Order was completed for those parcels under reassessment. The Land Order is now being created and conducted for neighborhoods or areas consistent with the reassessment cycle. Thus, a portion of the Land Order is being updated and completed in the county and the townships for those neighborhoods identified as part of the cyclical reassessment.

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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.

Effective year – When necessary, effective year (age) changes are established utilizing the percent completion chart found in the Real Property Assessment Guidelines. For properties where a permit for remodel has been taken out, we visit the property and upon inspection will establish what type of physical changes or updates were done. Effective age and condition are changed/updated based on what percentage of the dwelling has been updated. For properties that have sold and are listed as being totally remodeled, the same approach is used. Sales information/listings will usually indicate what updates have been done to the dwelling and adjustments will be made accordingly. Grades of structures may also be reviewed if a remodel is extensive and quality of materials used have been significantly upgraded over the original construction. Per last year’s statute change, Hamilton County will document and note such parcel characteristic changes.

Transitional neighborhoods – Some neighborhoods exist where homes are being demolished and rebuilt with new construction. These “transition neighborhoods” makes the job of establishing market value for these types of properties/neighborhoods more difficult. In these areas, separate neighborhoods or separate house model types may be set up to differentiate older homes from newer construction.

Trending - Hamilton County completed trending in-house with no outside vendor. The ratio study and equalization were also completed in house.

2024 residential assessments will generally see some increase in value, although not at the same pace as the previous two years. The real estate market has slowed somewhat in Hamilton County, most likely due to rising interest rates. Sales volume has dropped again this year. However, market sales data continues to show a rise in market values of residential property. As can be seen in the township data, value increases by township range from 3% to 9%. While some increase may be attributed to new construction, much of the increase would be directly related to market factors. MIBOR data for Hamilton County indicates year-over-year change in median sale price of +6.3% from January 2023 to January 2024.

Neighborhoods are trended according to sales data within the defined neighborhood when sufficient sales data exists using value calibration analysis. For neighborhoods with smaller parcel counts that may have fewer than five sales, Hamilton County will rely on several different methods or techniques that may result in the trending of such neighborhoods. If less than five sales, the existing sales in a neighborhood may be evaluated, but similar neighborhoods may also be used. Neighborhoods with similar parcel and market

characteristics that have sufficient sales data are identified for comparison and may result in similar trend factors being used in that neighborhood with insufficient sales as provided for in 50 IAC 27-5-4. The County may also evaluate a township as a whole and review average trends across trended neighborhoods in order to establish an overall market trend. This overall trend data may also then be applied to neighborhoods where sales data is lacking, particularly in more rural townships with fewer neighborhoods. Such efforts are made to keep such neighborhoods from falling too far behind the market and/or may also adjust for unwarranted losses in value due to changes in depreciation. Hamilton County has been making efforts to re-delineate or combine like neighborhoods when appropriate so as to avoid having neighborhoods with too few sales.

Total Parcel Count end of 2023: 145,110

There were 2,652 new parcels created by either the 127 new plats or the 97 splits recorded.

There were 189 parcels deleted either by new plats or combinations recorded.