PTABOA- OCTOBER 5, 2026 **THIS IS A CONFIDENTIAL HEARING:**

Laura: Let's get started. It's not quite 9:00 yet, but everyone seems to be ready to go, so...This is an administrative hearing, it is October 5, 2026 in the Wells County Annex. This hearing is being recorded and is being live streamed, just to let you know. And, um, is it is being conducted pursuant to the laws of Indiana Code 6-1.1-1-1. My name is Laura Roberts, um, I am the Assessor and the Secretary of PTABOA. And representing PTABOA, if you just want to give your names...

Judy: Judy Affolder

Ben: Ben Beer

Nate: Nathan Schrock

Laura: And, and

Andrew: Representing the county, I'm Andrew Smethers with Nexus Group.

Laura: We also have Shari Duncan and Jacinda Noe, here, acting as, um, my record keepers.

So, we will go ahead and get started. Up first on the list is Mr. Grant Frauhiger.

Laura: Oh yeah, you'll find a packet in front of you. Ok. There you go, it is on.

G. Frauhiger: Ok, so we come

Laura: Hang on, hang on just a second, we have to still do some stuff. So, will you please state your names?

G Frauhiger: Grant Frauhiger and Maura Frauhiger

Laura: Um, this is a property at 4320 E. 100 N. Parcel Number 90-05-35-200-005.000-010. And, I will need to swear you guys in. So if you will just raise your right hands and solemnly swear or affirm that the testimony you are about to give is the truth the whole truth and nothing but the truth?

G. Frauhiger: Yes

Laura: Andrew, do you swear the testimony you are about to give is the truth and nothing but the truth?

Andrew: Yes

Laura: Thank you. And, the first one is... ok, you guys can go ahead and get started.

G. Frauhiger: Ok, so, um, I guess,

M. Frauhiger: Personally…

G. Frauhiger: I guess I didn't realize that I was going to do the 4320

Laura: OK.

G Frauhiger: But it's the same principal.

Laura: Ok.

G. Frauhiger: Ok, so

Andrew: Is there a second appeal?

Laura: One is under GWFF and then the other one is under Frauhiger.

Andrew: So we're going to do them at the same time?

Laura: Yes.

Andrew: OK, that's great for us.

G. Frauhiger: We're going to do personal first. Now, that one was, um, on US 224, Uniondale?

Laura: Ok, are we. you are going to do the 4320 E. 100 N. first? That's the one I read, so that's the one you need to do first, I'm sorry.

G. Frauhiger: OK, um. Alright, I guess we're coming for some understanding, are the rate changes coming from the County or the State?

Andrew: The State of Indiana.

G. Frauhiger: OK

Andrew: Yes, so, if you'd like I could give some background first, that may help you organize your thoughts. So, the State of Indiana, Department of Local Government Finance, issues cost schedules to be used for the basis of all assessments in the State of Indiana. All property types, all 92 counties. Um, typically with like residential um structures, houses and what not, those cost schedules are then um trended, using factors to market value, um when it comes to agricultural buildings there are no factors or trending that gets applied. Um, it is strictly a depreciated cost value. So the State of Indiana issued cost schedule updates for the first time, um… I, don't want to be incorrect, but they issued updates for the first time in a long time. So on the record, I don't want to say the wrong year, and then be giving out information.,, but what we saw county wide, um, was many,

many structures, pole barns being one of them, um, double in value on average. Um, that was something we were concerned about, it's something we did some research into, and unfortunately what we found was that the new cost schedules were much more accurate. Um, as far as what these buildings were worth. So, um, those updates went out, many assessments went up, increased more than 100%, like I said, on average the increase was about 100%. So many of these buildings more than doubled in value. Um, so that's what we saw here and that happened to your guy's building, so I'll kind of turn it back over to you guys, I'm really just here, this is your time in front of the board, I'm here to kind of facilitate information, answer questions if needed. Um, so with that, I will turn it back over to you guys.

G. Frauhiger: Yeah, so in 2025, the barn was assessed at $38,000.00, in 2026 it's up to $102,000.00. 30 ...and that's just like almost, being close to 200%.

Ben: And you say that was the States decision?

Andrew: The cost schedule updates, yes, it was a State issued, all 92 counties are subject to using those same cost schedules. Um, not that I'm trying to place blame or pass the buck, but there was no local decision that was made other than to do some research and to figure out if these State issued cost schedule were correct or not and whether or not a challenge kind of needed to be issued from the county to the State which ultimately we found was not going to benefit the County, because you know that's kind of what the cost , because you know it appeared through our research that the new costs were more accurate, but that being said, when you guys make your case about your particular building to the board, I'm not saying that there's no leeway there, but big picture wise, from how those cost schedules were updated, it appeared that the new price per square foot values were much more accurate than the old ones. So, I would kind of encourage you to talk specifically about your building your structure and why maybe that value should be lower so the board should maybe help you out.

G. Frauhiger: Alright so, I'm talking to them now?

Andrew: Well, they are making the decision, I'm the bad guy here, right? You're arguing against me, but I'm not trying to make it that, but they are the ones that can offer any reprieve if something is available.

G. Frauhiger: Yeah. So I'm in business, if I double my rates, you know, it's not going to fly, it's not going to fly. I mean, nothing doubles in one year, or we're not a third world country, so, I just, that's why I'm here. We were surprised by this and um, I guess we just want some explanation on this.

Ben: (indecipherable) Is That the case? Because I see there's a fair amount of buildings in here today that like didn't get adjusted for multiple years. Is that what you were saying at the State level?

Andrew: That is correct, yes.

Ben: And how long, 3 years, 5 years?

Andrew: Definitely more than 5, I want to say closer to 10.

Ben: And why?

Andrew: That's a fantastic question, that I couldn't answer. Um, again, when, we were very concerned, we crunched all the numbers, I mean, you're talking about 4,000 pole barns in Wells County alone. That have an average increase of 100 %, meaning again that many were more than that. However, when we looked at the values, the average value of a pole building was like $5.00 per square foot and went up to $10.00, that's where our 100% comes from. And so as we're looking at what these buildings cost, we found approximately $30 a square foot to build new, and then you're talking about variations on that, between, does it have concrete, does it have electric, does it have insulation, and then, or course, those things need to be depreciated, like our, our, building that we're talking about now is not brand new, so obviously it's not going to be assessed for $30.00 a square foot. But at $102,400.00 that's $13.68 a square foot. So as an Assessor's office, we have to ask ourselves is that value justified? And it's more than 50% depreciated from cost new, there really wasn't enough room for the office to suggest a lower value, because again, we're not using comparable sales or anything like that.

G. Frauhiger: And I wasn't, like I said, I didn't realize I was doing this one today, but this was probably built 20 years ago.

Andrew: So we have the age, we have the age year built as 2004, so we have it T3, all wall,, no insulation, um,

G. Frauhiger: No concrete

Andrew: No concrete.

G. Frauhiger: No electric. Pretty basic.

Andrew: And so…

Ben: I can see the surprise, when it set there level for 10 years and then suddenly jumped up. I mean if it had gone up 10% a year for 10 years we probably wouldn't be sitting here.

G Frauhiger: Absolutely

So that's kind of the frustration people are having I think.

Is there any remedy or recourse, because I would have the same reaction?

Andrew: Right, so what we can do is verify all the characteristics, like the lack of concrete, lack of electric, wall heights. We can review the condition and the depreciation, but again when we sit here with a residential property and run comparable sales and those comparable sales show us that our values should be lower we can apply an obsolescence. To get to that value, evidence of a sales comparison analysis
So when it comes to things like this, any sort of obsolescence we would apply would kind of become arbitrary in nature, because what are we basing that off of? You know, we have this 20 year old building, um, assessed for $13.68 a square foot, is that too high? That's kind of the question we are faced with and unfortunately we don't have a whole lot of answers because we are reliant on the States cost schedules. So, again, if we were going to, we could look at the conditions, I do, in my review of the property, the C grade construction, this is just a basic pole barn, so that C grade is correct, um we could increase the, or we could downgrade the condition maybe, so like a fair condition, um, but again, again, our hands are tied. You know, is the depreciation wrong?

Ben: Is there any consideration of getting this, is it possible because they waited for 10 years, that we spread this out over a period of years? Is that a...

Andrew: They're not going to. 92 County Assessors fought them on this. We're extremely upset about it. Um, and they basically came out and said, these are the new cost schedules, they're backed by Craftsman or Marshall and Swift, whomever they used. Um, and again, we did our research with some local builders, um, and pretty much found that the average cost to construct on a building like this was $25-$40 a square foot.

Laura: I can tell you, (interruption) sorry, I can tell you that things were pretty steady and then after COVID hit and things just skyrocketed. And we tried to increase , you know a little bit at a time, and we just were not catching up to what current costs were. And so that's part, that's a lot of the reason why it jumped so much so quickly.

M. Frauhiger: So, what did COVID, what?

G. Frauhiger: The cost of

Laura: Construction costs, yes, after COVID, during COVID.

Andrew: And maybe that's what they were trying to capture when they issued these updates? But, again, we…I'll be honest, it's very unprofessional of me to say, but like we feel terrible, we're looking at values doubling, but it looks like the values are right.

Ben: Can you say it again, I didn't catch it, real quick, did they simply not do the correct analysis for all of this? Did they simply just come to the realization that hey, this valuation is wrong?

Andrew: So I think, so, not just pole barns increased. So consider that every single property type…

Ben: Yeah, had increased, sure.

Andrew: Commercial, industrial warehouses, commercial warehouses, um, single family residences, um chicken confinement, hog confinement, every single building type increased in value. However, with houses, those increases are tempered with the market. So we have a neighborhood factor that will be applied to residential properties to achieve market value after the cost schedules and depreciation. So when the cost went way up, our factors just came down. And then we saw a lot of 5-10% increase in housing prices. With AG buildings, we don't , we don't have those factors. We're not comparing it to the market or sales, so they just felt the full brunt of those increases. Another example would be veal, the veal confinement doubled in value and the chicken and hog confinements stayed the same, but the veal confinement doubling came up to the same value that the chicken and hog were already at. Does that, does that make sense?

Ben: So those were actually trending more , correct?

Andrew: I couldn't tell you why in the previous cost schedule why veal confinement was half the cost chicken and hog, but it was and then this cost schedule update fixed that.

Ben: Grant, if you were going to put that building up at the cost today, new, what would it cost…

G. Frauhiger: I haven't priced it.

Ben: Right. What is the size of it?

G. Frauhiger: If I guess, it's probably 72'x 94'

Andrew: Our assessment is 72'x 104', um…

G. Frauhiger: (Cell phone music…"Bad to the Bone")

Nate: What do you use it for?

G. Frauhiger: Just storage. Full storage.

Nate: How good of shape is it in?

G. Frauhiger: It's in good shape.

Nate: OK

G. Frauhiger: I mean, it's got some damage, backed into a couple of times, the birds are taking the insulation out because it's not completely closed up.

M. Frauhiger: yeah

G. Frauhiger: If I did this to customers, I would be out of business. Because, word would get around, it's not fair. Just, just, just…you can't do that

Ben: The only weird thing is that your rate went from something, and went to the correct rate that's the difference here. They've done the correct thing, that's the only difference. It's just like they missed.

Andrew: And for the record, I totally agree with the Petitioner. It doesn't seem right. Um, and from the county level, we, you know normally I'm up here with comparable sales, or like, a formulated some sort of argument to defend the assessment. You know, with something like this, I'm just facilitating the information that the State increased the cost schedules, and not that it makes you feel any better, but there were over 4,000 pole barns, which is what this structure is classified as, in Wells County alone, that went up, this significant amount. Let alone, this happened in all 92 counties. So it's extremely unfortunate. It appears to be a lack of annual updates that got us where we are. But then again, at a county level, when we look at it and we see that value of $13 almost $14.00 a square foot, I really, I wish I could recommend a reduction, but I just …

G. Frauhiger: They were operating on that budget for that long, and all of sudden, they're like, this is almost 2 ½ times , almost 3 times the budget, so they're, I feel like they're taking in more than they need, that they've been able to operate for 10 years…

Andrew: I understand what you are saying.

Multiple: (indecipherable) 19:37

Nate: It sounds like it's a Statewide situation.

Judy:

M. Frauhiger: Is this something that the State Representative should be talked to. I mean, I mean, it just hits right here.

Andrew: I understand. I mean, you can talk to your State Reps about it. They're probably aware of it. I mean it's been, it's been on our radar since March , Form 11's went out, appeals started coming in, and so property owner's kind of started finding out about it. And um, the DLGF, the Department of Local Government Finance and administrative body that publishes the guidelines and cost schedules for the County Assessors to follow. They did a study, commissioned a study on the cost schedules which warranted these new cost schedules. So I don't know that a State Rep, I mean, I would never tell you not to contact your State Rep, but I don't know how familiar they would be with everything.

Ben: I'm just generalizing, but lets say a Farmer build a big (indecipherable) 20:56

Andrew: I do think the building's that were in this middle tier this 20-38 were hit the hardest. Um, I think your older, older buildings, uh probably doubled in value, that's probably where the average, mind you, I quoted you the average of about 90-100%. And I think that data with 4000 data points in there, probably most of those were older, and so I think that this, what 2 ½ , 250% increase, is probably one of the most rare, again, knowing that our average was about these values doubled? So, it depends on how those depreciation schedules kick in. Um, but we're at 40% depreciated on a 22 year old building here. I mean, you can see, I think I included in the packet, like last years value was like $5 a square foot or something , like crazy. It's unfortunate that, that happens all in one year, but...

Laura: Would you like to go on to the next appeal? GWFF, right?

G. Frauhiger: So, it's the same principal. The building went from $6200.00 to $11.000 or um, $6200 to $11,200, which is not quite 100%.

Laura: And that parcel number is 90-02-32-300-013.000-008. And the address given is US 224.

Andrew: So again, that's the same kind of principal, the Assessor's office, we didn't change anything on re-assessment, um, you know we kind of re-evaluate that new value at $8.64 a square foot. There's just not information, that we can find, that indicates that's an incorrect value, with the replacement cost and less depreciation.

G. Frauhiger: And, and the thing that frustrates us is that we bought this one a year ago. And then, and then we're wondering if when a new piece of property is bought (indecipherable) 24:20

Andrew: Right, and I can assure, that is not the case. Again, these cost schedules updates went into effect on this new assessments for every parcel in the county. You know, regardless of when they were purchased. But I can see where that , where you guys would,

where that would kind of feel like is that what happened, totally understandable, but I can assure you that's not what, you know again, with these AG buildings , um, you know, this, this particular assessment because all the land with it is agricultural. That's a State issued land base rate and then the barn is issued off of their, so there's really not, with these Ag properties, there's really nothing that the County really even gets to do. Um, the State wants Agricultural assessments to be uniformed throughout the State, which is why they do it that way. Um, and so that, you know that building went up almost double.

G. Frauhiger: And what fascinates me is on that same assessment area, the agricultural land base rate has decreased to $2120 an acre and you can't buy ground that cheap.

Andrew: No, that's a 100% correct. Um…

G. Frauhiger: And that's, that's frustrating because you can't buy ground for less than $15,000 an acre. So, that's way under assessed and then my building is way over assessed.

Andrew: So the, so the, land…

G. Frauhiger: So that's very unfair.

Andrew: So the Indiana Farm Bureau has a very strong lobby, um, if agricultural land was assessed at market value, I think it would price out Farmers from being able to afford…

G. Frauhiger: Million dollar farm grounds.

Andrew: And again, that's my best guess on why it's done that way. But the State calculates that rate, um, based on a very complex formula . They work with the Purdue Department, Agricultural Department of Economics, um, where they factor in the corn yields on a six year rolling average, so that seventh year falls off, a new year goes on. So that's a huge formula that's undertaken by the State of Indiana. And again, that agricultural base rate of $2,120 will be the base rate for all agricultural land assessments in all 92 counties in the State of Indiana.

G. Frauhiger: Completely unrealistic on both ends. Frustrating.

Board: (indecipherable) *The Board thanks the Frauhiger's and says they'll reach out with a decision.

Laura: Next is Joseph and Brittney Henry.

The following are here to represent the Taxpayer…

J. Henry: Joseph Henry

B. Henry: I'm listed under Brittney Springer but I'm Henry now. We got married right after we bought the house.

Nate: Congratulations

Laura: And Andrew is here with Nexus Group

Andrew: Andrew Smethers with Nexus Group

Laura: And I will swear you guys in. If you're ready? Do you solemnly swear or affirm that the testimony you are about to give is the truth the whole truth and nothing but the truth?

J. Henry & B. Henry: Yes

Andrew: Yes

Laura: The parcel number of the property is 90-02-22-501-079.000-009.1823 Brook Court.

Um, and the year under appeal is 2026. And we have the burden of…?

Andrew: Yep. It was over 5% so the burden of proof is on the County.

Laura: OK

Andrew: Um, I'll go, I'll go real quick, just to set the stage for them and turn it over to you guys, and make your plea. Um, so this is a single property residence, um, we went ahead and ran some comps, which you guys should have copies of, um, you know, pretty decent comps, given the area as far as year built and age goes. Uh, we were able to find one house that's newer, so we always like to bracket the comps so we're not comparing that to three properties that are older or three properties that are newer so we can get all the adjustments going in the same direction, so, um, you know we were only able to find one comp with the quality grade equal to the subject, but um, in short, you guys see the results of the analysis there, the secondary, um, there that I did is look at the sales price, um, from 2021and kind of see how much is this current assessment changed since then, which I wrote on the front of the property record card there, its about a 25% increase since the sales price, which puts us at about 6% per year. 6% annual. Um, which all seems pretty reasonable, which is why we recommended initially that there be no change on the current assessment. Um, but with that, I'll turn it over to you guys so you can tell them why it should change.

B. Henry: Alright. First of all, thank you guys for letting us plead our case here. I appreciate it. So, um, the biggest thing is, who doesn't want to hear that your house is worth more money? But when you are going to sell it, you know, you're going to be realistic about it, is it going to actually sell for that price? Right? So, we purchased our house in 2021 for

$473,000.00. Um, with our house, also, I don't know if you know, or the Board is aware of, we are located in a flood plain which requires us to pay $2,600.00. a year in flood insurance. And with the last flooding we had, we did get pretty close to having to use that flood insurance. Luckily we didn't, but um, the current assessment of our home is $592,900.00, the previous assessment was $555,700.00, which is like you said a 6.7% increase from the previous assessment. Um, in the past 2 years, only 3 homes in Wells County, located in neighborhoods comparable to ours have sold for over $500,000.00. So to give us over almost a $100,000.00 valuation over that seems very unrealistic to be able to ever sell that house for that price. We had a Realtor come out to our house, a little over a year ago, so it wouldn't count, you know, for this year, but, um, they said they wouldn't list the house for over $500,000.00, that there was no way it was ever going to sell. So, um, as you can see on the handout that I gave you, I did put some comps to, um... these are all the 3 houses that have sold in the past 2 years for over $500,000.00. So you can see too, I won't go over all them, you guys can read it. Um, one house sold for $512,000.00, one for $511,000.00 and one for $520,000.00 and that one being built in 2023. So obviously, much new than our house. Um, but you can see that, that, those prices are no where near $592,900.00 like our house is assessed. I also included homes that were sold in Wells County, that are not in neighborhoods, and these ones are much closer to, you know, the size of house, but all of these are all over, are all on over a acre of land. Which our land is .40 acres and these, like I said, are over 1 acre. So to me, a house on more property should be worth more money. And these even didn't sell for $592,900.00. They sold for $429,500.00, $535,000.00 and $540,000.00. So to have an evaluation of our home be, you know, essentially worth $592,900.00 doesn't make sense that it's ever going to sell for that amount. So it doesn't seem to be fair paying taxes on that if its never going to sell. Um, another thing I included here just to put into perspective, the amount of money that that costs...at the current assessment a down payment would be at 20% $118,500.00 with a monthly payment of $3,245.00. The average income in Wells County, for a family is $71,957.00. Now, of course, there's people that make more money than that, there's people that make less money than that. There's people that come from other counties to Wells County, and could afford, essentially, this payment, but it's unlikely that somebody is going to do that, especially when the life of this loan will total $1.3 million with that assessment. I do have, like you said, you guys have the burden of proof, um, that this is a correct assessment, but, and you did answer one of my questions, that I've listed on there already, about, you know, why, what specifics show the sales, which to me, don't seem that comparable. Um, but does our property record card accurately reflect our homes actual characteristics? And also, what evidence supports this increase? You said that there's comparable homes, but there's not one house that's listed at $592,000.00 or even close to that on your list.

Andrew: Correct. So those are the sales that we have. Um, we're always stuck as, as Appraisers, we're stuck with the sales that are in the pool to select from, right? In this case, I'll acknowledge that, um, we didn't have a comp that was larger, we didn't have a comp that sold for larger than this assessment. So, that's pretty telling in the appraisal world, sometimes we'll, uh, we have a term that we use, um, called super adequacy. Basically, meaning that a home was priced out of it's area. I can't tell you with the most certainty say that's the case here, but it's definitely a candidate for that, evidence of the sales that we do have. Um, and so, that's the leeway I think that the Board has that the County Assessor doesn't have, if they want to grant some sort of obsolescence there, as we see, you know, these houses, you know, take a look at the ranch home there that sold of $439,000.00. It's 700 feet less on the upper story. Um it's significantly less, um, basement, finish, um, you know sold for $439,000.00. So, how much more is that 700 foot upstairs and that couple 100 square feet downstairs, how much is that worth- that's the big question, right? That's um...

B. Henry: I do want to add to, so when we had the Realtor come to the home, um, and she said, you know, like the $500,000.00 we'd be lucky to get listing it at that if we sold it the house, which we're not planning on doing, right? Um, we'd love to get $600,000.00 if we've got anybody that wants to buy it, I'll sell it right now, but another thing that she said what people wouldn't like about it that house is that the bedrooms are mostly in the basement. The master bedroom is upstairs but the other bedrooms are in the basement, which she said you're going to have a hard time finding a buyer that is interested in, especially if they have young children there or something, and wanting that, um, and being in a flood plain is an issue for a lot of people. It was for us, you know, we definitely second guessed buying the house or not, because of the flood plain. Um, but there's just things like that, but we haven't added anything to the house that should make it more money. And also, we have done our research, we've looked on Beacon, we've spoken to your neighbors, there's people that have houses that are actually similar to ours who are paying less in taxes or there taxes actually went down in the prior year. Which doesn't make sense to us.

Judy: You cannot compare taxes and assessments, they are not the same. I'm sorry.

B. Henry: OK

Judy: The requirements of government and State, you know the tax rates (indecipherable) 37:03 so you know, that's not really a statement that can be verified.

B. Henry: Sure, ok.

Judy: It's not nice.

B. Henry: That's fair, I understand.

Ben: is that correct?

Andrew: Yes. But keep in mind, those are all adjusted values and every single comp in my list in inferior to the subject. So, again, in my world, that's cause for concern. Um, you know, should the value be down in the mid $500's? I'm not sure, did you guys give them, um , sorry I'm helping you out here…that's not what I'm suppose to do…did you give them a value of what you are requesting it should be?

Henry's: Yes.

Andrew: OK

B. Henry: I do believe that the, our value of the house should be closer to $525,000.00 that reflects the other homes that have sold and actually adds a little bit to it. We understand, it's a beautiful house, we love our house, and we're happy to have it be worth a decent amount of money. So, $525,000.00 is the correct amount, like I said, we think the previous assessment was high anyway.

Andrew: Here's what I have no argument on. That the house is worth somewhere between $525,000,00 and $592,000.00. So…I will let you guys decide where it needs to fall within that range. Again, this is a tough one, because you can see by the comps that it's just on, on in your neighborhood and even on your street there, there's just not one with this size. Um, so…

J. Henry: The other thing, I guess, we're talking about this, so we're saying that the State has increased these rates, right? And so I guess that's the frustrating side, I can pull up the comps, I can pull up a house in that neighborhood and I can look at them and over since we have purchased the home in '21, we have gradually gone up, like you said, 6.3% annually.

Andrew: Yes

J. Henry: So, when we're looking at that, I've looked at another home that's in that neighborhood, did I see it go up in the last 2 years, I've seen it decrease, like $20,000.00. So here, they went up to a certain range, they're not now, they're starting to taper off where we see every other house start to go up. So that's where I get a little bit, ok, why is this one going up, why is everybody else going up and this one is going down? It makes it look like somethings not correct, but …

Andrew: Is this a neighborhood we fixed some market models or something? Because that doesn't sound…

Laura: I don't think so…

Andrew: I'm not doubting that what you are saying is correct, but that, it shouldn't happen that way, unless we, unless the office corrected some sort of, sort of error or combined neighborhoods or something.

Laura: Do you have that address so…I'll write this down so we can…

Andrew: Yeah, we can look into that. Because, because these residential assessments are really, um, shielded from the States cost schedule update because we're trending to market value based on sales. So, um, again, I'll default to the Board on, you know, I'm not going to sit here and die on a hill trying to tell you that this house is worth $592,000.00. You guys see the data, you've heard from the Petitioner, um…

Ben: Have you guys appealed in the past, like last couple years?

J. Henry: No, You know, we've gone with it for the last couple years

Ben: (indecipherable) 41:04

B. Henry: (indecipherable) thinking no, next year will be better, so it's fine…

J. Henry: We did see an increase, but your talking a couple $1,000.00 , your not talking a couple thousand.

Board: (indecipherable) 41:00

Ben: I forget the name of the term, what's that term you used?

Andrew: Super adequacy.

Ben: If super adequacy applies, what are the remedies and like what's the, what the,,,

Andrew: We would apply, we would apply obsolescence based on your determination of your value, so that way we wouldn't be um, messing with the elements of the assessment, like, you don't, we're not going to change the square footage or a quality rating or anything like that, that's all correct, but if the results are the value is too high and you guys tell us that, we'll apply an obsolescence to the assessment to come back, to get down to that value.

Ben: Is there a precedence in Wells County to that?

Andrew: Yes. Basically, anytime we run a sales comparison analysis, and come up with a lower value than the current assessment…

Ben: You'll apply a…

Andrew: We'll apply an obsolescence to get there. We have a sales comp sheet right to stick in the file to support, that way its not just kind of willy nilly, just applying obsolescence to these random properties across the county. And in this case, you know, your guys determination would sit in the file, that way when your neighbor comes in and says well why do they have a 12% discount on their assessment, well we can say that was the boards determination. So anytime an obsolescence is applied there is a reason behind it.

Judy: I'm assuming we have verified with the Assessor's office all the information that was there beforehand.

Board: Anything else? So we know where to go from, right? Okay. Anything else guys? Thank you very much

Laura: Are you guys all together?

E. Herman: Yes

Laura: Ok

E. Herman: They've got me as the spokesman. Can you imagine that? It's been 10 years since I've sat in this seat.

Laura: Well, that's not so bad.

Andrew: We're pretty nice.

Laura: It's like riding a bike. It'll be good. Come on up. Um. This is un, Ed Herman. And the parcel number of this property is 90-12-29-100-001.001-015. And the address is 10172 S. 200 E. And, if I can get a couple seconds to, uh…

E. Herman: (indecipherable) 44:51 I thought that there were only going to be 4 so, I don't have 5…

Andrew: They're the important ones, so make sure they get one.

Laura: I was going to say, I can give mine too

E. Herman: Like I said, it's been 10 years since I've sat in this chair, so…

Laura: Representing the Taxpayer is , you will give your name…

E. Herman: Ed Herman.

Laura: And if you all will raise your right hand. Do you solemnly swear or affirm that the testimony you are about to give is the truth the whole truth and nothing but the truth?

E. Herman: Yes

Andrew: Yes

E. Herman: Like I said, I'm Ed Herman. I'm the Trustee for the Estate. We are here just to basically question the increase in the house and buildings, with my brothers in the process of compiling that we have a sheet here. The assessment went from $338,400.00 to $416,200.00 in 2026. Which was an increase of $77,800.00, 8.69%. And I just went down and did some of the increases that were considerable. The old farm house, you know, went up $9,300.00 which was 7.18%. And, these are your words, the pole barns, you know, average, the first one was 74%, the second was 94%, the third one was 92%, and the last one was 156.99%. Um, that one was built in 1975, so you can tell how old that is. These are old farm buildings, I mean… That one was built in '97, that one '93, um… we're just asking, like I say, you pretty well explained why stuff went up so much in one year and stuff like that, but um… the other thing I have, I don't know if I give this to you, or whatever, the Estate did do an appraisal. Joe Weterick did do that in 2024, because we wanted to know what the value of the house and buildings was. Um, and the appraisal came out to $255,000.00.

Andrew: Have you guys seen that appraisal?

E. Herman: No

Laura: We have not.

E. Herman: Do I give that to you?

Laura: Yes. Do you want to see it first Andrew?

Andrew: I'm not going to be able to analyze it quickly enough to have any real opinion of it, um…I'm shocked by the number, so I am interested in it to read through it. Um, perhaps, I need to get my bearings, that's such a staggering number. For a residential structure on 4 acres with multiple out buildings. We, we did make a recommendation to adjust this down to $403,000.00 that was evidenced by the sales comparison sheet that you guys have there. Um, we also in, kind of the spirit of understanding and appreciating the frustration that the cost schedule update has caused many Taxpayers in Wells County, you know, take a look at these buildings line by line, which is why I have included that in there. Um, and we're looking at, you know $5 a square foot, $4 a square foot, $8 a square foot, and so again, while we feel, um, obliged to try to do something to offer some reprieve, the fact remains, it appears, the new values on these buildings are a much better reflection of the value that they hold from a cost perspective. I guess I'm curious what the dwelling itself, is it, what kind of condition is the dwelling in? Is it ready to be lived in, it's in need of major repairs before it can be lived in, everything is working, but kind of dated…?

E. Herman: It's just an old farm house. Um, it needs major repairs before it can be lived in. everything is working but kind of dated. like I said, it's an old farm house.

Andrew: ok

E. Herman: And we grew up there. All 8 kids grew up there…

Andrew: Well, I'm curious…

E. Herman: It's livable.

Andrew: Does that appraisal include photos from the Appraiser?

E. Herman: It does, but I didn't do the photos. I can probably send them to you…

Andrew: I'm just curious

E. Herman: I can send them to you

Andrew: If the Board wants to consider it, we can possibly consider the depreciation on the dwelling. Again, I'm not sure there's much we can do on the building side of the assessments, um, but there probably is room for an adjustment on the dwelling if the County's not assessing the depreciation of the building accurately, again, we can only see the outside, so seeing those interior photos can help us make a better judgment on the way we're assessing the home. So, there could be some additional, um, room to go down in value there if the Board feels comfortable, um, I know Judy's familiar with our, like effective age method of using depreciation, if the Board's able to review the photos and recommend a lower age on the home, we could possible get an adjustment or a lower value there. But that's kind of what I see from my seat.

E. Herman: Do you just want me to e-mail it?

Laura: Yes

E. Herman: I'll just email it, email it to you.

Andrew: Is something that the Board can revisit at the November hearing? And then I would encourage you, while they're here, anything that you want them to consider, make sure you get that on the record for them. Um, since it sounds like they're going to review the appraisal and then make a determination or deliberate at our November hearing date. Just make sure you get them everything you want them to know. If there's anything you wanted to mention or…I don't want to sell you short.

E. Herman: It's right here…

Andrew: Ok, like again…

E. Herman: I'm use to giving the information out. Ben knows that.

Andrew: OK.

E. Herman: So that's fine. The biggest concern was the pole barns and the age of them and, like I said, this one that went up 160%, you said it, they did it all in one year, and that, that's crazy.

Andrew: You can see by evidence of your buildings, it's not like every building went up the same amount. Depending on the age, the size, the finish level. We've got some there that are going up 74%, some that are going up 156%, and that's a nightmare for us. It's, and again, we try to manage it, try to be as transparent as possible with the information we're giving the public. Um, and like I said, unfortunately, all of our research turned up that these newer values are more accurate then the older ones, which left our hands tied. But, I do think that there is some wiggle room on the house, especially depending on what that appraisal shows. So, hopefully, that's good news for you guys.

E. Herman: OK, thank you very much.

Meeting with Taxpayers over. Board, Andrew, Laura and Recordkeepers remain. 53:25

Nate: (indecipherable)... Is there any sort of wiggle room on these pole barns? ballpark its going to be age, grade condition that would show up in the assessment?...

Andrew: Yeah, correct, I think grade and condition related, and I think I would view, I would view obsolescence on the pole buildings, more as an extension of the condition.

Nate: Ok

Andrew: I wouldn't view it as the same as like obsolescence on a dwelling or we have a sales comparison to back it up or a sales comparison says it should be $592,000. but, you know, I, I, I don't want to say too much about this specific property that's under appeal since they're not here.

Nate: Ok, it's just...

Andrew: Generally speaking, there's just quirky things about the cost schedules, like in my opinion, the brick prices are too high. Now, if you're in the construction business, you might tell me I'm crazy. Brick might just cost that much more than frame. But when I view it from an appraisal standpoint, I don't see the data that supports that a brick house is worth significantly more than a frame house. I'm sure that it is, but how much more? I think our cost schedules overstate. That's just what my opinion is on this. So when you start looking at those sales comparisons, um, if you don't have apples to apples comparisons, how much can we trust those adjustments to be spot on? Um, so if we determine through

comparing notes, then applying our knowledge to these subjective matters that a house is worth $550 when it's assessed for $650. You guys tell me its worth $550, I'll get there with obsolescence.

Nate: Gotcha

Andrew: That's more of a market obsolescence, where as like, you know think about these old barns, we put it in fair condition, it's 50 years old, it depreciates at x percent, but we still think that values too high because, I don't know, you use to have a German Shepherd that you kept in there, and it just tore the inside of it to crap, but there's an obsolescence for that.

Nate: Yeah, that's, that's it...

Andrew: Yeah.

Laura: So we have, um, three more. It's well after 9:30, so I don't think they're coming. So uh, I will read through them real quick. That's typically, we don't do changes... So the first one is for a Mark and Kandace Dunwiddie. The parcel number is 90-03-19-100-002.001-019. Address is 5318 W. 900 N. Um, Mark and Kandace Dunwiddie are the Owners. Andrew, do you have...?

Andrew: I'm happy to answer any questions that you guys have about the packet. It's a single family residence on 2.68 acres. Um, our comps put the value at $264, our value at $261. Um, you know, we're talking about a 2,000 square foot house on 2 acres. That's a. that's a pretty nice buy. I'll say, in addition to the comps that are listed there, um, you know, this, this value, unlike some of the others we have talked about, this value does have good comps. You're talking about 2000 square foot house on over 2 acres, you're talking about a nice, a nice value there for the homes, so, um, unfortunately there's no, there's no adjustment I can recommend on this one.

Andrew: If you notice on the comp sheet we made a pretty significant reductions, um, on the quality grade and the depreciation life, um, which shows you how much we're taking into account of the current condition of this property. It's not a brand new house. Not going to be tip-top, remodeled and you know, we've got $40,000.00 adjustments to our sales, that's pretty good.

Ben: This is reasonable where it's at, based on accounts...

Nate: Is there a deadline on the decisions for these properties...?

Laura: Um, we need them as soon as possible.

Andrew: Legally, legally, you have 90 days.

(indecipherable)59:29

Laura: Do you want to go on to the next one?

Nate: I think we should make a motion.

Ben: I say we keep it at the current assessment.

Judy: I second.

Nate: There needs to be a vote on record?

Laura: I'm sorry?

Nate: There needs to be a vote on record?

Laura: Yes.

(indecipherable) Someone on Board: We need to vote?

Shari: Could you speak up please, cause we're not picking you up very well.

Andrew: So you had a motion, you had a second , Laura just needs to ask, all in favor.

Laura: All in favor?

Board: Aye.

Andrew: Now we're good.

Laura: We will move on to 706 N. Melching, under Ryan Steffen, parcel number 90-02-15-516-092.000-009 . There is no one here representing the Taxpayer. And Andrew is here, representing our office.

Andrew: Um, so this one is an income approach property. The property record card shows this has been assessed at the income approach since 2022, um, and rents and sales have skyrocketed. Um, at a $172,800.00 is in fact, an income approach value that is based on the current information of, and **THIS IS CONFIDENTIAL** , SO PURPOSES OF AN OPEN HEARING AND OF PUBLIC RECORD, THE FOLLOWING STATEMENT IS CONFIDENTIAL. But it's based on the rent of ***** a month. So that's how we're getting to that big jump. Understood? Uh, now, with a rental property, they are entitled to the lowest of the three approaches. Whether that be the cost approach, the sales comparison approach or the income approach, and so, we did, did go ahead and run a sales comparison analysis, with a median assessment of $179. Um, so the sales comparison did not get us much lower, but what that tells us is that, what properties are selling for and what they're renting for are in harmony. The fact that our income approach would come so close to the sales

comparison approach. So… based on the current information of the income sales, I'm unable to recommend reduction in value.

Ben: Is that a CAP rate, just out of curiosity? What numbers, I know what it is, but why that, in this case?

Andrew: So it is, so it's a multiplier, it's not a CAP rate, same principal though, so just to be clear.

Ben: So yeah, I…

Andrew: You're fine, I just wanted to be on record, I wanted to be sure that they didn't, because we do use CAP rates for commercial properties, but we use gross rent multipliers for residential properties.

Ben: Ok

Andrew. Um, but that multiplier's a byproduct of market rents and sale prices. And so, as the sale prices have gone up and the rents have gone up, you can see how, when those two things are multiplied together to get us a value and they both go up, why there can be such a drastic increase. Now, I was noticing, I was talking with the office about it, that seems to be our highest gross rent multiplier. That's something we'll continue to monitor as we collect income information and sales and market information. I think, again, I'm probably saying too much here, and I don't want to over complicate things, but I think when you deal more with a Bluffton rental market, you're going to have more dogs that get bought up for 50, $60,000.00 and then get flipped and rented out. And so I think that helps keep the gross rent multiplier lower, whereas the further you move out, you get into this area where our subject is sitting at, you just don't have as many of those 50, $60,000.00 sales, that help keep the median down.

Laura: I did double check to make sure it's was not too high.

Ben: OK. It's not listed here, but the gross rent multiplier, you get into the numbers that are the actual value, I'm not seeing it on here?

Laura: The GRM?

Ben: Yeah.

Andrew: So our gross rent multiplier is right here, there it is.

Ben: Oh, ok. Thank you.

Andrew: And then we're actually, I took that 14 ...that's my handwriting so...when you see a sheet like this and see the over-ride, that means we have their actual income, so we're not actually relying on market price.

Ben: It's just a coincidence that it's 12 months?

Laura: Yeah, but don't say, don't say what it is.

Andrew: That is a coincidence. Well, I already said it, but I clarified that it was confidential. So we want to note that this entire hearing is confidential, should it be requested, we can go in and trim this part out

Shari: Definitely.

Andrew: But mark the entire hearing as confidential for administrative purposes.

Shari: Gotcha. Thank you.

Andrew: And should there have been people here, we would have actually had to ask them to clear the room before we started this hearing, so...

Judy: (indecipherable) 1:06 We should leave the assessment at the current value.

Nate: I second that.

Laura: All in favor?

Board: Aye

Laura: The next property is also Ryan Steffen. The parcel number is 90-05-27-502-060.000-011. 1580 Shadow Run Trail. And there is no one here representing the Taxpayer. And Andrew Smethers is representing our office.

Andrew: So single family residence, 1800 square foot ranch home. Um, on a basement, with a rec room with finish assessed to the basement. Uh, comps that I pulled were all from the subject properties neighborhood. Um, pretty good comps in this case. Tried to stick with ranch only, ranging from 1600 square feet to 2100 square feet, so we have a nice mix of sizes there. Um, only one of the comps had a basement. As you can see, that's comparable number 2. Sales price of $425, so, you know, comparing that to the ranch is definitely had some added value there as you would assume, when it comes to a home having a basement versus not. But in this case, there's some pretty good comparable sales off of the subject neighborhood all the same, or similar style and age, so I feel pretty, uh, I, I feel good about these comps. Um, our median adjusted sales price is $398 average adjusted sales price $407, current assessment $371. Um, I would recommend that the value remain at $371,500.

Ben: I think the value should stay at $371,500.

Judy: I second it.

Laura: All in favor?

Ben & Judy: Aye

Nate: Hold on. I'm just looking at the 24, 25, 26 , watched how those changed.

Ben: Yeah, the 24 is kind of an anomaly, isn't it?

Laura: I think this is one of the neighborhoods that we re-did.

Nate: Ah, ok.

Laura: It was in separate neighborhoods, and then if we could find them, and that is probably the reason it is so high. And yeah…

Andrew: And to expand that speculation. That was where my mind went when the Gentleman earlier referenced, you know, his neighbor or his friend's going down significantly. It had to have been something getting fixed within the office, not, because we haven't seen any market trends that have caused value to go down, so the Assessor's office can always fix something and cause a certain subset of properties to increase of decrease at a rate outside of the normal trend. Um, which, which I'm certain has happened here with that 24 value going down. It probably got place into a new neighborhood or a correct neighborhood.

Ben: So our old neighborhood, when it was built it was in its own entity and then they combined them, is that the type of situation that does that?

Laura: I think that Bell Brook was… yes, because when you have such older homes and such newer homes, they sell so differently, and you know, eventually over time, they are going to start selling, much, much closer to the same, and then so we combine them, we combine them back together.

Ben: Understand Schrock?

Nate: I guess.

Laura: All in favor?

Board: Aye

Laura: Alright.