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May 31, 2012

### **An Overview of Monroe County's 2011 Annual Trending**

The following steps were taken to conduct the 2012 annual trending in Monroe County:

#### **General Overview:**

Overall the Monroe County market remains extremely stable. Home sales remain stable and have not followed the industry average. New construction continues to take place within the county. However, the mass construction associated with developing new neighborhoods has tapered off some. The county did experience some large commercial projects being constructed during the year. Monroe County is the home to Indiana University. Enrollment within the university continues to grow each year, resulting the increase demand for housing, whether it be owner occupied or rental properties. For the entire trending process sales from 3/1/2010 through 2/28/2012 were used. There was no time adjustment of any sales, due to percentage of change remaining flat. The nation's general perception is that housing prices have continued to decline. Within Monroe County this has not been the case. Various areas within Monroe County continues to show growth not only in sales, but new construction, while other areas have experienced some decreases.

The newly revised cost tables provided by the state were implemented for all residential and commercial/industrial properties. Every residential neighborhood was analyzed. Sales were the primary base for any market factor changes. Additional information such as appealed properties and the net result of the cost table updates was also taken into consideration.

Commercial and Industrial cost tables were also implemented and property classes were factored accordingly.

#### **Land Values:**

As required in the General Reassessment, new land values were established in July, 2011 and been implemented since that time. The new agricultural land rate has also been implemented

### **Market Adjustment Factors (Residential):**

Monroe County has approximately 1060 residential neighborhoods defined. As a result of the updated cost tables every improved residential property was affected in some manner. The newly updated cost tables did not produce a uniform adjustment for all properties. Several properties decreased in value, with several properties also increasing in value. As a result of these changes, newly created factors were implemented. Depending on the property type, the incurred sales, market factors experienced all three scenarios (increased, decreased, no change). These changes resulted in a few neighborhoods being re-compared to a different neighborhood as in the past or becoming a standalone neighborhood. As stated above, Monroe County remains stable as a whole, but certain areas within the county is experiencing growth and certain areas has seen some downward trend. The change is not constant throughout the entire county. New neighborhoods are continually being developed and new updated sales information in these newly developed areas has led to some of these changes.

### **Cost Table Updates (Commercial):**

New commercial and industrial cost table updates were the starting point for updating commercial and industrial improvement values. The depreciation year was also changed. Only the townships of Bloomington, Perry had any real activity. Smaller townships were combined with either Perry or Bloomington for statistical analysis. In addition to the cost table changes, property classes were reviewed and factored according to values more appropriate for Monroe County.

### **Use of Sales information**

Monroe County is committed to utilizing as many valid sales as possible. As stated above, sales from March 1, 2010 through February 28, 2012 were used. Where applicable multiple parcel sales were also used. There is a total of 2572 sales used collectively throughout the study. A total of 172 sales that had originally been marked as being valid were trimmed for a wide variety of reasons. Forty-five (45) of these trimmed sales were cut due to the property re-selling again at a later date. The new sale was used in the study. Approximately another forty (45) properties were trimmed due to some significant change or new construction. The remaining trimmed parcels were the result of the property containing AG land, the property not being reflective of the typical market property, non-dwelling improvement, outliers and just erroneously marked valid. Monroe County is committed to using as many sales as possible during the trending process and has taken steps to ensure that the sales used provides the most accurate information relating to the housing and commercial/industrial market within the county.