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An Overview of Monroe County's 2013 Annual Trending

The following steps were taken to conduct the 2013 annual trending in Monroe County:

General Overview:

Overall the Monroe County market remains extremely stable. Throughout the county some neighborhoods/areas remain flat where others have seen growth and some have shown a slight decrease. Since there isn't any defined pattern and with whatever minimal appreciation or depreciation that has taken place over the year, there was no time adjustments made to any sales. New construction continues to take place within the county. The majority is within the residential classification, although some major commercial projects were completed or are in the process of being completed throughout the county. Monroe County is the home to Indiana University. Enrollment within the university continues to grow each year, resulting in an increased demand for housing, whether it is owner occupied or rental properties. For the entire trending process sales from 1/1/2012 through 2/28/2013 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 still remains. Within Monroe County this has not been the case. As stated above specific areas within Monroe County continue 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 when determining the appropriate neighborhood/market adjustment factor.

Land Values:

Land base rates were reviewed and as a whole were left unchanged. Where necessary, a few neighborhoods incurred minimal changes based upon recent sales information. 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). 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 and, Perry had any real activity. With the limited number of sales, especially in the smaller townships, this resulted in some combining of areas.

Use of Sales information

Monroe County is committed to utilizing as many valid sales as possible. As stated above, sales from January 1, 2012 through February 28, 2013 were used. Where applicable multiple parcel sales were also used. There are a total of 1682 sales used collectively throughout the study. A total of 128 sales that had originally been marked as being valid were trimmed for a wide variety of reasons. Thirty-one (31) of these trimmed sales were cut due to being duplicates. These 31 sales were incorporated in the data extract report. Twenty-eight (28) properties were trimmed due to being purchased by the State of Indiana for the I69 project. These 28 sales were all originally marked as being valid for trending purposes. All of these properties have either been demolished or slated for demolition, thus they were trimmed. Another thirty (30) sales were trimmed due being outliers, twelve (12) sales were trimmed due to significant change. The remainder of the trimmed sales was for a variety of reasons. A detailed file has been submitted with this year's ratio study. A total of eight (8) sales that had originally been marked as invalid for trending purposes were used in the study. 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.

Within the Residential Vacant classification, the townships of Benton and Washington had very limited number of sales. As a result of the limited number of sales, sales from 2011 were included in the study for these two townships. There was no time adjustment as the overall trend of Monroe County is basically flat and any appreciation/depreciation change is very neighborhood/area specific.

Additionally, 2011 sales were also used in the Commercial Vacant and Industrial Improved studies, due to the very limited number of sales occurring in 2012 and the limited number of properties with this classification. For both of these classification studies, all sales from all townships were combined into one grouping.