STACEY O'DAY
Allen County Assessor

1 E Main Street Ste 415 – Rousseau Centre – Fort Wayne, IN 46802-1811
Phone: (260) 449-7123 Fax: (260) 449-4621 assessor@co.allen.in.us

Allen County's Annual Trending Summary 2012 Pay 2013

5/10/2012

Allen County performed preliminary ratio studies on all neighborhoods at the township level. An analysis of the statistics helped indicate which areas needed the most concentration for this year in regards to both sold and unsold properties. A number of homogeneous neighborhoods were combined during Reassessment. Property characteristics were also updated during Reassessment.

Residential land values were developed for new subdivisions and adjusted in areas that sales indicated change (2012 Land Study). After these steps were taken, neighborhood factors (annual adjustments) were calculated for each neighborhood. These neighborhood factors were applied and the statistics were calculated again. Further analysis was done where it was required.

We used sales between 3/2/2010-3/1/2012 in the annual adjustment process in neighborhoods that had enough sales in that timeframe. In neighborhoods where there weren't sufficient 2010 and 2011 sales, we used sales from 2009. There was no market evidence supporting time adjustments for these sales. All of these sales were physically inspected within the 60 day timeframe.

As we have in years past, we used a gross rent multiplier model to value residential rental properties. Please note that our workbook values for these properties will have some rounding issues in regards to the allocation amount being off by $1 compared to the total value. This will be corrected before we roll values to the Auditor.

New cost tables and location multipliers supplied by the DLGF were updated into our system for 2012 pay 2013.

In some neighborhoods, we had to trim outliers that were heavily scrutinized and we determined that they did not fit the market. We found that we had other sales in these neighborhoods that supported the market values, and the identified outliers were not indicative of those values. These outliers can be found in red in the attached study.

Also, after submitting our sales data to the state in February 2012, some sales were further scrutinized and their validity codes have been changed. These have been changed along with other sales that were deemed invalid. They all can be found in the attached spreadsheet as well.

Allen County has a significant number of multi-parcel sales every year. In areas where the sample sizes are sufficient, multi-parcel sales are usually excluded from the annual adjustment process. These can also be found in the attached spreadsheet.

Below are notes regarding a few of the different studies:

1) **Industrial Vacant** - county-wide study was conducted due to lack of sales. SDFID C02-2011-0055921 is causing the PRD to be outside of IAAO standards. However, we feel this is acceptable given the small sample size of the study.

2) **Industrial Improved** – combined study for Aboite, Adams, Cedar Creek, Jefferson, Perry and Pleasant Townships due to lack of sales.

3) **Commercial Vacant** – combined study for Aboite, Adams, Pleasant, Washington and Wayne Townships and combined study for Perry and St. Joe Townships due to lack of sales and similarities in markets. Two sales were identified as outliers and are highlighted red in the Com Vac worksheet.

4) **Commercial Improved** – combined study for Cedar Creek, Jefferson, Lafayette, Maumee, Monroe, Perry and Springfield Townships due to lack of sales and similarities in markets.

5) **Residential Vacant** – combined study for Aboite and Lafayette Townships and combined study for Eel River, Jackson, Jefferson, Lafayette, Lake, Madison, Marion, Maumee, Milan, Monroe, Pleasant and Springfield Townships due to lack of sales and similarities in markets. Also, combined study for Adams, St. Joe and Wayne Townships due to lack of sales and similarities in markets. Two sales were identified as outliers and are highlighted red in the Res Vac worksheet.

6) **Residential Improved** – combined study for Jackson and Jefferson Townships and combined study for Scipio and Springfield Townships due to lack of sales and similarities in markets. 120 sales were identified as outliers and are highlighted red in the Res Imp worksheet.

Wayne Township 2012 Trending Summary

Overview

For the 2012 annual adjustment process, Wayne Township analyzed sales which occurred between March 2, 2010 and March 1, 2012. Reassessment was completed this year and a uniform grading system was implemented which follows “Indiana Property Assessment Guidelines.” A land study was also completed this year. Sales disclosures were initially verified and validated by the township real estate records deputies. This was done by phone contact with the buyers and sellers as well as MLS data. The township is broken down by quadrants representing taxing districts. Each sale was physically inspected and the sales disclosure was verified a second time by a residential real estate appraisal deputy who specializes in that area. This is done to identify any neighborhood that may be transitioning in to or out of foreclosure. Residential parcels were valued using the cost model and calibrated with neighborhood specific trending factors developed from the analysis of sales. 1-6 family rental properties were valued using a Gross Rent Multiplier, obtained by collecting sales and income data from comparable investment properties. Any neighborhood which was considered predominantly foreclosure was valued using the same method as 2009, 2010, & 2011.

Review of Residential Parcels by Taxing District

Northeast Quadrant/Area 91

The northeast portion of Wayne Township has remained relatively stable. Overall the taxing district saw a decrease in assessed value of 1.73%. This area added three new foreclosure neighborhoods. However, the trend shows the average assessed value of the foreclosures increase by 7% from the previous year. Neighborhood lines were redrawn to include part of 171107 into 171222.

Northeast Quadrant Total parcel count for foreclosures: 1597	
171101	171102
172108	171114
172207	172225
172117	172220

Northwest Quadrant/Area 92

Annual Adjusting for 2012 shows the northwest portion of Wayne Township with a 4.28% overall increase in assessed value. Trending of this area shows that the increase in value is predominantly in the areas highly saturated with rental properties. Two additional neighborhoods became foreclosure.

Northwest Quadrant Total Parcel Count for foreclosures: 1069	
271501	271537
271513	271542
271528	271550
271337	271516

Southeast Quadrant/Area 93

Over the past several years the southeast portion of Wayne Township has experienced the highest percentage of foreclosures and rentals. Last year only two of the fifty seven neighborhoods were not being valued as foreclosure. For the 2012 trending year, this area has experienced the highest rate of recovery. Sixteen neighborhoods came out of foreclosure status. Trending in the area shows a high rate of investor purchases, many of which are becoming rental properties. The overall taxing district saw an increase in value of 12.49%. This is the result of neighborhoods coming out of foreclosure, higher income values and recent new construction taking place in the Renaissance Point development Better delineation resulted in the combining of 8 neighborhoods.

Southeast Quadrant Total parcel count for foreclosures: 8013		
371158	371203	371215
371249	371284	371320
371402	371405	371445
371445	371610	371706
371711	371714	371715
371721	371723	371803
371805	371809	371810
371812	371817	371819
371903	372101	372105
372106	372201	372207
372209	372213	

Southwest Quadrant/Area 94

The southwest portion of Wayne Township is very diverse. The area closest to downtown is highly populated with rental properties. This has been the area affected the most by foreclosures within the quadrant. This portion has remained relatively stable with no new additional foreclosure neighborhoods. Trending has shown a slight increase in value due to the high amount of income properties within this area. The remaining portion of the southwest quadrant includes many of the highest valued properties in the township. These properties have not been affected by the housing crisis, and there is very little market activity. Overall the quadrant has experienced a 1.33% increase in value.

Southwest Quadrant Total Parcel Count for Foreclosures: 4566	
471220	471112
471874	471211
471311	471408
471415	471417
471864	

Waynedale/Area 95

In our analysis of Waynedale we found that the older neighborhoods have stabilized. These areas have actually experienced a slight increase in sales prices resulting in a slight increase in assessed value. These neighborhoods tend to have a higher concentration of investor sales. In our studies we found that the areas containing the newer, higher valued properties are selling lower. Neighborhoods in those areas have seen a decrease in value. Overall Waynedale will see a 2% increase in assessed value. There are still no neighborhoods within this area that are considered foreclosure.

Twp/Areas 30, 31, 96

These areas are located on the outer edge of the township, and mainly consist of our rural properties. The area has remained stable with little or no market activity. Twp. is not influenced by foreclosures or by rental properties. Trends in this area show a slight decrease in assessed value of 1.15%.

Income Producing Properties

Residential rentals are valued using a gross rent multiplier model. Wayne Township has made a concentrated effort over the past 3 years to develop an accurate data base of income information. In an effort to reduce future appeals, the township has implemented a procedure during sale validation to help identify potential income properties. Once it has been determined that a properties intended use is income producing, information regarding the bedroom count, rental amount and condition are collected. Taxpayers are informed about the differences in value between cost method and income method, and they are given instructions on what is necessary to have their properties valued in this method.

Based on the information collected in the database, we were able to price income properties by bedroom count rather than by square foot. We felt that this method better reflected market conditions. When it was necessary further stratification by size, age, or condition was done

Summation

The 2012 annual adjustment process indicated that throughout the township values have remained stable. Foreclosures seem to be moving in a positive direction with fewer new foreclosure neighborhoods and values within current foreclosure neighborhoods climbing slowly. Sales trends show that the majority of sales within Wayne Township are by investors who are refurbishing, and selling or renting the properties. This is resulting in higher gross rent multipliers, which are moving the assessed value of income properties in a positive trend.

Included are three articles which support the upward trend of home values in the Fort Wayne market.

Journal Gazette

Published: December 20, 2011 3:00 a.m.

BRIEFS

Home sales perking up in the area

Staff, news services

In November, 479 homes were sold in the Fort Wayne area, up 14.3 percent from the 419 in November 2010, based on data the Upstate Alliance of Realtors released Monday.

The group covers Adams, Allen, DeKalb, Huntington, Noble, Wells and Whitley counties.

Last month's average sale price dipped 3.7 percent to $112,397, compared with $116,725 in November 2010. The report said 5,373 houses sold through the first 11 months of the year, compared with 5,385 in 2010. The average sale price dipped 0.2 percent to $114,259 from $114,469.

Earlier this month, officials at Upstate noted that while the National Association of Realtors drew flak for overstating sales figures, the local group did not make the same mistake.

National home sales figures will be lowered dating to 2007. Changes in the way the Census Bureau collects data, population shifts and some sales being counted twice were among the reasons cited for the inflated figures. Last year's total sales figure of 4.91 million was the worst in 13 years.

The Street

Managing Your Money

Return to Article

5 U.S. Housing Booms in 2011

Jerold Leslie

12/31/11 - 10:00 AM EST

BOSTON (MainStreet) -- The U.S. real estate market continues to struggle, but some cities actually saw housing booms of sorts over the past year.

Consider Fort Myers/Cape Coral, Fla.

Long the poster child for Florida's housing bust, Fort Myers/Cape Coral, Fla.'s median list prices soared more than 20% during 2011's first 11 months.

Long the poster child for Florida's housing bust, the Gulf Coast community's median list prices soared more than 20% during 2011's first 11 months as investors grabbed low-cost homes, according to Realtor.com.

"Like many Florida markets, Fort Myers has experienced a large increase in investor activity, which has driven down inventories and put a floor under prices," says Paul Bishop of the National Association of Realtors, which operates Realtor.com. "As the rest of the national economy stabilizes and picks up, vacation buyers will also look to snap up bargains."

Here's a look at 2011's five best U.S. housing markets, based on increases in Realtor.com's median list prices for each community between January to November of 2010 and January to November of this past year:

Fifth-best market: San Antonio, Texas
Median 2011 price gain: 4.05%
San Antonio's housing benefited from strong population growth, a below-average foreclosure rate and some of the nation's best job gains in 2011.

Manpower Group recently predicted the city will have the best employment increases of any major U.S. metropolitan area during the fourth quarter, with health care and bioscience jobs leading the way.

"More than half of the recent job growth has been in health care -- a stable sector that attracts professionals and skilled workers from all areas of the country," Bishop says. "With strong population growth and gains in employment, household formation in San Antonio has continued at a solid pace."

That helped push the city's median list price up to $169,500 during 2011's first 11 months -- a 4.05% gain from the same 2010 period.

Fourth-best market: Fort Wayne, Ind.
Median 2011 price gain: 5.11%

Fort Wayne's median list price rose more than 5% during 2011's first 11 months, hitting $105,000. Bishop attributes the gains to a combination of affordable home prices and an improving employment picture.

"Fort Wayne is recovering from a significant recession, but has managed to see tally job growth in the past few months," he says. "The unemployment rate is on par with the national average, but the metro area has performed better than the state overall in generating new jobs."

The community, which ranked ninth on Realtor.com's third-quarter list of "Top 10 Turnaround Cities," has also seen an improving foreclosure picture.

The number of foreclosed Fort Wayne homes listed for sale on Realtor.com dropped 19% over the past year, with asking prices on bank-owned homes rising 6.5% due to strong demand and falling supply.

Third-best market: Washington, D.C.
Median 2011 price gain: 5.16% (city), 5.11% (Virginia suburbs)
Median list prices rose more than 5% during 2011's first 11 months in the District of Columbia and Washington's Virginia suburbs.

Median asking prices increased to $369,900 in the District, while Virginia suburbs saw the typical list price rise to $332,970.

Bishop attributes the gains to Washington's large base of federal government jobs.

"The federal government and contractors provide a stable, well-paying block of jobs that has allowed D.C. to weather the recession better than most areas," he says. "Rents have [also] risen strongly, pushing some households to purchase their first home either in the District or in one of the nearby suburbs. "

Second-best market: Shreveport/Bossier City, La.
Median 2011 price gain: 7.01%
This northwest Louisiana community's median list price increased to $168,000 during 2011's first 11 months.

Bishop cites "better-than-average job growth, especially in higher-wage sectors such as manufacturing, mining/energy and construction. Homes remain affordable and with an unemployment rate of just over 6%, the areas has attracted job seekers from other areas of the country."

Historically an oil-and-gas powerhouse, Shreveport /Bossier City has become a tourism and gambling mecca in recent years, with five riverboat casinos and one racetrack. The local economy also benefits from the presence of nearby Barksdale Air Force Base, which has some 9,000 employees.

>>St. Joe's Field of Dreams

Best market: Fort Myers/Cape Coral, Fla.
Median 2011 price gain: 20.7%
Fort Myers/Cape Coral saw prices drop more than 60% during the housing bust, but has since begun a rebound.

Foreclosure filings are down, median list prices hit $174,900 in 2011's first 11 months and real estate investors are pouring in.

"Underlying all of this is a modest increase in employment and a decline in the unemployment level -- although it's still above 10%," Bishop says.

>To submit a news tip, email: tips@thestreet.com.

RELATED STORIES:

>>6 Best Cities for Starting Over in 2012

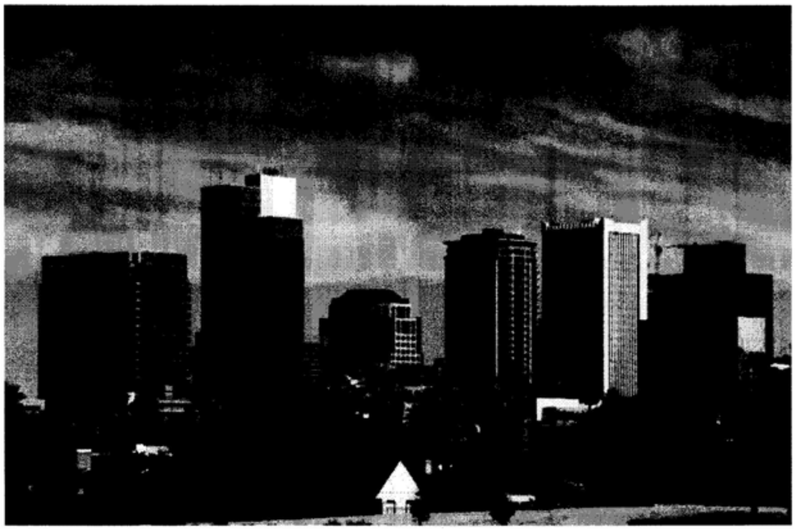
>>Coolest Homes on America's Poshest Streets

>>4 Ways Out of Your Mortgage Mess

Follow *TheStreet* on **Twitter** and become a fan on **Facebook.**

Top Ten Turnaround Towns: Midwest/West Edition

Content blocked by your organization



Yesterday, we shared part one of Realtor.com's Top 10 Turnaround Town Report–a group of markets showing the greatest promise for growth and price appreciation despite the national economic situation.

Though the list was dominated by six Florida markets, the Midwest and West also had a strong showing on the report. The four additional markets include Phoenix, Mesa, AZ, Boise City, ID, Fort Wayne, IN, and Ann Arbor, MI.

Why did these four metros make this list? Not only did these markets have lower unemployment rates year-over-year in the third quarter of 2011, but also showed median list price appreciation and lower inventory counts and median age of inventory.

Here's why each Midwest/West market made our top 10:

Phoenix, Mesa, AZ: Like many Florida markets, Phoenix-Mesa foreclosure activity hit high levels during the housing downturn. Now, foreclosures there have decreased 25 percent compared to the second quarter, and are down 40 percent compared to third quarter 2010. Ranked 4th on the turnaround list, inventory is also down close to 48 percent, while median age of inventory decreased more than 23 percent, according to Realtor.com's October 2011 Real Estate Trend Data report.

Boise City, ID: Number eight on the turnaround report, Boise has seen a year-over-year inventory count decrease of more than 40 percent, according to Realtor.com October real estate data. Also, the market has experienced a median list price increase of more than 14 percent, and a more than 23 percent drop in median age of inventory. Further, new foreclosures counts have decreased since January.

Fort Wayne, IN: In Fort Wayne, ranked 9th on the turnaround report, foreclosures have decreased more than 13 percent in the third quarter of 2010 to just 183 units. Also, the total of newly listed foreclosures fell

19 percent compared to last year. Prices of foreclosure homes are up 6.5 percent here, compared to other cities' overall 2.7 percent price decline, due to strong demand and falling supply.

Ann Arbor, MI: With prices up and inventory down, the No. 10-ranked Ann Arbor fills the last spot on the turnaround report. According to Realtor.com's October data, median list prices increased more than 8 percent year-over-year, while total inventory is down almost 25 percent. Home sale prices are also steadily increasing, and rose 4.4 percent for the year. The supply of homes is now considered balanced, with a months' supply at 6.8 percent, a decrease of 11 percent.

Realtor.com's Top Ten Turnaround Town Report is compiled using a formula based on price appreciation, changes in inventory, median age of inventory, searches by Realtor.com visitors, and unemployment data.