



August 18, 2024 Manhattan Residents:

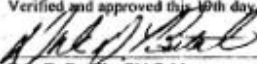
The table below displays the Will County 2024 Residential Parcels assessment multipliers. Please note Manhattan Township is 1.000 or no additional multiplier will be applied by Will County. When the township assessor satisfies the Illinois Department of Revenue's yearly equalization factor that is calculated from the I.D.O.R.'s Sale Ratio Study there is no additional multiplier applied by Will County.

I ask you to continue to read the rest of this article for more information. You may wonder where the state of Illinois came up with the fact that real property should be assessed at thirty-three and one third of Market Value (what property is typically selling for from year to year). It happened during the Illinois Constitutional Convention in 1970. At that time it seems there were many different levels of assessments being used in different counties. In an effort to have more uniformity in the real property tax assessment process a study was done and that is how the current assessment level was decided back in 1970. I for one think this assessment level is too much of a burden for people to live in their own homes with all of the inflation in the real estate market some 54 years later, along with the inflation in everything else. However this is the system still being used by the Illinois Department of Revenue to force assessments to increase. Please scroll down to see this year's table of Will County Assessment Factors.

Now that is only part of the problem with real property taxes. The other consideration is how all of the taxing bodies listed on your tax bill levy each year. The Levy is the amount of money they want to capture from the equalized assessed value. Typically most will levy for the maximum amount without going over five percent to avoid posting a notice they would be going for even more money. Now in addition to the five percent on existing assessments that have increased they can capture all of the new construction assessed value. In the last three years the taxing bodies have had a financial windfall. Why do we care? Well a point in history back in 2007 to 2010 during the housing crisis where real estate prices fell dramatically. Although real property values were falling causing assessments to drop, there were no realized real estate tax savings during this period. Taxing bodies each set their part of tax rate so if services are not cut their individual rate must be increased to maintain a certain level of service.

2024 SUPERVISOR OF ASSESSMENTS FACTOR				
<u>P.I.N.</u>	<u>TOWNSHIP</u>	<u>FACTOR</u>	<u>Applied to Prop. Class:</u>	
01-	WHEATLAND	1.1320		Residential only
02-	DUPAGE	1.1114		Residential only
03-	PLAINFIELD	1.1072		Residential only
04-	LOCKPORT	1.1139		Residential only
05-	HOMER	1.1032		Residential only
06-	TROY	1.1130		Residential only
07-	JOLIET	1.1255		Residential only
08-	NEW LENOX	1.0970		Residential only
09-	FRANKFORT	1.1197		Residential only
10-	CHannahon	1.1325		Residential only
11-	JACKSON	1.0333		Residential only
12-	MANHATTAN	1.0000		ALL
13-	GREEN GARDEN	1.0943		Residential only
14-	MONEE	1.1600		Residential only
15/16-	CRETE	1.1199		Residential only
17-	WILMINGTON	1.0535		Residential only
18-	FLORENCE	1.0755		Residential only
19-	WILTON	1.0730		Residential only
20-	PEOTONE	1.0825		Residential only
21-	WILL	1.0706		Residential only
22/23-	WASHINGTON	1.1033		Residential only
24/25-	REED	1.1165		Residential only
24/25-	CUSTER	1.0750		Residential only
24/25-	WESLEY	1.0155		Residential only

Verified and approved this 10th day of July, 2024

  
Dale D. Butalla, CIAO-M  
Supervisor of Assessments

August 17, 2024

Manhattan Residents:

In an effort to keep everyone informed the 2024 real property assessments will increase again due to inflation in the real estate market and the way the State of Illinois's Department of Revenue (IDOR) Real Property Tax Division conducts their Sale Ratio Study. The higher sale prices that we have seen or heard about our friends and neighbors selling their homes over the past several years is what the Illinois Department of Revenue uses to calculate assessment changes each year. This study projects an annual equalization factors that forces assessments to increase or decrease according to the median assessment level in the study that is calculated from each "Market Sale" by dividing the prior year total assessment by the current sale price. Example if a residential property estimated value of \$300,000 it is assessed at 100,000 one third of the value according to the state's mandated level of assessment .3333 but it sells for \$75,000 over the estimated value for \$375,000. The assessment level for this sale is .2676 (100,000 / 375,000) below the State of Illinois mandated median assessment level of .3333 percent of market value. In this study all of the "Market Sale" ratios are ranked from low to high and the middle position of the ranking is used to determine the new assessment year Equalization Factor. As in the example above this is the median level of assessment for Manhattan Township that includes the Village of Manhattan the Tentative 2023 Median Level of

Assessment is .2676. The new Tentative Equalization Factor is calculated as follows:  $(.3333 / .2676) = 1.0964$  meaning Manhattan's Assessed value will increase by over 9 percent in total by applying varying percents as necessary according to value on the real property in our township. Manhattan Township is not unique in Will County the average township increase is approximately 9%.

IDOR Tentative Factors for Will County partial township list

Channahon 1.0784, Crete 1.1241, Custer 1.0975, Dupage 1.0950, Frankfort 1.0922, Green Garden 1.1005 Jackson 1.0790, Joliet 1.0913, Homer 1.0826, Lockport 1.0847, Manhattan 1.0964, Monee 1.1327, New Lenox 1.0844, Peotone 1.1068, Plainfield 1.0989, Reed 1.0909, Troy 1.0877, Will 1.1299, and Wilton 1.1187

The Tentative Factor is based on ten months of 2024 sales plus the prior two year averages. The Final Factor will be determined around the end of March based on all twelve months of the 2024 sales. So the Tentative factors may vary slightly up or down. It will be the Final Factor that assessors must use to meet the amount of assessment increase or decrease as dictated by the Illinois Department of Revenue. The township assessor must increase or decrease the total township assessment value according to the IDOR Final Equalization Factor. If the assessor falls short or goes over by a fractional amount the chief county assessment official will have any additional or decreased amount applied to all real property in the township.

We might reason that the higher interest rates for home mortgages announced recently will bring real estate prices down? Even if the higher interest rates stay in affect for the next two years and the sale prices do in fact decrease it will take at least that long before those sale prices begin to impact the sale ratio study to drive assessments lower due to the way the state conducts the study. The study is comprised of three sets of three years sale prices so it is not in step with current time the way we may think how each new sale should impact it. Another fact is during this period of high inflation in everything but particularly in the real estate market the taxing bodies listed on your tax bill all were receiving new money particularly if a lot of new construction is taking place that will cause the need for new or expanded services. So now if an area goes into a recession and housing prices begin to fall causing the assessments to follow typically what will happen it will cause the tax rates to increase and the property tax relief that might be expected will fall below expectations.

2024 is not an Illinois Department of Revenue Quad Year. Last year, 2023 was an Illinois Department of Revenue Quadrennial Year meaning all real property parcels in Illinois should be reassessed every four years. This terminology goes back to time where computer aided mass appraisal systems (CAMA Systems) were not in use. In theory larger townships assessors would reassess one fourth of their township each year so all parcels would be reassessed in the four year cycle. Since the mid 1990s when computer desktop workstations came into being many assessors review assessments each year in an effort to minimize the IDOR Equalization Factors because we have the ability to do it with our CAMA Systems. Today if the assessors only

adjusted assessments on a four year interval the IDOR Equalization Factors would be much larger. I and some others may remember a time in the 1980's when these factors were approximately a thirty percent increase. In an appreciating market for real estate it is logical the factors would compound each year over a four year period of time. This is why I adjust assessments each year.

I agree that in the Cook County Collar County Area Real Estate Taxes are too high. Since about 65% goes for grade school and high school funding, something at a state level could be done but that would be up to the Illinois State Legislature to make some changes. It seems their main approach to rising property taxes is to throw more exemptions at the problem. In my view this is not the best solution because the Tax Rate is determined by the Equalized Assessed Value (EAV) of the township divided by the total amount of money {Levy} requested by the taxing bodies in the jurisdiction. Tax Rate equals Levy divided by EAV, more exemptions actually lowers the EAV therefore the tax rate is actually increased.

This year in particular there will be more attorneys advertising to help property owner reduce their real estate taxes by filing an appeal. If they are successful they will take part of any reduction as their fee that is my guess. If you believe your real property assessment is too high and you have evidence to convince the assessor forward that information to me. My email address is [manhattantwpassessor@air-wans.com](mailto:manhattantwpassessor@air-wans.com) I will review it and get back to you.

Often I am asked what items are assessed in addition to the house these items are; finished basements, number of plumbing fixtures, number of porches of any size, pergola, if a pergola has a solid covered roof structure instead of open beams it is considered a porch, gazebo, concrete patios of any size, paver type patios of any size, wood decks of any size, composite deck material of any size, in ground swimming pools of any size, sheds over 160 sq. ft., attached garages of any size, and all detached structures except one shed under 160 sq. ft. Large site properties that may have other than typical paved areas such as a long drive to an outbuilding there may be additional value to account for it. Now there is differences in house architecture, quality of material, and construction that must be considered that apply to detached structures as well. All these items plus condition will affect the market value of the property. It does not matter if these items are attached to the house or is built on a skid in place of a foundation, that is a common misconception any improvement on the property typically adds value to the property. I must emphasize that size alone does not make two different structures comparable. The assessor will look for these kinds of differences when comparing one property to another.

The assessor's records are on this web for anyone to inspect them, please call regarding any question. If some accuracy of a measurement is questioned the assessor or someone in the assessor's office may need to make a field visit to the property. The records on this web will show measurements, photos, and the last sale price a home. Please use the information as a guide to determine if your property is fairly assessed. In the event we do not agree you can always hire an attorney if you are unable to file the appeal on your own.

In closing the assessor's office will make on site field inspections for new construction of a home or new improvement to an existing home according to permits we get from Will County

for the unincorporated area and the Village of Manhattan. The time frame starts approximately near the end of May through the first two weeks of December weather permitting. The person I hire to assist in this work must be courteous and respectful of your property. Most of our work can be done outside the home taking measurements and photographs. It is rare that we would ask to measure something inside your home. A few exceptions are a finished basement area or one story section of the home with a two story ceiling so the area is not counted as two stories doubling the sq. ft. of this area. We do not make appointments for these visits because of the short time frame to complete our work plus the work is completed outside the house. When there is a locked fence gate preventing the completion of our work or no one is at home we will leave a door card to let the owner we were on site and a note asking the owner to call our office to go over a few details about the interior of the house and to allow the assessor's office access to a locked fence area.

Our office open hours are Monday, Tuesday, and Thursday 1:00 pm to 4:00 pm except for holidays. Myself and my field deputy work many more hours even on the weekends. Telephone calls to office (815) 478-5154 if no one answers your message will go to my email that I check often. Many times I will call after 5:00 pm or on weekends to try to connect with a person to answer their questions. If someone needs to drop off some correspondence to the assessor's office after hours there is a large mail box in front of the Manhattan Township Office Building located at 230 Wabash Street just north of the Ace Hardware Store. I have recently made a request to have another mail box mounted at the side door in our buildings parking area.

Sincerely,

Joe Oldani C.I.A.O.-I

Manhattan Township Assessor