

Report:  
**Palatine Township 2019  
Residential Reassessment**

**2019 North Triad Assessment  
Cook County Assessor's Office**

August 2, 2019



# Executive Summary

## Palatine Township 2019 Residential Reassessment

Since the 2016 re-assessment, property values in Palatine have increased about 3.6% according to the [Institute for Housing Studies at DePaul University](#).

The change in median assessed value for residential properties between the 2016 and 2019 re-assessments is -3.89%.

The CCAO met the standard for compliance: the legal requirement to assess residential properties at a 10% assessment ratio.

The CCAO met the standards for uniformity.

The CCAO will continue its efforts to make assessments fair and accurate by continuously improving residential modeling and data collection.

# Valuation Statistics

## Palatine Township 2019 Residential Reassessment

The aggregate assessed value of residential properties in Palatine has changed from \$916,650,446 in the 2016 re-assessment to \$942,176,224 in the 2019 re-assessment.

	2016	2019
<b>Median Sale Price</b>	\$290,000	\$312,450
<b>Median Assessed Value (AV)</b>	\$31,466	\$30,242

	2016	2019
<b>Year-over-year change in median AV</b>	\$4,716	\$1,155
<b>Year-over-year % change in median AV</b>	18%	4%

\* These numbers include the following property classes: 2-02, 2-03, 2-04, 2-05, 2-06, 2-07, 2-08, 2-09, 2-10, 2-34, 2-78, 2-95.

# Valuation Glossary

## Palatine Township 2019 Residential Reassessment

Let's talk about each of these statistics and what they show. Remember that assessed value (abbreviated as AV) is 10% of market value for residential properties.

- **MEDIAN SALE PRICE:** If you arranged every sale from lowest to highest, the median sale price is the price in the middle of the group.
- **MEDIAN ASSESSED VALUE (AV):** If you arranged every assessed value from lowest to highest, the median assessed value is the value in the middle of that group.
- **% CHANGE IN MEDIAN AV:** The percent difference between the median assessed values in two given time periods. In this report, we're showing the percent change in median AV between the given year and the year prior.
- **CHANGE IN MEDIAN AV:** The difference (in dollar amount) between the median assessed values in two given periods. Again, we're showing the change in median between the given year and the year prior.

To review your specific home's assessment, visit [cookcountyassessor.com](http://cookcountyassessor.com) or review the assessment notice you received in the mail.

# Assessment Methodology:

## Residential Data Sources

### ***Sales Data***

The Cook County Assessor's Office uses a computer-assisted mass appraisal method to value residential properties, which requires a significant number of data points.

For the Palatine reassessment, our office combined sales data from Palatine, Wheeling, Schaumburg, and Barrington.

***This created a sales database of 43,748 sales ranging from 2013 to the end of 2018.***

These sales are recorded by the Cook County Recorder of Deeds and reviewed by the Illinois Department of Revenue before entering our database.

# Assessment Methodology: Residential Mass Appraisal

## ***Other factors***

The assessment process strives for uniformity when it considers properties' size, age, location, and quality. In addition to sales data, other factors affect the models we create for re-assessment.

These factors include building square footage, land square footage, number of full bathrooms, number of rooms, finished basements, age, exterior wall construction, garage, location, township and CCAO neighborhood code.

Our full models and the underlying code used in our calculations will be published after the north triad re-assessment is completed in the fall of 2019. We will also provide information on median ratio and assessed values later in the year.

# Evaluating questions

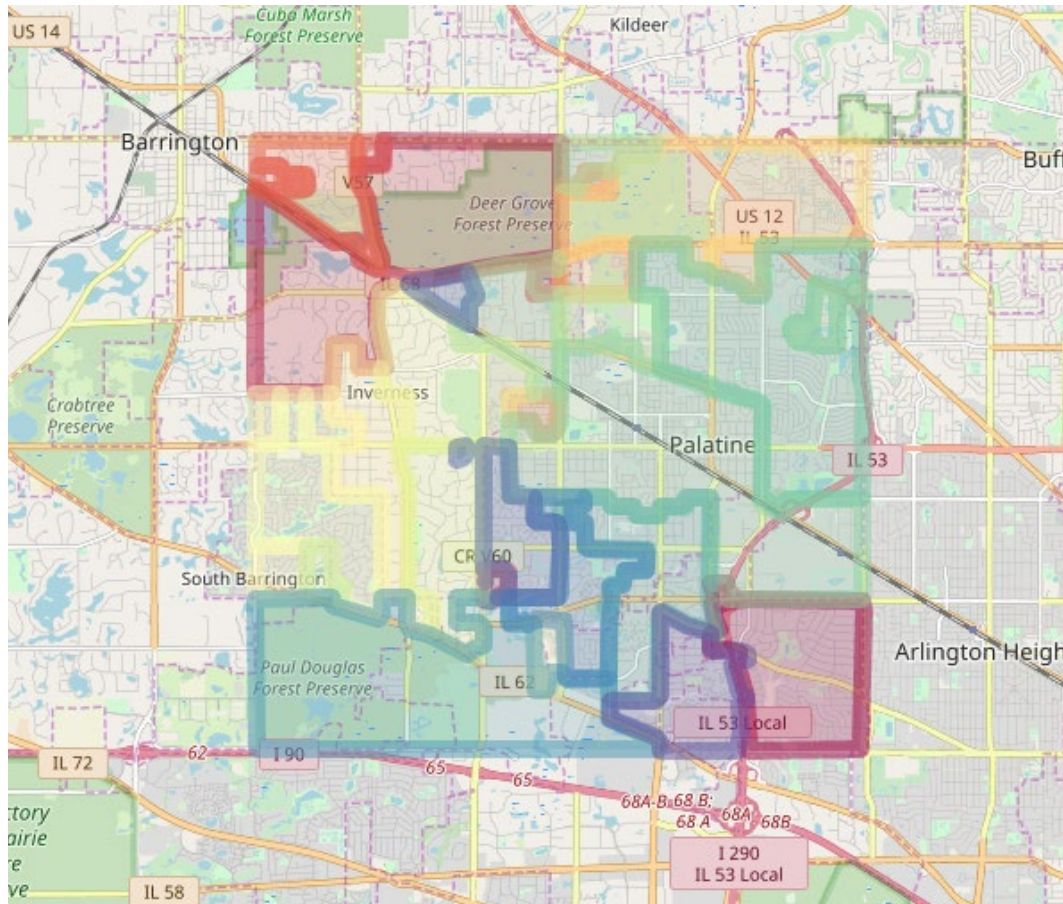
## Palatine Township 2019 Residential Reassessment

The data on the previous slides tends to suggest the following questions/concerns:

- **Q. If the median % change in assessed value is 4% and the change in median assessed value is \$1,155, why did my assessment go up so much more?**  
A. The median assessed value is merely the value within the middle of a set of values. It does not indicate an average of the values. Some assessed valuations will be higher or lower than that median number.
- **Q. Why do you use data from different townships for the residential assessment? Isn't that inaccurate?**  
A. Increasing the sample size increases the accuracy of our models as our office uses a mass appraisal model, rather than one that looks at each house individually. Differences in location are accounted for in our models.

# Neighborhood Locations/Codes

## Palatine Township 2019 Residential Reassessment



Palatine is the 4th largest township in the Northern Cook County suburbs with 26,564 single-family parcels.

For our purposes, “neighborhood code” refers to the identifying numbers for a specific set of properties in our database.

A property’s specific neighborhood code can be found by looking up a property using its address or PIN, and view our interactive map of data for each neighborhood, at [www.cookcountyassessor.com](http://www.cookcountyassessor.com).



# Data: Neighborhoods 11-33

## Palatine Township 2019 Residential Reassessment

Code	Sales in sample	Median ratio	Median sale price	Change in median sale price	% change in median sale price	Median assessed value	Change in median assessed value	% change in median assessed value
11	53	11%	\$516,000	(\$24,000)	-4%	\$55,077	(\$838)	-1%
13	34	10%	\$487,500	\$57,500	13%	\$48,150	(\$508)	-1%
22	86	10%	\$265,000	\$22,500	9%	\$25,035	\$1,603	7%
31	35	10%	\$499,250	(\$3,250)	-1%	\$45,406	(\$5,564)	-11%
32	76	10%	\$461,550	\$30,050	7%	\$43,431	\$1,622	4%
33	276	10%	\$280,000	(\$11,000)	-4%	\$29,823	\$2,260	8%

Sales in sample data is as of 2018. All other fields account for all properties in the sample, not just sales. Median ratio is from 2018-19. Median sale price is as of 2018. Changes in median sale price are from 2017-18. Median assessed value is as of 2019. Changes in median assessed value are from 2018-19. These numbers include the following property classes: 2-02, 2-03, 2-04, 2-05, 2-06, 2-07, 2-08, 2-09, 2-10, 2-34, 2-78, 2-95.

To see an interactive map of these neighborhoods and the above data, please visit [cookcountyassessor.com/reporting](http://cookcountyassessor.com/reporting).



# Data: Neighborhoods 41-70

## Palatine Township 2019 Residential Reassessment

Code	Sales in sample	Median ratio	Median sale price	Change in median sale price	% change in median sale price	Median assessed value	Change in median assessed value	% change in median assessed value
41	32	10%	\$523,000	(\$79,500)	-13%	\$55,027	(\$2,757)	-5%
42	56	10%	\$523,500	\$8,500	2%	\$59,080	(\$57)	0%
43	53	10%	\$319,000	\$31,000	11%	\$34,259	\$5,949	21%
50	149	10%	\$293,500	(\$12,500)	-4%	\$26,866	(\$2,500)	-9%
60	359	10%	\$300,000	\$25,000	9%	\$25,127	\$100	0%
70	384	10%	\$304,000	\$9,000	3%	\$29,944	\$1,729	6%

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# Data: Neighborhoods 80-100

## Palatine Township 2019 Residential Reassessment

Code	Sales in sample	Median ratio	Median sale price	Change in median sale price	% change in median sale price	Median assessed value	Change in median assessed value	% change in median assessed value
80	156	10%	\$278,500	(\$62,500)	-18%	\$30,920	\$174	1%
82	18	10%	\$669,980	\$24,980	4%	\$64,964	(\$2,036)	-3%
83	87	10%	\$519,000	\$23,250	5%	\$48,293	\$908	2%
84	104	10%	\$409,000	(\$13,500)	-3%	\$43,934	(\$71)	0%
90	91	10%	\$405,000	(\$8,000)	-2%	\$42,622	\$1,615	4%
100	276	10%	\$222,500	(\$500)	0%	\$22,446	\$1,917	9%

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# Data: Neighborhoods 110-180

## Palatine Township 2019 Residential Reassessment

Code	Sales in sample	Median ratio	Median sale price	Change in median sale price	% change in median sale price	Median assessed value	Change in median assessed value	% change in median assessed value
110	15	10%	\$610,000	\$2,500	0%	\$54,976	(\$6,251)	-10%
120	10	10%	\$710,000	(\$158,500)	-18%	\$74,138	(\$4,688)	-6%
130	8	10%	\$577,500	(\$42,500)	-7%	\$58,765	(\$5,412)	-8%
140	15	10%	\$522,500	(\$12,500)	-2%	\$52,828	(\$5,534)	-9%
170	50	10%	\$210,000	\$5,000	2%	\$21,011	\$310	1%
180	10	10%	\$497,500	\$30,000	6%	\$48,984	\$3,746	8%

Sales in sample data is as of 2018. All other fields account for all properties in the sample, not just sales. Median ratio is from 2018-19. Median sale price is as of 2018. Changes in median sale price are from 2017-18. Median assessed value is as of 2019. Changes in median assessed value are from 2018-19. These numbers include the following property classes: 2-02, 2-03, 2-04, 2-05, 2-06, 2-07, 2-08, 2-09, 2-10, 2-34, 2-78, 2-95.

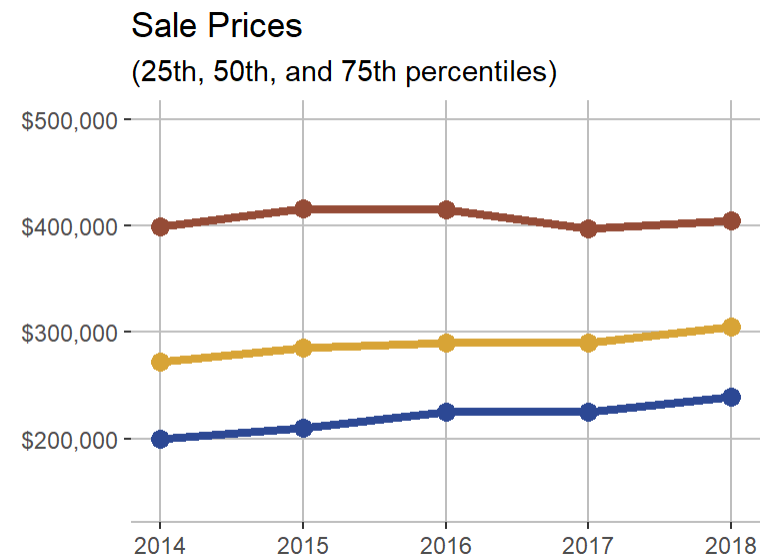
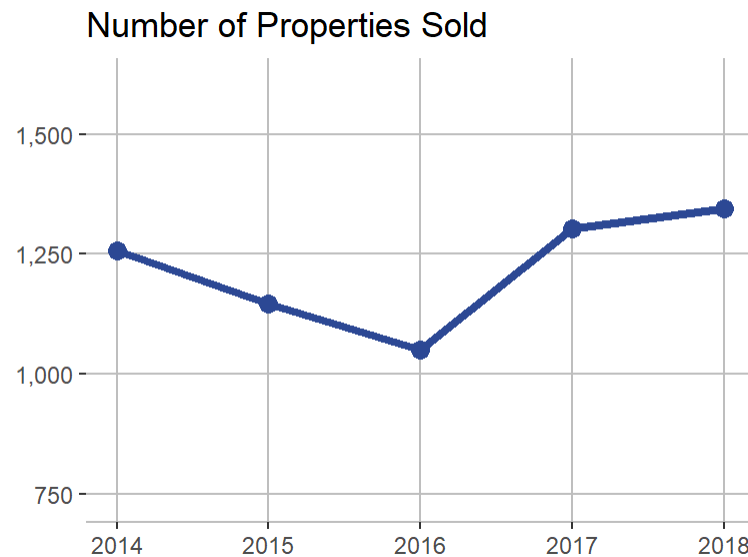
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# Home Sale Trends

## Palatine Township 2019 Residential Reassessment

The charts below summarize the market trends in Palatine since tax year 2013 from the perspective of the CCAO's Data. The first chart shows the number of residential sales in each year. The second chart shows the trends in median sale prices for the township described above. In general, the increases in assessed values discussed in the previous section are consistent with observed market activity.



# Uniformity

## Palatine Township 2019 Residential Reassessment

The CCAO is committed to measuring our work against the industry standards of uniformity, set by The International Association of Assessing Officers (IAAO). Under the umbrella of uniformity, there is one statistic for measuring variability of assessments: COD. There are two statistics for measuring vertical equity of assessments: PRD and PRB. If either PRD or PRB falls within the target range, the standard for vertical equity is considered met.

Category	Statistic	Target Range	Palatine Result	Standard Met
Variability	COD	5-15	13.57	Yes
Vertical Equity	PRD	0.98-1.03	1.03	Yes*
Vertical Equity	PRB	-0.05-0.05	-0.12	No

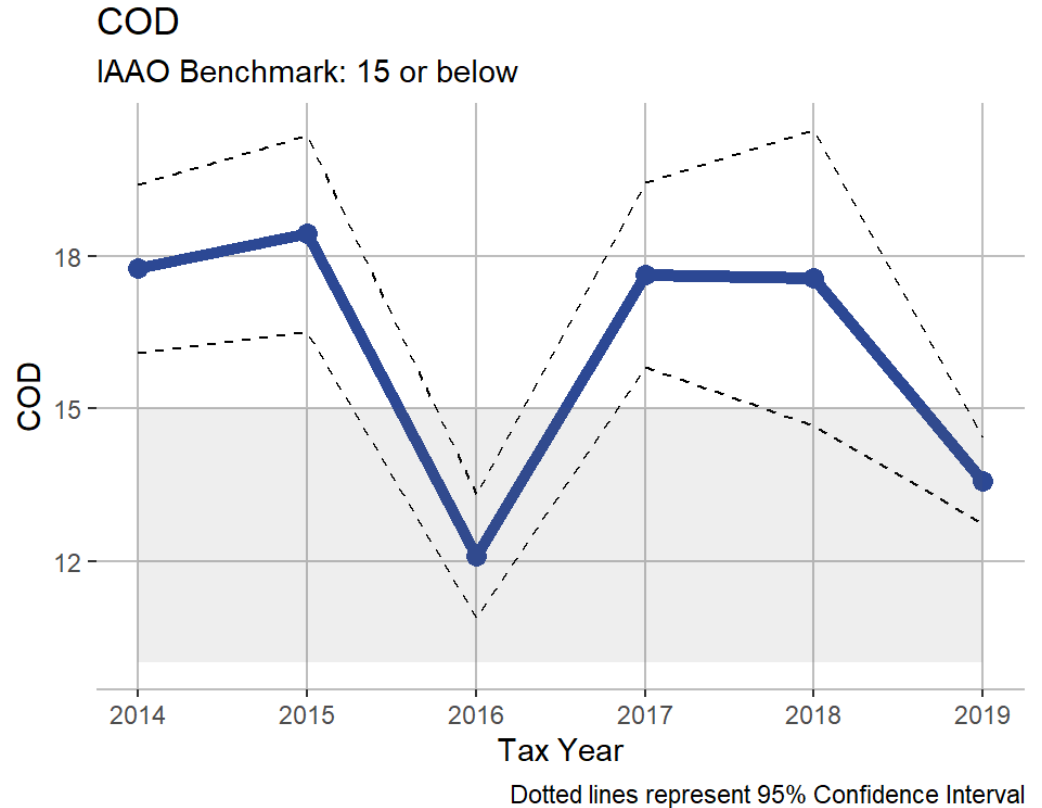
\*Based on the confidence interval, this statistic is statistically within the target range.

# Variability: COD

## Palatine Township 2019 Residential Reassessment

Variability measures to what degree data points in a statistical distribution or data set diverge from the average.

**This graph shows that our COD for the 2019 re-assessment for this township is 13.57. As it is statistically between 5 and 15, it is statistically within the IAAO standard for variability.**

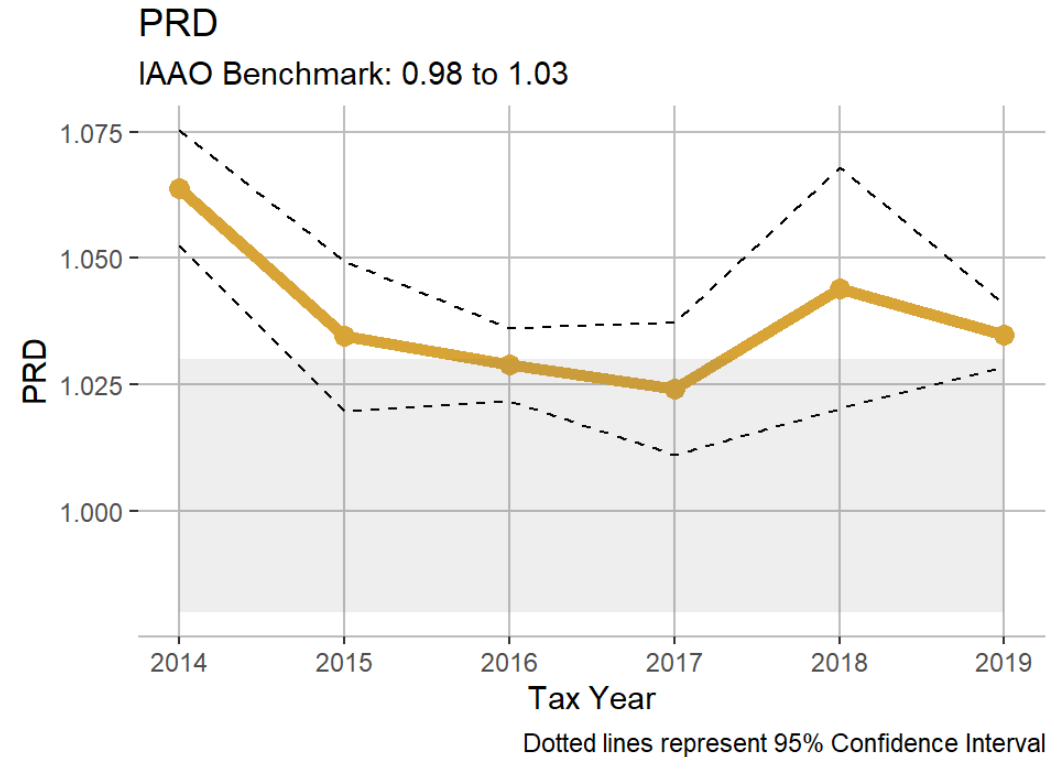


# Vertical Equity 1: PRD

## Palatine Township 2019 Residential Reassessment

Vertical equity is the degree to which low-value properties are assessed at the same rate as high-value properties. PRDs between .98 and 1.03 indicate high-quality assessments.

**This graph shows that the PRD is 1.03 for our 2019 assessments of this township,** which is statistically still within the target range based on the confidence interval. The vertical equity component of the uniformity goal is met.



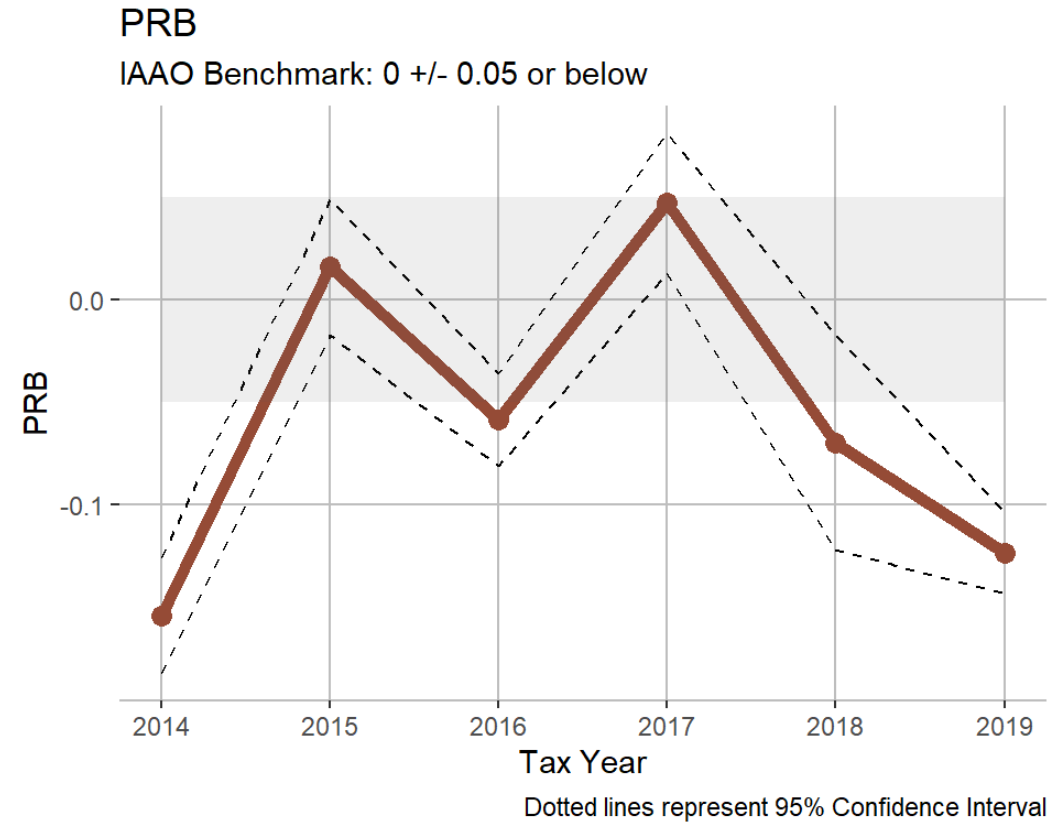


# Vertical Equity 2: PRB

## Palatine Township 2019 Residential Reassessment

Vertical equity is the degree to which high-value properties are assessed at the same rate as low-value properties. PRBs between  $-.05$  and  $.05$  indicate high-quality assessments.

**This graph shows that the PRB for our 2019 assessment of this township is  $-0.12$ .**



# Residential Property Conclusions

## Palatine Township 2019 Residential Reassessment

With assessments that track market trends and meet the industry standards for compliance and uniformity, the CCAO has high confidence in the quality of the Palatine assessments.

Improvements over time to both our modeling and data quality will make it possible for the CCAO to consistently achieve its goal of meeting or exceeding the IAAO standards, as well as the standard for compliance (the legal requirement to assess residential property at a 10% assessment ratio).

The CCAO is involved in a years-long effort to improve the quality of its assessments. We continue to build our ability to model and detect increasingly fine patterns in our data as we work to improve the accuracy, timeliness, and granularity of our data.

The details of these efforts will be included in a future report.

# Appendix A:

## Total Assessed Value for Palatine 2019 Residential and Commercial

Palatine Assessed Values	Previous 2018 Assessed Value	2019 Assessed Value	% Increase
Industrial/Commercial	\$266,395,720	\$478,767,195	79.72%
Residential	\$1,046,441,299	\$1,150,774,996	9.97%
Total	\$1,312,837,019	\$1,629,542,191	24.12%

Classes included in residential above: 2-02, 2-03, 2-04, 2-05, 2-06, 2-07, 2-08, 2-09, 2-10, 2-11 (apartments of fewer than six units), 2-12, 2-34, 2-78, 2-95, 2-99 and any residential side lots (2-41) or standalone garages (2-01) on separate PINs. Note that the numbers above include additional classes not included in the numbers on slide 3 and slides 10-14.

Commercial classes include 1, 3, 4, 5, 6, 7, and 9.