## CITY OF HOWARD LAKE <br> City Council Meeting

The City of Howard Lake strives to build upon its good neighbor traditions -
A welcoming community for all, supported by vibrant and engaged businesses and community organizations, involved citizens, and diverse amenities that provide a well-rounded quality of life.

## LOCAL BOARD OF APPEAL EQUALIZATION <br> APRIL 15, 2024 - 6:00 pm

A. CALL TO ORDER
B. PRESENTATIONS, PUBLIC HEARINGS \& RELATED APPROVALS
a. City Assessor, Chase Phillippi Assessment Presentation
C. NEW BUSINESS
a. Consider Amendments Brought Forward by Assessor.
b. General Public Comment/Inquiry/Request
c. Approval of Assessment Report
D. ADJOURN

NOTE: The City Council will meet immediately following the LBAE Hearing.


City of Howard Lake 2024 Assessment Report

## CHASE PHILIPPI

PRINCIPAL APPRAISER

## SUMMARY OF THE CITY OF HOWARD LAKE 2024 ASSESSMENT

The 2024 assessment is based on qualified market sales that took place from October 1st, 2022, through September 30th, 2023. It is these sales that determine the assessed market values as of January 2nd, 2024. Sales that take place after September 30th, 2023, will be included in next year's sale study. This will represent the current market conditions and will be used for the 2025 assessment. Each year estimated market values are analyzed, along with sales data for the City of Howard Lake. Appropriate adjustments for each property and each class of property are made based on the results of the sales study.

## Residential / Seasonal Recreational

Residential and Seasonal Recreational property valuations, whether up, down, or remaining the same, are the result of market analysis of area real estate transactions. During this year's study, we had 41 qualified sales used in the sales ratio study with a sales ratio of $\mathbf{9 8 . 5 6 \%}$, and a time adjusted ratio of $\mathbf{9 4 . 8 6 \%}$. This was down from 42 sales last year. The State of Minnesota requires assessors to value property at 100 percent of market value with an allowable range of 90 to 105 percent. Our state time adjusted median sales ratio following all changes for market condition and equalization for the 2024 assessment is now $\mathbf{9 5 . 2 9 \%}$. This was a result of a $\mathbf{1 . 2 8 \%}$ increase of total city residential \& seasonal market value excluding new construction.

| 2021 Assessment Median Sale Price | $\mathbf{\$ 2 0 2 , 0 0 0}$ | \% Change |
| :--- | ---: | ---: |
| 2022 Assessment Median Sale Price | $\mathbf{\$ 2 4 6 , 7 6 0}$ | $\mathbf{2 2 . 1 6 \%}$ |
| 2023 Assessment Median Sale Price | $\mathbf{\$ 2 7 5 , 8 5 2}$ | $\mathbf{1 1 . 7 9 \%}$ |
| 2024 Assessment Median Sale Price | $\mathbf{\$ 2 9 7 , 0 0 0}$ | $\mathbf{7 . 6 7 \%}$ |

Below you will see how Howard Lake's residential values changed for the 2024 assessment in comparison to other cities within Wright County.

| District | \% Change |
| :--- | ---: |
| Annandale | 4.93 |
| Buffalo | -1.21 |
| Maple Lake | 3.21 |
| Cokato | 4.81 |
| Howard Lake | 1.28 |
| Waverly | -1.99 |
| Montrose | -7.40 |
| Delano | -1.61 |
| Rockford | -2.64 |
| Hanover | 0.20 |

## Review Area

Properties that were physically reviewed during the 2023 quintile may have experienced mixed valuations (up, down or remained the same). The changes are the result of reviewing properties and equalization that normally takes place during the review process.

## 2023 Review Area:

Original town central core area. (See map = LIGHT GREEN area)

## 2024 Review Area:

South \& East of original central core area. (See map = DARK GREEN area) Includes Dutch \& Mallard Pass.

## Review Map



## Current Sales and the Market

Since the beginning of the new sales study to $3 / 22 / 2024$, there have been 14 qualified residential and seasonal market sales. The qualified sales will be used for the 2025 assessment, and our current sales ratio would be approximately $96.54 \%$. There are also 3 pending sales. We will continue to monitor the impacts of interest rates in combination with supply and demand imbalances.

## New Construction

|  | \# of Permits |
| :---: | :---: |
| 2019 Dwellings (New Homes, Move-In and Replacements) | 23 |
| 2020 Dwellings (New Homes, Move-In and Replacements) | $\mathbf{3 4}$ |
| 2021 Dwellings (New Homes, Move-In and Replacements) | $\mathbf{1 3}$ |
| 2022 Dwellings (New Homes, Move-In and Replacements) | 29 |
| 2023 Dwellings (New Homes, Move-In and Replacements) | 24 |

## Total Value of New Construction 2018-2023

Total dollar value of new construction in 2018
Total dollar value of new construction in 2019
Total dollar value of new construction in 2020
Total dollar value of new construction in 2021 Total dollar value of new construction in 2022 Total dollar value of new construction in 2023
\$ 3,886,900
\$ 4,773,900
\$8,897,000
\$ 5,972,400
\$8,478,363
\$ 7,571,900

## New Construction Sales

| PID | ADDRESS | SALE DATE | NET SALE PRICE | STYLE | GRADE | AYB | GLA | BFIN | TFSF | BR | BA | \#AG | \#DG | LOT SF | \$/GLA | \$/ TFSF |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 109-050-006010 | 304 TERNING WAY | 11/18/22 | \$286,500 | SPLIT ENTRY | 7.0 | 2022 | 1,228 | 0 | 1,228 | 3 | 2 | 3 | 0 | 10,897 | \$233 | \$233 |
| 109-044-004090 | 1165 WOODLAND DR | 11/30/22 | \$357,043 | ONE STORY | 7.5 | 2022 | 1,407 | 0 | 1,407 | 3 | 2 | 3 | 0 | 12,324 | \$254 | \$254 |
| 109-044-003110 | 3014 PINE AVE SW | 2/17/23 | \$361,400 | ONE STORY | 7.0 | 2022 | 1,947 | 0 | 1,947 | 3 | 2 | 4 | 0 | 10,939 | \$186 | \$186 |
| 109-043-003020 | 1141 WOODLAND DR | 3/14/23 | \$396,061 | 2 STORY | 8.0 | 2022 | 2,167 | 0 | 2,167 | 4 | 3 | 3 | 0 | 12,919 | \$183 | \$183 |
| 109-044-004110 | 1157 WOODLAND DR | 3/14/23 | \$396,807 | 2 STORY | 8.0 | 2022 | 2,167 | 0 | 2,167 | 4 | 3 | 3 | 0 | 12,358 | \$183 | \$183 |
| 109-043-003020 | 1141 WOODLAND DR | 3/14/23 | \$396,375 | 2 STORY | 8.0 | 2022 | 2,167 | 0 | 2,167 | 4 | 3 | 3 | 0 | 12,919 | \$183 | \$183 |
| 109-050-006050 | 228 TERNING WAY | 3/31/23 | \$297,000 | SPLIT ENTRY | 7.0 | 2022 | 1,228 | 0 | 1,228 | 3 | 2 | 3 | 0 | 13,371 | \$242 | \$242 |
| 109-050-006040 | 232 TERNING WAY | 4/14/23 | \$301,372 | SPLIT ENTRY | 7.0 | 2022 | 1,228 | 0 | 1,228 | 3 | 2 | 3 | 0 | 13,095 | \$245 | \$245 |
| 109-044-004120 | 1153 WOODLAND DR | 4/17/23 | \$352,258 | ONE STORY | 7.5 | 2022 | 1,407 | 0 | 1,407 | 3 | 2 | 3 | 0 | 12,773 | \$250 | \$250 |
| 109-043-001010 | 1132 WOODLAND DR | 4/20/23 | \$360,213 | ONE STORY | 7.5 | 2022 | 1,407 | 0 | 1,407 | 3 | 2 | 3 | 0 | 10,625 | \$256 | \$256 |
| 109-050-006020 | 300 TERNING WAY | 4/28/23 | \$337,900 | SPLIT ENTRY | 7.0 | 2022 | 1,228 | 841 | 2,069 | 5 | 3 | 3 | 0 | 10,226 | \$275 | \$163 |
| 109-044-003120 | 3018 PINE AVE SW | 5/12/23 | \$363,654 | ONE STORY | 7.0 | 2022 | 1,947 | 0 | 1,947 | 3 | 2 | 4 | 0 | 10,944 | \$187 | \$187 |
| 109-044-004130 | 1149 WOODLAND DR | 5/15/23 | \$370,844 | 2 STORY | 7.5 | 2022 | 1,828 | 0 | 1,828 | 4 | 3 | 3 | 0 | 13,778 | \$203 | \$203 |
| 109-050-006030 | 236 TERNING WAY | 5/19/23 | \$333,900 | SPLIT ENTRY | 7.0 | 2022 | 1,082 | 817 | 1,899 | 4 | 3 | 3 | 0 | 9,196 | \$309 | \$176 |
| 109-044-003050 | 1172 WOODLAND DR | 5/23/23 | \$320,793 | 3 LEVEL SPLIT | 7.0 | 2022 | 1,340 | 0 | 1,340 | 3 | 2 | 3 | 0 | 10,718 | \$239 | \$239 |
| 109-044-003070 | 1164 WOODLAND DR | 5/23/23 | \$320,904 | 3 LEVEL SPLIT | 7.0 | 2022 | 1,340 | 0 | 1,340 | 3 | 2 | 3 | 0 | 11,025 | \$239 | \$239 |
| 109-043-001040 | 1120 WOODLAND DR | 5/30/23 | \$394,912 | 2 STORY | 8.0 | 2022 | 2,167 | 0 | 2,167 | 4 | 3 | 3 | 0 | 11,470 | \$182 | \$182 |
| 109-043-002130 | 1113 WOODLAND DR | 6/14/23 | \$374,602 | 2 STORY | 7.5 | 2022 | 1,828 | 0 | 1,828 | 4 | 3 | 3 | 0 | 12,261 | \$205 | \$205 |
| 109-043-002120 | 1117 WOODLAND DR | 6/29/23 | \$356,643 | ONE STORY | 7.5 | 2022 | 1,407 | 0 | 1,407 | 3 | 2 | 3 | 0 | 13,542 | \$253 | \$253 |
| 109-043-001030 | 1124 WOODLAND DR | 6/30/23 | \$370,658 | 2 STORY | 7.5 | 2022 | 1,828 | 0 | 1,828 | 4 | 3 | 3 | 0 | 11,083 | \$203 | \$203 |
| 109-050-003010 | 428 TERNING WAY | 7/28/23 | \$305,500 | SPLIT ENTRY | 7.0 | 2023 | 1,184 | 0 | 1,184 | 2 | 2 | 3 | 0 | 9,678 | \$258 | \$258 |
| 109-058-001050 | 257 PARADISE PL | 8/2/23 | \$296,400 | ONE STORY | 7.0 | 2021 | 1,084 | 0 | 1,084 | 2 | 2 | 2 | 0 | 7,697 | \$273 | \$273 |
| 109-044-003060 | 1168 WOODLAND DR | 8/9/23 | \$311,939 | SPLIT ENTRY | 7.0 | 2022 | 1,295 | 0 | 1,295 | 3 | 2 | 3 | 0 | 10,625 | \$241 | \$241 |
| 109-050-002040 | 429 TERNING WAY | 8/25/23 | \$326,400 | SPLIT ENTRY | 7.0 | 2023 | 1,184 | 876 | 2,060 | 4 | 3 | 3 | 0 | 13,605 | \$276 | \$158 |
| 109-050-006070 | 220 TERNING WAY | 9/13/23 | \$312,400 | SPLIT ENTRY | 7.0 | 2023 | 1,262 | 0 | 1,262 | 3 | 2 | 3 | 0 | 14,043 | \$248 | \$248 |

## 2022-2024 Assessment Estimated Market Value by Class of Property

Does not include state assessed property such as utilities, railroad, tax exempt or personal property.

## 2022 ASSESSMENT

| Class of Property | Total Estimated Market Value (EMV) | \% of Total City EMV |  |
| :--- | :---: | :---: | :---: |
|  | $\$ 177,123,900$ | $78.17 \%$ |  |
| Residential/Seasonal | $\$ 48,815,700$ | $21.54 \%$ |  |
| Commercial/Industrial/Apt/Other | $\$ 951,800$ | $0.29 \%$ |  |
| Agricultural/Rural | $\mathbf{\$ 2 2 6 , 5 9 1 , 4 0 0}$ | $\mathbf{1 0 0 . 0 0 \%}$ |  |
| TOTALS: |  |  |  |

## 2023 ASSESSMENT

| Class of Property | Total Estimated Market Value (EMV) | \% of Total City EMV |  |
| :--- | :---: | :---: | :---: |
|  | $\$ 204,818,200$ |  |  |
| Residential/Seasonal | $\$ 56,090,200$ | $21.40 \%$ |  |
| Commercial/Industrial/Apt/Other | $\$ 1,167,400$ | $0.45 \%$ |  |
| Agricultural/Rural | $\mathbf{\$ 2 6 2 , 0 7 5 , 8 0 0}$ | $\mathbf{1 0 0 . 0 0 \%}$ |  |
| TOTALS: |  |  |  |

## 2024 ASSESSMENT

| Class of Property | Total Estimated Market Value (EMV) | \% of Total City EMV |  |
| :--- | :---: | :---: | :---: |
|  | $\$ 214,389,900$ |  |  |
| Residential/Seasonal | $\$ 59,335,900$ | $21.58 \%$ |  |
| Commercial/Industrial/Apt/Other | $\$ 1,179,600$ | $0.43 \%$ |  |
| Agricultural/Rural | $\mathbf{\$ 2 7 4 , 9 0 5 , 4 0 0}$ | $\mathbf{1 0 0 . 0 0 \%}$ |  |
| TOTALS: |  |  |  |

Should you have any questions prior to the County Board of Appeal and Equalization meeting, please contact me.


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Minnesota State Law requires assessors to value property based on historical data. Taxes payable are always based on the prior year's value, which was determined using sales data from a previous time period (see chart below).
Therefore, in an escalating market, assessed values are typically lower than the current market. Likewise, if values are declining it's possible that assessed values will be higher than the current market. This is due to the time frame we are required to work with and the effects of a rapidly changing market.


## QUALIFIED MARKET SALES

Sales Study Period (10/1/2022-9/30/2023)


## RESIDENTIAL/SEASONAL QUALIFIED MARKET SALES







| SALE DATE: | $3 / 28 / 2023$ |
| :--- | :--- |
| NET SALE PRICE: | $\$ 299,640$ |
| ADDRESS: | 417 TERNING WAY |
| PID: | $109-050-002070$ |
| YEAR BUILT: | 2019 |
| TOTAL FINISHED SF: | 1,731 |
| BR/BA/GAR COUNT: | $3 / 2 / 2$ |


| SALE DATE: | $3 / 31 / 2023$ |
| :--- | :--- |
| NET SALE PRICE: | $\$ 297,000$ |
| ADDRESS: | 228 TERNING WAY |
| PID: | $109-050-006050$ |
| YEAR BUILT: | 2022 |
| TOTAL FINISHED SF: | 1,228 |
| BR/BA/GAR COUNT: | $3 / 2 / 3$ |



| SALE DATE: | $4 / 14 / 2023$ |
| :--- | :--- |
| NET SALE PRICE: | $\$ 301,372$ |
| ADDRESS: | 232 TERNING WAY |
| PID: | $109-050-006040$ |
| YEAR BUILT: | 2022 |
| TOTAL FINISHED SF: | 1,228 |
| BR/BA/GAR COUNT: | $3 / 2 / 3$ |



| SALE DATE: | $4 / 17 / 2023$ |
| :--- | :--- |
| NET SALE PRICE: | $\$ 352,258$ |
| ADDRESS: | 1153 WOODLAND DR |
| PID: | $109-044-004120$ |
| YEAR BUILT: | 2022 |
| TOTAL FINISHED SF: | 1,407 |
| BR/BA/GAR COUNT: | $3 / 2 / 3$ |







| SALE DATE: | $7 / 17 / 2023$ |
| :--- | :--- |
| NET SALE PRICE: | $\$ 223,601$ |
| ADDRESS: | $3309 T H$ ST |
| PID: | $109-022-002030$ |
| YEAR BUILT: | 1978 |
| TOTAL FINISHED SF: | 2,152 |
| BR/BA/GAR COUNT: | $3 / 2 / 2$ |


| SALE DATE: | $8 / 2 / 2023$ |
| :--- | :--- |
| NET SALE PRICE: | $\$ 296,400$ |
| ADDRESS: | 257 PARADISE PL |
| PID: | $109-058-001050$ |
| YEAR BUILT: | 2021 |
| TOTAL FINISHED SF: | 1,084 |
| BR/BA/GAR COUNT: | $2 / 2 / 2$ |



| SALE DATE: | $8 / 9 / 2023$ |
| :--- | :--- |
| NET SALE PRICE: | $\$ 311,939$ |
| ADDRESS: | 1168 WOODLAND DR |
| PID: | $109-044-003060$ |
| YEAR BUILT: | 2022 |
| TOTAL FINISHED SF: | 1,295 |
| BR/BA/GAR COUNT: | $3 / 2 / 3$ |


| SALE DATE: | $8 / 10 / 2023$ |
| :--- | :--- |
| NET SALE PRICE: | $\$ 245,512$ |
| ADDRESS: | 5712 COUNTY ROAD 7 SW |
| PID: | $109-800-344102$ |
| YEAR BUILT: | 1965 |
| TOTAL FINISHED SF: | 2,082 |
| BR/BA/GAR COUNT: | $3 / 2 / 1$ |




## LAND SALES

Sales Study Period (10/1/2022-9/30/2023)



|  |  |
| :--- | :--- |
|  |  |

# OTHER MARKET SALES* 

Sales Study Period (10/1/2022-9/30/2023)
*Includes: Division's, Physical Changes, Commercial, Etc. They are market sales that are representative of the open market, however, are rejected for State sales study analysis.





