



CITY OF BANGOR

MEMORANDUM

TO: City Council
 CC: Debbie Laurie, City Manager & David Little, Finance Director
 FROM: Philip S. Drew, City Assessor
 DATE: May 28, 2024

Assessor’s Update:

Change in Housing Stock

During the construction period from May of 2023 to April of 2024, the City Assessor’s staff inspected properties and over the last year the housing stock in Bangor has changed in the following ways.

- 46 New dwelling units - partially complete on 4.1.2024
- 113 New dwelling units – complete 4.1.2024
- 6 Older dwelling units - either demolished or removed by 4.1.2024
- 94 Older dwelling units - totally remodeled 4.1.2024

Bangor’s Valuation Trend

Below is a chart showing statistics using sales in Bangor. The chart compares the number of existing, single-family homes sold (units) and volume (Median Sales Price) during the first-quarter in 2023 versus 2024.

- The first-quarter of 2024 versus 2023 saw a *decrease* in the units sold of 15% while the Median Sales Price *increased* by a slight 0.8%.

Single-residence sales Rolling Quarter Chart

<u>Quarter Period</u>	<u>Number of Units</u>			<u>Median Sales Price</u>		<u>% Change</u>
	<u>2023</u>	<u>2024</u>	<u>%Change</u>	<u>2023</u>	<u>2024</u>	
1 st - from January to March	53	45	-15%	\$262,500	\$264,500	+0.8%

Source: City of Bangor Tax Records. Sales include Single Family which includes Condo/PUD properties, but not mobile homes.

Below is a chart showing statistics using only sales that closed from January of 2024 to March of 2024, the first quarter of this year. The median ratio for the group is developed using those sales compared with the property’s assessed value on April 1, 2024. All segregated groups other than Small Multi-residence (2 to 4 Units) had ratios in the mid-eighty percent range. There is strong demand among market participants looking to invest in multi-residence properties.

Segregated Ratio Studies Time Period January 2024 to March 2024	# of Sold Properties	Median Assessed Ratio %	Average Assessed Value (of Sales)	Average Sale Price (of Sales)	Average Difference (DIFF/# of Sales)
Single Residence	40	86.6	\$257,368	\$291,666	\$34,299
Single Residence Condo/PUD	5	86.9	\$170,900	\$192,300	\$21,400
Small Multi-residence (2 to 4 Units)	16	77.8	\$255,475	\$306,581	\$51,106
Commercial Industrial	11	87.2	\$314,891	\$336,727	\$21,836
Mobile Homes in Parks	11	85.4	\$57,145	\$73,636	\$16,491

Proposed Assessed Values for Fiscal Year 2025

Real Property

The total taxable *real property* valuation will increase from \$3,212,914,400 in Fiscal Year 2024 to approximately \$3,601,000,000 in Fiscal Year 2025 or about 12.1%.

- Total Year over Year increase of \$388 million
- Market-based adjustments accounted for \$352.5 million of the change/increase
- New Construction accounted for \$35.5 million of the change/increase

Personal Property

Personal property declarations processed thru May 24, 2024 resulted in the following values, which again are preliminary as additional processing needs to be completed.

The total taxable *personal property* valuation will change from \$197,091,200 in Fiscal Year 2024 to approximately \$194,400,000 in Fiscal Year 2025.

The total Business Equipment Tax Exemption (BETE) valuation will decrease from \$149,739,000 to approximately \$126,500,000.