

# How property values might change

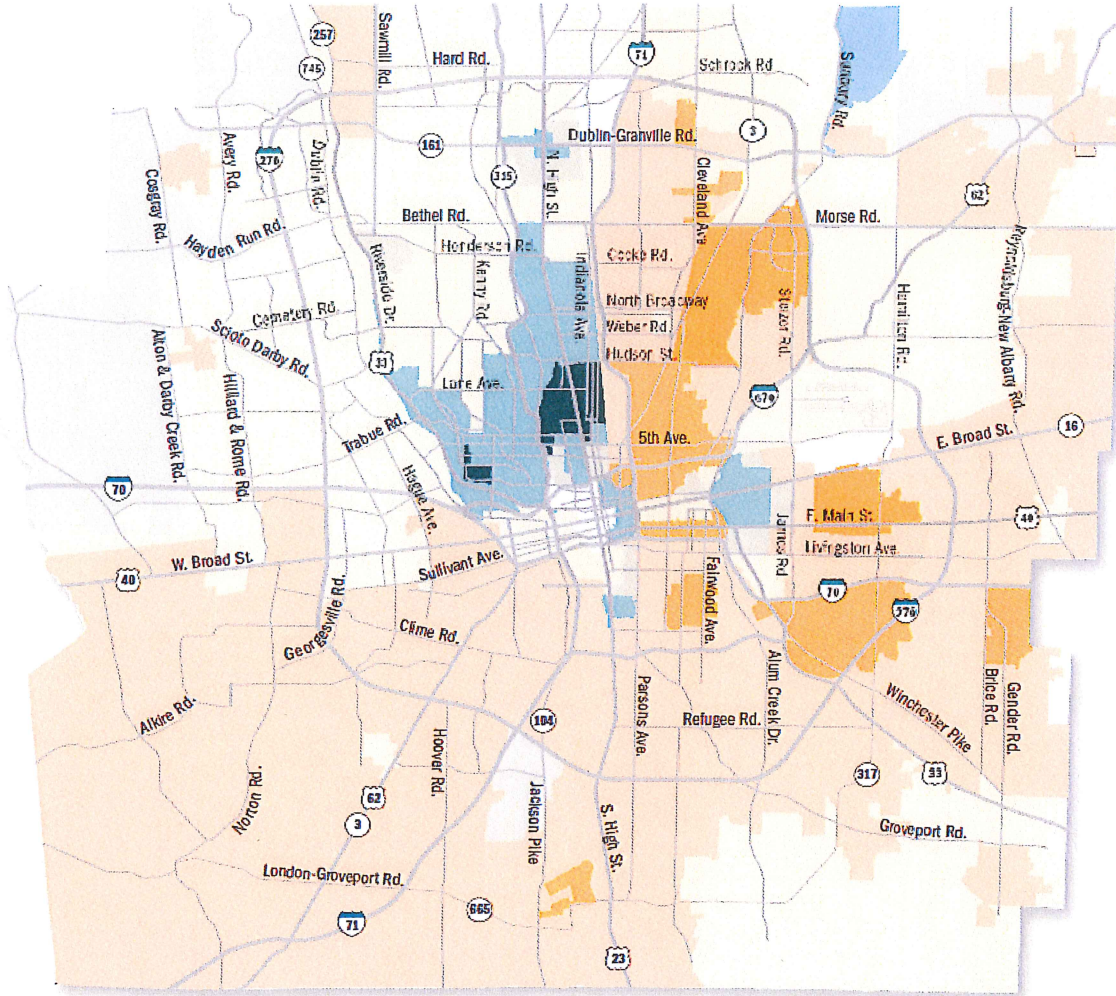
For the first time in six years, the Franklin County auditor's office has reappraised all properties for tax purposes, and the average value will decline by 6.65 percent. But any individual homeowner could see a different change — possibly even an increased value — because the auditor's office uses the condition of your home and the market in your neighborhood to make its appraisals. This map gives a sense of the variation across the county by showing the median change by neighborhood for single-family homes.

## POTENTIAL CHANGE IN PROPERTY VALUES



## WHAT ABOUT TAXES?

The appraised value affects the amount of property taxes you'll pay, but your taxes might change at a rate different from the change in your property value. Taxes are affected by how your home value has changed relative to others in your neighborhood. For example, if your value has dropped more than others, you are more likely to get a break on your taxes.



## THE CHANGE, BY CITY

How residential property values will change overall for Franklin County cities:

<b>4.07%</b>	<b>-12.03%</b>	<b>-8.46%</b>	<b>-3.11%</b>	<b>-7.64%</b>	<b>8.86%</b>	<b>-12.39%</b>	<b>-9.89%</b>	<b>-4.20%</b>
BEXLEY	CANAL WINCHESTER	COLUMBUS	DUBLIN	GAHANNA	GRANDVIEW HEIGHTS	GROVE CITY	GROVEPORT	HILLIARD
<b>-9.42%</b>	<b>-13.31%</b>	<b>-1.06%</b>	<b>-6.49%</b>	<b>-14.14%</b>	<b>-1.96%</b>	Totals for other communities can be found on <a href="http://Dispatch.com">Dispatch.com</a> .		
NEW ALBANY	REYNOLDSBURG	UPPER ARLINGTON	WESTERVILLE	WHITEHALL	WORTHINGTON			

Note: White areas contain too few properties for analysis

Source: Dispatch analysis of Franklin County auditor data

TOM BAKER, JULIE ALBERT, BILL BUSH | DISPATCH

# County property values sink

## Auditor's latest appraisals show 6.7% residential decline in Franklin

By Robert Vitale and Bill Bush THE COLUMBUS DISPATCH

Franklin County homeowners have lost nearly \$3.7 billion in property value since 2005, according to new appraisals being released this week by Auditor Clarence Mingo.

Owners of more than 440,000 homes, condominiums, farms, commercial properties and parcels of land will find out how they are affected through letters going out on Tuesday. Mingo said it's the first time in modern history — records date to 1943 — that Franklin County's total value has dropped in the six-year interim between state-required reappraisals.

For those hoping to sell, the data confirm what the market already has told them: You can't get what you used to for real estate in most parts of the county. But experts say auditor appraisals reflect the market, not affect it, so dropping values won't force sellers to cut asking prices.

For those staying put, there could be a silver lining. Lower property values could translate into lower taxes — but only if your home has done worse in the past six years than others in the community. Values will be finalized by the auditor's office in November, and the next tax bills go out in December.

"This type of decline is indicative of the impact the Great Recession has had on real estate in Franklin County," Mingo said. "It's been a true reversal from the time of the housing boom."

That reversal has lopped 6.7 percent off the total value of residential property in the county. By contrast, values had jumped 21 percent when the previous full reappraisal was completed, in 2005.

"It's been a buyer's market for quite some time," said Rick Benjamin, president of the Columbus Board of Realtors.

In Columbus as a whole, values fell 8.5 percent. But a

Dispatch analysis of single-family homes found higher values in some neighborhoods, such as Clintonville and the University District.

Only two of the big suburbs saw increases in property values: Grandview Heights rose 8.9 percent, and Bexley was up 4.1 percent.

The worst drops in suburban property values came in Whitehall (down 14.1 percent); Reynoldsburg (down 13.3 percent); and Grove City (down 12.4 percent).

Grandview economic-development director Patrik Bowman said his city has fared well over the years because demand for homes in the tiny landlocked suburb always exceeds supply.

In Whitehall, meanwhile, Councilman Dan Miller saw the drop as a reflection of forces beyond city control.

"It's happened all around the country," he said. "We can't stop it."

Parts of the suburb saw property values fall by more than 20 percent. Miller put a positive spin on the news: "People who are looking for a home, this is a good time to look in Whitehall."

South Linden, a Columbus neighborhood that straddles Cleveland Avenue east of I-71, was hit hard as the nation's housing market began its meltdown in 2007. Now, Franklin County appraisals are catching up.

In South Linden, single-family home values plunged 26 percent, The Dispatch analysis found. North Linden, parts of the East Side and a few other pockets of Columbus also dropped by more than 20 percent. The neighborhoods have waited three years for tax bills that are more in line with reality. Franklin County didn't adjust values in 2008 as the housing slide intensified because then-Auditor Joe Testa said declining sale prices had brought values back down to 2005 levels.

County auditors conduct property-by-property reappraisals every six years now, in 2005 and in 1999 before that — and adjust the numbers every three years to more closely reflect recent sales.

Bill Faith, executive director of the Coalition on Homelessness and Housing in Ohio, criticized Testa's 2008 decision as "a gift to middle-and upper-income neighborhoods in Franklin County."

Although county values remained the same overall, Faith maintained that adjustments were needed to reflect declines in places such as Linden and increases in places such as Bexley. Property values determine how the property-tax burden for schools, libraries and

other government agencies is distributed to homeowners.

Faith said he feels vindicated today because some of the hardest-hit neighborhoods are just across I-71 from some of the most prosperous.

“Property values change pretty gradually,” Faith said. “It certainly isn’t something that just happened in the last three years.”

Starting in January, for example, a 720-square-foot house on Atwood Terrace, east of I-71 around Crew Stadium and the state fairgrounds, will be worth 51 percent less than it is today, according to the auditor’s office. Its appraisal will drop from \$55,300 to \$27,200 even though the owner paid \$54,400 to buy it in 2001.

West of I-71, it’s a different world. One 3,000-square-foot house in Grandview Heights rose 86 percent, from \$400,100 to \$743,500.

Generally, older suburbs and Columbus neighborhoods fared better than high-growth areas. Values in Upper Arlington and Worthington fell between 1 and 2 percent. Values in New Albany and Canal Winchester fell worse than the county average.

The county will put new values in the mail to all property owners starting Tuesday, when they also will be posted online at [www.franklincountyauditor.com](http://www.franklincountyauditor.com).

Reappraising Franklin County properties has been a two-year process involving 39 appraisers who visited every parcel in every city, village and township. The county also factored in data on property dimensions, construction, building features and real-estate sales to place a value on each.

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# Have any questions about reappraisals?

By *Robert Vitale* THE COLUMBUS DISPATCH

Franklin County property values have declined 6.7 percent since 2005 — the first time that overall values have fallen between reappraisals, according to Auditor Clarence Mingo.

The Dispatch talked with Mingo and other experts to answer basic questions about the process:

Q. Why does the county put a value on my house?

A. To figure your fair share of property taxes. Schools, county and municipal governments, the zoo, libraries, parks and social services all depend on Franklin County property taxes. The rates imposed by various government entities are applied to the value of your property to determine the amount you owe.

Q. Shouldn't the free market determine value?

A. It's one of the factors, but every property isn't sold every year. The county auditor sends appraisers out to every property every six years to set the value that's used for tax purposes. Values are updated every three years and whenever a house or commercial building is built, remodeled or damaged.

Q. How do officials determine the value?

A. First of all, data on the size, features and quality of each building in the county are fed into a formula to determine a rough cost for construction. Then that number is adjusted for a building's age and the desirability of its location.

That's when appraisers start driving around to take a look at each building in the county. They judge its condition, which is used to adjust the construction figure. They also double-check data on dimensions and look for any additions.

The final construction number then is adjusted to reflect market values in each neighborhood or subdivision. If homes have sold in the past three years for an average of 8 percent above those construction totals, for example, all homes in that area are valued at 8 percent above the county's construction numbers.

Q. Are foreclosures considered?

A. No. State law says counties may not use sheriff sales and other foreclosure transactions in determining market values. But the spike in foreclosures during the past few years will have an indirect impact because they have depressed sale prices in neighborhoods with numerous foreclosures.

Q. Do lower values mean lower taxes?

A. It depends. They might mean lower tax bills — but generally only if your value dropped more (or increased less) than others' in your school district or community.

On the other hand, if your home kept more of its value than your neighbors', your bill could rise.

The reason: Schools, social-service agencies and other entities with tax levies usually collect a set amount that's divided among all property owners.

Another warning from the auditor: Don't expect a 10 percent drop in value to translate into a 10 percent savings in taxes.

Values will be finalized in November. Tax rates will be finalized at the same time as voters weigh in on levy requests. The next tax bills are mailed in December.

Q. I want to sell my house. Does a lower tax value mean I have to lower the asking price?

A. No. The price you seek when you sell your house is determined mostly by the prices buyers have paid for similar houses in your area, Gahanna real-estate agent Bob Price said.

Price has encouraged clients to challenge their values if they disagree with the county value.

Q. How can I challenge the new value?

A. Between Aug. 31 and Sept. 29, county appraisers will be available at 17 sessions scheduled throughout the area.

Dates, locations and times are listed on the auditor's website: [www.franklincountyauditor.com](http://www.franklincountyauditor.com). [rvitale@dispatch.com](mailto:rvitale@dispatch.com)

# Where to challenge your appraisal

If you disagree with the value of your home set by the Franklin County auditor, you can take your case directly to a county appraiser. Meetings are 11 a.m. to 7 p.m., unless otherwise noted, throughout the county: | Downtown: Aug. 31, 8 a.m. to 4 p.m., Franklin County Courthouse auditorium, 373 S. High St. | Brewery District: Sept. 27, Grange Audubon Center, 505 W. Whittier St. | Clintonville: Sept. 21 and 28, Clintonville Woman's Club, 3951 N. High St. | East Side: Sept. 14, Jewish Community Center 1125 College Ave. | Northeast Side: Sept. 12, Aladdin Shrine Center, 3850 Stelzer Rd. | South Side: Sept. 1, American Legion Post No. 144, 3253 S. High St. | West Side: Sept. 7 and 29, Raymond Memorial Golf Course reception house, 3860 Trabue Road; Sept. 20, American Legion Post No. 532, 1571 Demorest Rd. | Dublin: Sept. 15, Dublin Community Recreation Center, 5600 Post Rd. | Grove City: Sept. 13, Grove City Elks Lodge No. 37, 2140 Sonora Dr. | Groveport: Sept. 6, Groveport Recreation Center, 7370 Groveport Rd. | Hilliard: Sept. 22, Makoy Center Emerald Room, 5462 Center St. | New Albany: Sept. 8, New Albany Church of the Resurrection Ministry Center, 6300 E. Dublin-Granville Rd. | Reynoldsburg: Sept. 26, Reynoldsburg Eagles No. 3261, 1623 Brice Rd. | Worthington: Sept. 19, Worthington Community Center, 345 E. Wilson Bridge Rd.