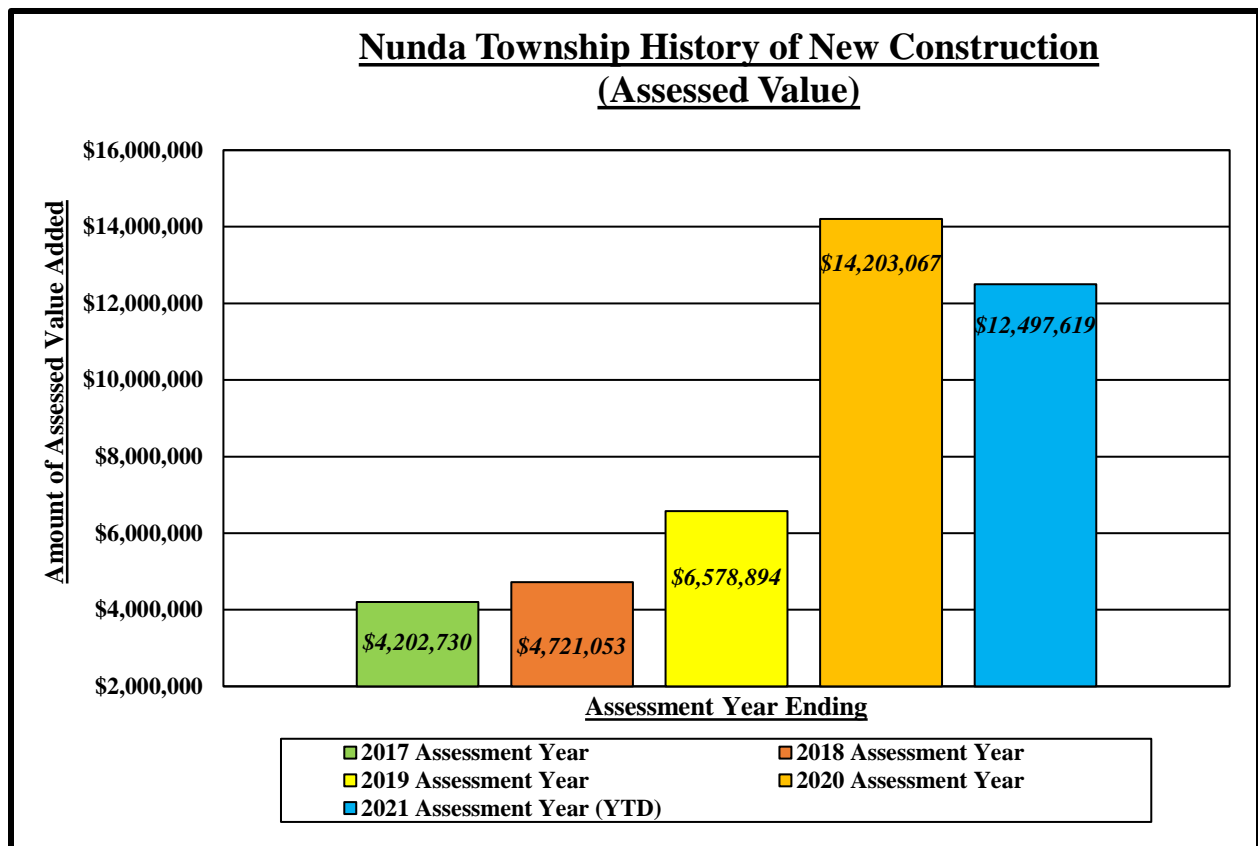


## Nunda Township Assessor's Monthly Meeting Report

July 8, 2021

### Mission Statement

The Nunda Township Assessor's office mission is to administer the township assessment program in a manner that will result in public confidence, we will be diligent in our responsibilities, we will strive to deliver the highest degree of accuracy, productivity as well as fairness, all while continuing to be good financial stewards with the resources the taxpayers have entrusted us with, and always remembering it is the taxpayers we are here to serve.



Prepared By

Mark S. Dzemske

Nunda Township Assessor

# Mark S. Dzemske C.I.A.O. - M

NUNDA TOWNSHIP ASSESSOR

3510 BAY ROAD

CRYSTAL LAKE, IL 60012

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Phone 815-459-6140

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June 27, 2021

Leda Drain  
Joni Smith  
Johanna Donahue  
Rob Parrish  
Tim Parrish  
Karen Tynis

Re: Assessment Office June Monthly Activity Report

The office remains very active, we are currently making our final changes to the 2021 Assessment Roll, prior to certification to the McHenry County Supervisor of Assessments Office.

Data collection and analysis is on-going in terms of the information that flows into the office thru day-to-day operations, as well as the information that we go out and collect. There are currently 140 open building permits for Residential new construction that are less than 100%. Data collectors visited 246 properties for open building reports, as well as visiting 3 properties as related to open office generated updates.

The township website has been updated with 363 photos and drawings during the month of June.

The 316 building permits which have been keyed during the month of June reflects a significant increase above the median of 127 building permits which were keyed during the same point in time for the previous reported years. The 875 permits keyed year to date reflects a 27.55% increase above the median of 686 keyed permits year to date, also based on the four years which have been reported.

June keyed residential improved property point to an average sale price of \$320,322 this reflects a 23.53% increase above the average sale price from June 2020 which was \$259,300. Year to date comparison from 2020 to 2021 indicates an 13.57% increase from 2020 which was \$249,764.

The number of sales for June of 2021 point to an increase of 11.11% above the June of 2020 level. Year to date the keyed 632 sales indicate an 42.66% increase above the median level of 443 keyed sales for the 4 previous years being reported.

Additional office activity as well as additional information is shown on the following pages.

Please remember I am available for any questions or concerns.

Respectively submitted,  
*Mark S. Dzemske*  
Nunda Township Assessor  
CIAO –M

Office Support Staff Activity					
Nunda Township Sales Keyed / June					
Sale Year	2017	2018	2019	2020	2021
Parcels Transferred	95	96	74	87	106
Number of Sales	88	80	67	81	90
YTD Parcels Transferred	504	548	451	505	746
YTD Number of Sales	434	452	373	456	632

Office Support Staff Activity				
Updates Office Generated June				
2017	2018	2019	2020	2021
64	32	42	17	34
Updates Office Generated YTD				
260	235	229	210	223

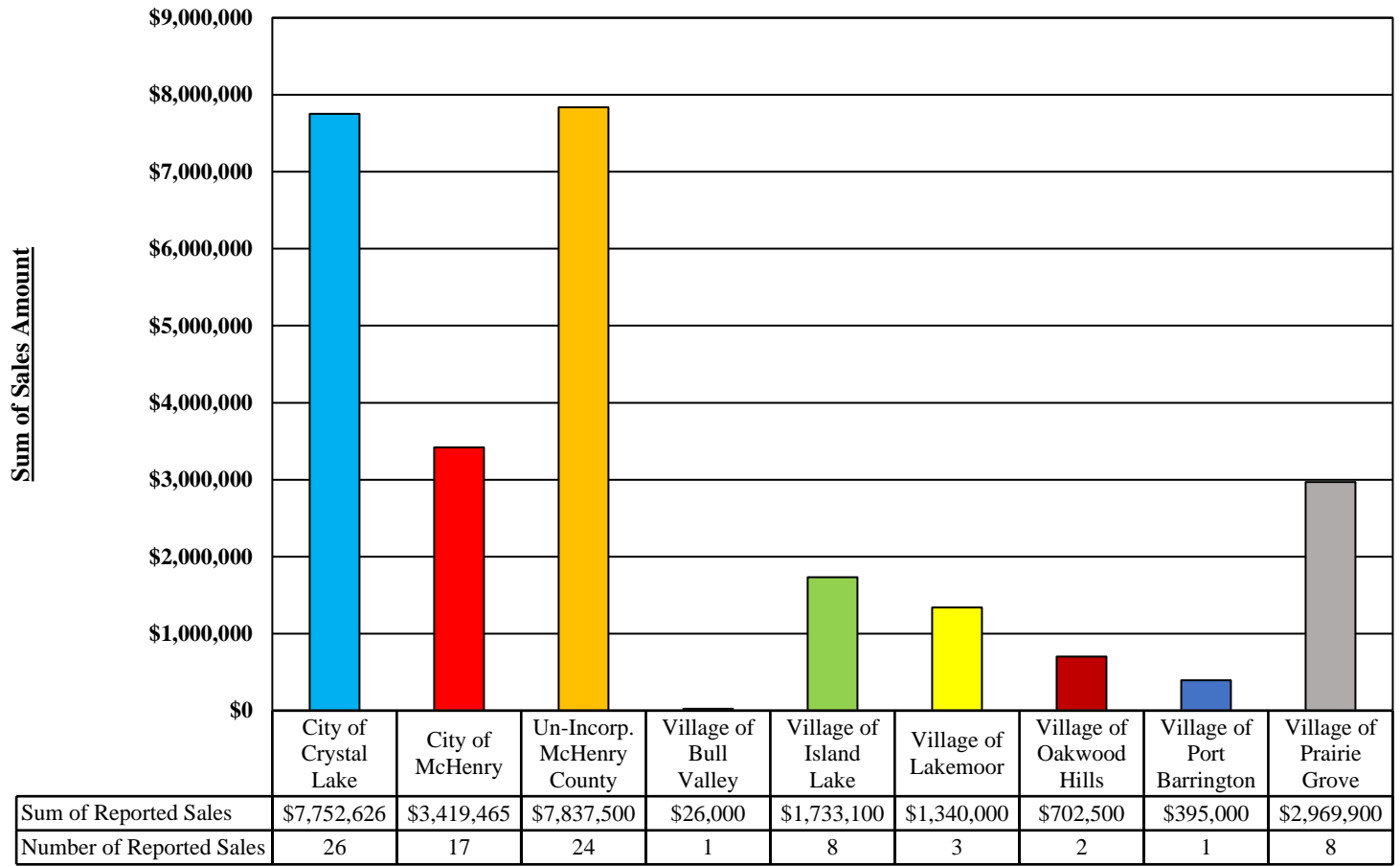
Office Support Activity				
Building Permits Keyed June				
2017	2018	2019	2020	2021
175	136	108	117	316
Building Permits Keyed YTD				
795	486	669	702	875

Data Collection Activity / June	
Building Permit Activity	246
Update Activity	3
June Website Media Uploaded	363

The above listed activities are samples of the measurable activity that is on-going within the assessment office.

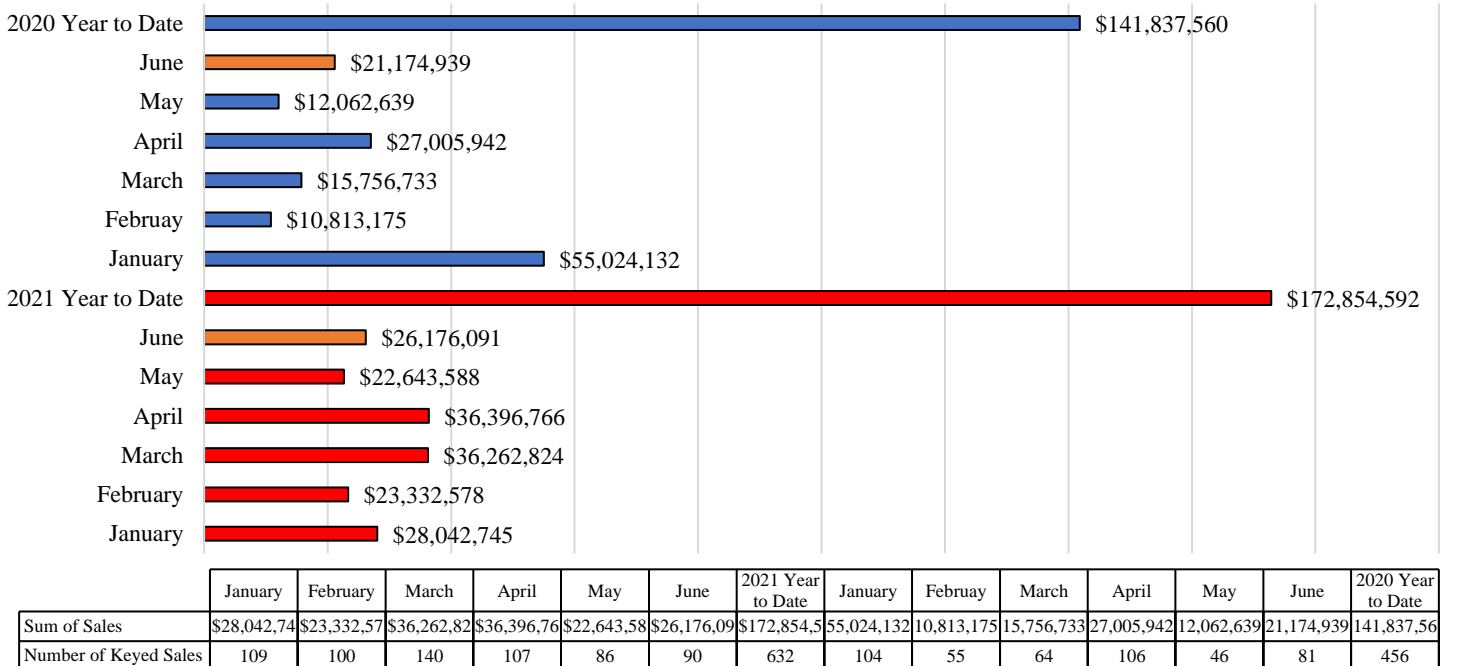
These activities as well as some of the many others that are occurring within the assessment office allow us to rely on verified, and credible information which leads to well thought out and defensible property assessments.

### Summary of June Keyed Sales Activity



**90 Sales \$26,176,091 Total Recorded Sales Amount**

### Year / Year Keyed Sales Activity



Current Snapshot of Residential New Construction  
(Currently underway or building permits have been issued, status less than 100%)

Active Residential New Construction (Permit Issued, Less than 100%)					
Municipality / Village	Duplex	Multi-Family	Single Family Home	Townhome	Grand Total
City of Crystal Lake	0	0	50	21	71
City of McHenry	7	0	54	0	61
Un-Incorporated McHenry County	0	0	6	0	6
Village of Bull Valley	0	0	1	0	1
Village of Island Lake	0	0	1	0	1
Village of Oakwood Hills	0	0	0	0	0
Village of Prairie Grove	0	0	0	0	0
<b>Grand Total</b>	<b>7</b>	<b>0</b>	<b>112</b>	<b>21</b>	<b>140</b>

Articles of Interest

On the following pages are two articles that relate to Economic Activity as well Economic Trends. Both articles have been taken from CoStar Analytic and focus on a nationwide trend, however it is easy to see the trends within our local market.



## COSTAR ECONOMY

# Consumer Spending Fell Flat in May After Robust Spring

But Signs Point to Strong Summer for Travel, Entertainment and Eating Out

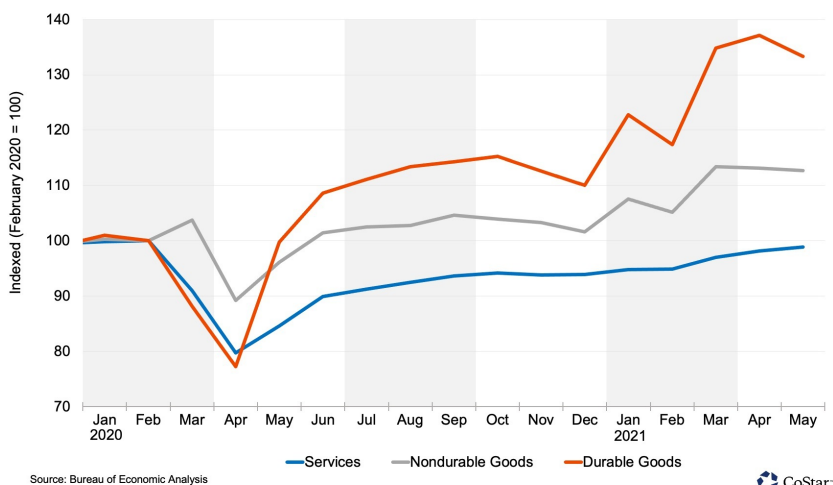


By Christine Cooper and Rafael De Anda  
CoStar Analytics

June 28, 2021 | 10:41 AM

Consumer spending in the United States stayed flat in May, according to data released by the Commerce Department on Friday. But the details underlying the report point to a strong summer season for retailers, the travel industry and entertainment venues, as consumers pivot away from spending on furniture and home office equipment and toward restaurant meals and vacations.

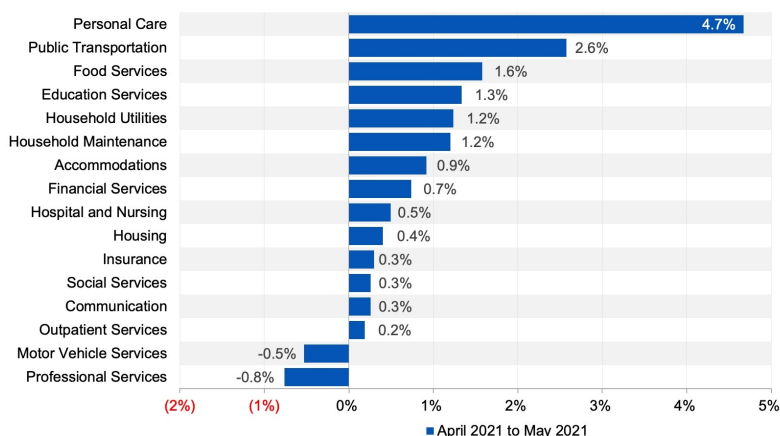
## Personal Consumption Expenditures by Type



With vaccination rates rising and COVID-related restrictions easing, consumers are venturing out to workplaces, stores and restaurants, their expenditures reveal.

Throughout the pandemic, consumers have been focused more on buying durable goods, such as cars, appliances, furniture and home exercise equipment, which together are 33.4% above the levels from February last year. But spending on these types of products fell by 2.8% in May, while spending on services in May rose by 0.7% over the month and are now just 1.2% below pre-pandemic levels.

## Consumption Expenditures, Services

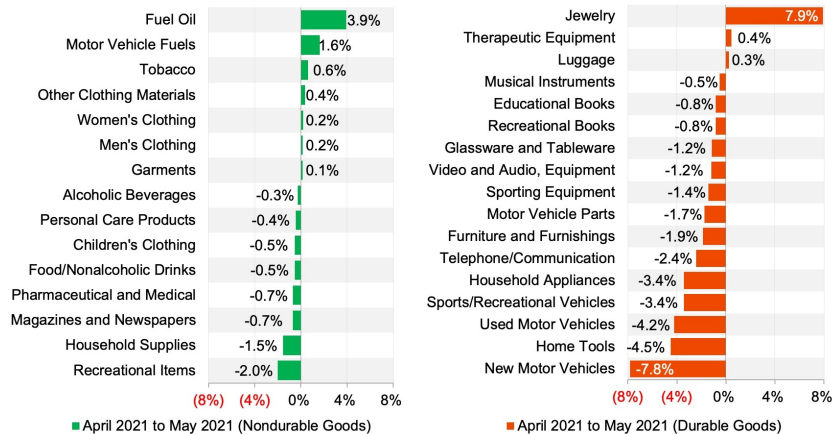


Many personal care services, such as barbershops, beauty salons and spas, bore the brunt of the shutdowns during the pandemic. Yet consumers seemed eager to return to these shops last month as expenditures in May grew by 4.7% over April. Unlike food services,

personal care requires face-to-face interactions — curbside pickup is not an option for many of these types of businesses.

As more workers return to the office, and travelers once again take to the skies, public transportation spending grew by 2.6% over the month. National office demand remains low, and the vacancy rate is at a nine-year high, but office utilization is growing and this could mark the beginning of a turnaround for the sector. Spending in this category in May was also fueled by air travel, where payment is recorded at the point of booking. Many households are making plans to travel later in the summer, so spending on accommodations, which grew by 0.9% in May, is poised for further growth in the coming months.

### Consumption Expenditures, Goods



Source: Bureau of Economic Analysis

CoStar

Spending for most types of goods fell in May. The exceptions are telling. First, energy prices rose significantly, so fuel oil and motor vehicle fuels spending grew by 3.9% and 1.6%, respectively. But consumers were also more eager to put their best foot forward in public. For example, spending on jewelry grew by 7.9% in May after consumers freshened up their wardrobes after more than 15 months draped primarily in leisure wear.

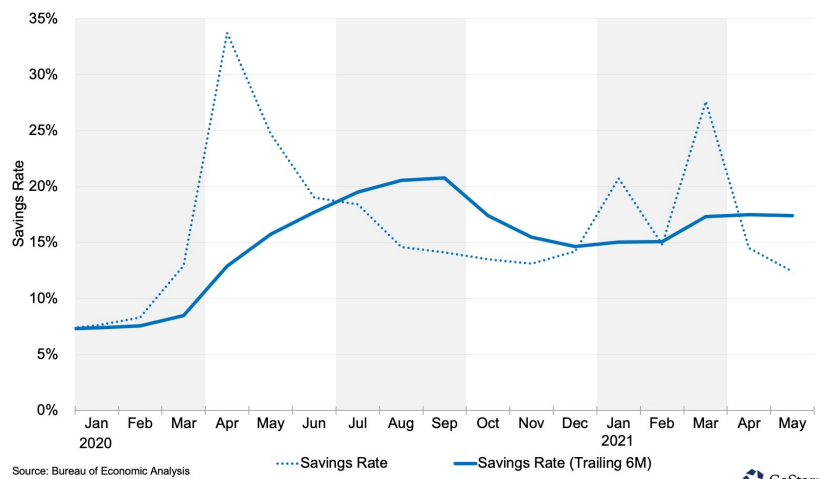
In contrast, consumers are shifting away from both new and used cars, as well as recreational vehicles. And fixing up our homes may be a thing of the past, with spending on tools, new household appliances, furniture and furnishings all declining sharply.

Continued consumer spending is well supported by healthy household balance sheets. The three waves of fiscal support kept personal



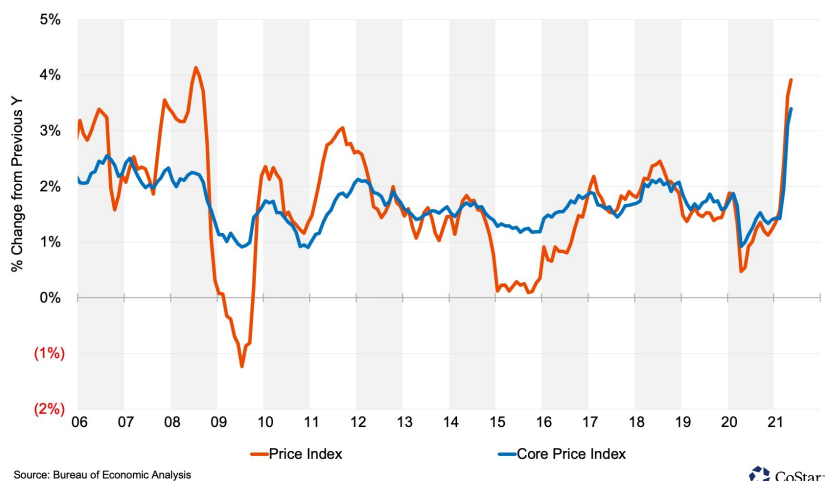
incomes from falling during the pandemic. With many services not available during the shutdowns, consumers were restrained from spending as much as they might have wanted, so they ended up sending more than a third of those relief payments to their savings accounts.

### Personal Savings Rate



The savings rate in May fell to 12.4%, the lowest it has been since February of last year, but it remains quite elevated compared to pre-pandemic days. The amount of excess savings accumulated to date is estimated to be about \$2.5 trillion, or about 10% of gross domestic product, a formidable stash of spending firepower that will boost the economy through the summer and fall as more stores, restaurants and entertainment venues reopen and welcome customers.

### Personal Consumption Expenditures Price Index



The relatively robust consumer, and business, spending amid continued supply chain bottlenecks has added price pressures

throughout the economy. The core personal consumer expenditures price index, which is the Federal Reserve's preferred inflation measure, rose by 0.5% over the month, a slowdown from April's pace and less than was expected. The index rose 3.4% compared to a year ago, when price inflation was quite tame.

The Fed continues to believe that price increases will be temporary as imbalances between aggregate demand and supply are resolved, but it is entirely possible that the economy will endure a higher sustained rate of inflation than during the last recovery without entering a wage-price spiral that characterizes "runaway inflation," as the Fed's credibility appears to remain intact.

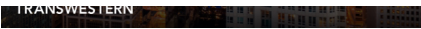
## The Week Ahead ....

The highlight this week should be the release of the June jobs report on Friday. The labor market has been a bit of a disappointment recently, with jobs returning slower than hoped as COVID-related fears linger and workers coping with child care needs remain on the sidelines, but most analysts expect an increase of around 800,000 jobs in June, driven once again by the leisure and hospitality sector, with the unemployment rate continuing to tick lower.

Elsewhere, a key look into the factory sector is scheduled to come on Thursday with the Institute for Supply Management's manufacturing index for June. Factory activity has been strong, but manufacturers have faced both supply chain disruptions and labor shortages. Although these are expected to fade over coming months, it could still be a bumpy road ahead for a full recovery.

*CoStar Economy is produced weekly by [Christine Cooper](#), managing director and chief U.S. economist, and [Rafael De Anda](#), associate director of CoStar Market Analytics in Los Angeles.*





RELATED RESULTS

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New York's Next Mayor Faces a Tower of Real Estate Issues

Levi Strauss & Co. Locks in Largest San Francisco Lease in Years, Walking Back Sublet Plans

7-Eleven To Sell Nearly 300 Retail Gas Stations to Comply with Regulators

Singapore REIT Buys Office Properties in California and Florida for \$245.5 Million

Large Atlanta Architecture and Design Firm Taps Principal as President and CEO

US Tourism Leaders Prioritize Return of Business, International Travel

# Development Could Shift as Apartments, Single-Family Rentals Become Fastest-Growing Housing Sector

Growth Outpaces Owner-Occupied Homes, Data Shows



Rental housing units, including traditional multifamily complexes and single-family rental homes, are growing at a faster pace than owner-occupied homes, according to new data. (Getty Images)

By [Cara Smith-Tenta](#)  
CoStar News

June 21, 2021 | 7:59 P.M.

Apartments and single-family rentals are showing signs of becoming the fastest-growing sectors of the U.S. housing market as home prices approach record sums that are out of reach for buyers under age 40, signaling a shift in construction demand.

A lack of mortgage affordability is driving rentals to exceed sales as many potential homebuyers born between 1981 and 1996, the group known as millennials, struggle

under the weight of student debt and stagnating wages, according to new findings from Toronto-based global credit rating firm DBRS Morningstar. The trend is already reflected in national multifamily rent growth of 6.2% year over year that [swelled this spring](#) at a rate more than double the normal seasonal trend, a pace CoStar research shows would equate to the strongest apartment rent gains this century if maintained throughout the year.

“As long as the home prices remain high and you have the tight inventory, I think the market bodes well for single-family [rental] developers, as well as those seeking capital to continue that sector,” Adler Salomon, senior vice president at DBRS Morningstar, said in an interview .

With U.S. housing prices soaring, many Americans carrying high debt and wages staying relatively low, the number of potential buyers priced out of homeownership is growing, according to a DBRS Morningstar report. More people are opting to remain renters because they can’t or don’t want to enter the housing market, creating plenty of runway for developers to build apartments and rental units to address that demand, analysts say.

Between 2000 and 2020, the inventory of single-family rental homes and multifamily rental units grew 26%, compared to owner-occupied single-family homes growing 21.2%, according to DBRS Morningstar, which analyzed U.S. Census Bureau data.

Today's conditions bode well for traditional multifamily developers to build more properties that cater to young adults who aren’t yet ready to enter the housing market, as well as older Americans over age 55 who comprise a growing proportion of the rental market, Steven Jellinek, vice president at DBRS Morningstar, said in an interview.

## Affordability Concerns

Many Americans simply can’t afford a mortgage, statistics show. Some are pinched by persistent student debt and low wages. The average household with student debt owes \$57,520, according to NerdWallet, a personal finance company. The minimum wage, which also influences wages that are paid above it, hasn’t been changed since 2009,



when it was raised from \$6.55 to \$7.25 per hour, according to the U.S. Department of Labor.

Meanwhile, the U.S. median home price has grown to roughly 4.29 times the U.S. median income, up from 3.27 times in 2011, the report said.

“The fact that the millennials are pretty debt burdened and the fact that the lack of affordability persists [means] we think that they’ll continue to rent,” Salomon said.

Developers seem to be trying to heed the call.

Apartment developers completed more than 425,000 units in 2020, the highest sum of rental units built in a year this century, according to CoStar data. That year, however, also saw the lowest volume of apartment units to begin construction in a single year since 2013, with just 340,000 units breaking ground last year.

Some of that slowdown stems from shortages of steel, lumber and other construction materials. The pandemic supercharged the cyclical nature of the cost of commodities used in the housing and construction market, leading to record-high pricing for materials such as softwood lumber and steel for multiple consecutive months this year, according to the National Association of Home Builders.

Adults under 40 are expected to soon reach a demographic inflection point. Between 2020 and 2030, the U.S. Census Bureau expects the number of Americans between the ages of 30 and 50 — which is also when many people start families — to increase by roughly 8 million, according to Morningstar. That’s compared to the demographic growing by just 1 million between 2010 and 2020, according to Morningstar.

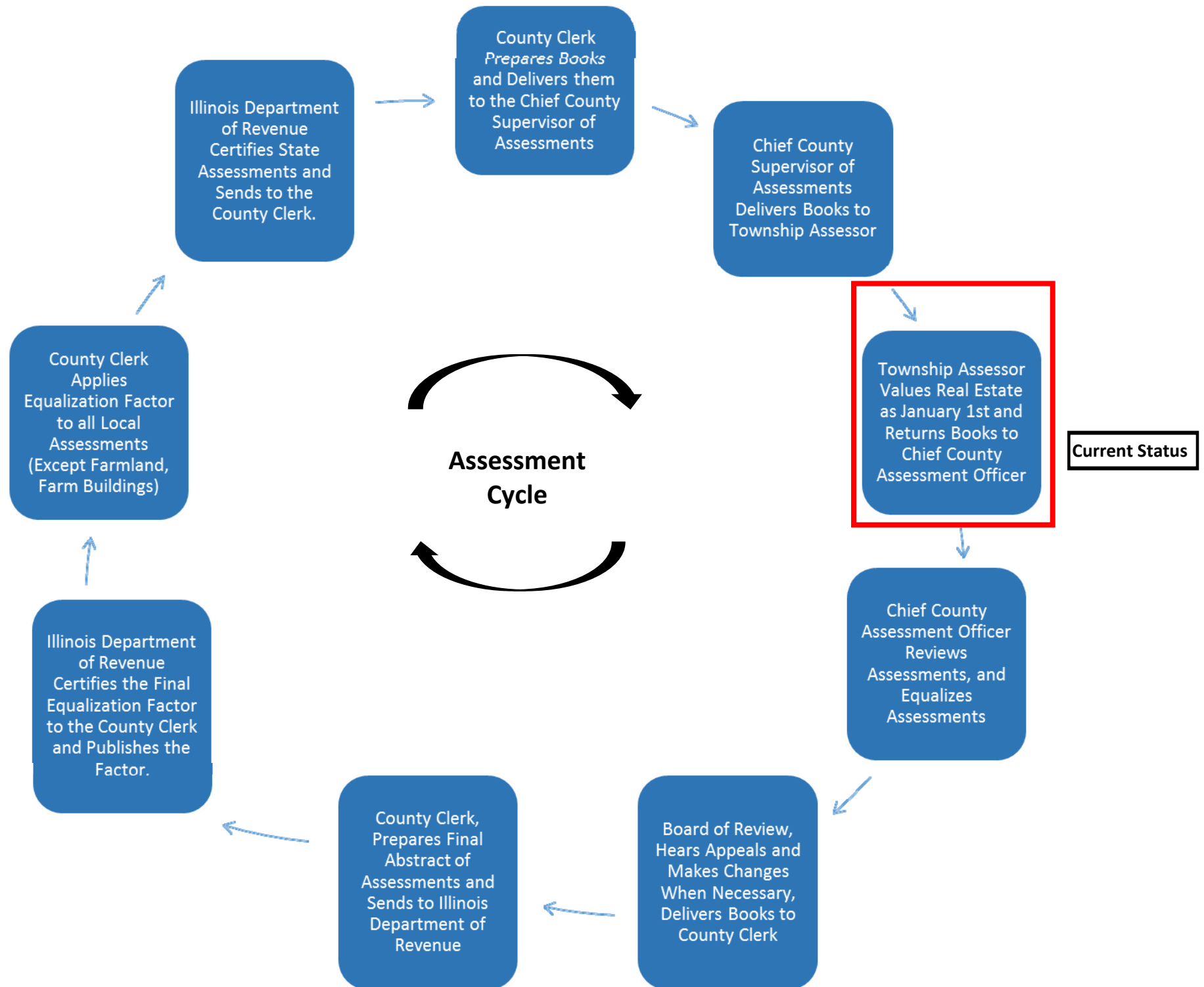
Family renters, who represent one-third of the U.S. renter pool, have diverse housing preferences, the report said. It cited data from John Burns Real Estate Consulting that showed 52% of single-family rental tenants are families, compared with only 30% of multifamily renters, who the report said are far more likely to be under age 35 or over age 65.

Whether those young adults will continue to gravitate toward rentals as they grow older and have families is something the industry is watching closely.

“The majority of single-family rental tenants are families,” Jellinek said, adding that build-to-rent homes also offer them the chance to live in a home without buying one.

“People who can’t or don’t want to buy a home are finding new, creative ways to rent, or finding options available to them.”

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## Meet your Assessment Team

### **Assessor**

Mark is your Nunda Township Assessor. Mark was elected your Nunda Township Assessor effective January 1<sup>st</sup>, 2018 and has been employed by the Nunda Township Assessor's office since 1988. He carries an advanced designation with the Illinois Property Assessment Institute and is a member of the International Association of Assessing Officers

### **Chief Deputy Assessor**

Kristin oversees and directs much of the daily activity of the deputy assessors, she has an extensive background in Mass Appraisal and is experienced in the assessment of all types of properties. Kristin is a member of the International Association of Assessing Officers and was awarded her Certified Illinois Assessing Officer designation from the Illinois Property Assessment Institute.

### **Deputy Assessors**

Heidi, and Karen, are very experienced in Real Property Assessment and have extensive backgrounds in the Real Estate Market and Mass Appraisal Valuation. All deputies carry the designation of Certified Illinois Assessing Officers, which were obtained thru the Illinois Property Assessment Institute.

### **Data Collection**

Mary coordinates our residential data collection. Mary has been with the Nunda Township Assessors office since 2002 and is very familiar with the many neighborhoods in the township. Mary spends most of her time in the field following up on building permits, measuring and listing property characteristics, speaking with property owners and updating property record cards etc.

### **Office Support Staff**

Lisa and David complete your Nunda Township Assessment Team. Much of Lisa's time is spent processing Real Estate Transfer Declarations, Building Permits, and generating reports for use by team members. In addition, Lisa is typically your first contact when either phoning or visiting the office.

David works closely with Lisa on the many tasks listed above. In addition, David spends a great deal of time in the field working under the direction of Mary in the many aspects of data collection.

The support staff is a key source in the verification of details in the transfers of properties that occur in the Township as well as helping residents when applying for exemptions as well as lending support to the rest of the team completing various tasks.

### **Summary**

The Nunda Township taxpayers should be very confident in the assessment team that has been assembled to serve their needs. I believe it is one of the BEST in the county and we will strive to continue to improve and provide the taxpayers with the best possible service. Each of these positions are vital components that help to achieve the timely completion of the annual assessment cycle.