

# Rumson 2021 Reassessment Report



[Reassessment FAQ](#)

[Appeal FAQ](#)

[2020 Reassessment Presentation](#)

## **Prior Year (2020) Assessment Accuracy Reflection**

Each October, the NJ Division of Taxation conducts statistical studies which measure the accuracy of current year assessments. These studies could be considered as the “assessor’s gradebook” for that year’s assessments and resulting tax distribution. Nevertheless, recognition must be made that the assessments are produced the prior year based off past sales and the study is done the subsequent year based off future sales. Appreciating markets would likely result in a ratio under 100%, while depreciating markets would likely result in a ratio over 100%.

### **Director’s Ratio**

While the “Director’s Ratio” is a complex calculation, this measurement is intended to express the typical relationship between assessments and sale prices in a given municipality. Rumson’s 2020 Director’s Ratio was 99.73%.

### **General Coefficient of Deviation (COD)**

The General Coefficient of Deviation is widely held as the best indicator in determining proper tax distribution. It is a way to measure how tightly clustered individual assessment ratios are in relation to the average ratio. A lower COD means more accurate and fair tax distribution. The COD normalizes ratios to show accuracy within a municipality regardless of what the Director’s Ratio is in any given year.

The more homogeneous the properties in a municipality are, the lower the COD should be. For example, a municipality that is comprised of mostly townhouses would be expected to yield better assessment accuracy than a municipality that is comprised of a complex range of property types and values (like Rumson). Through annual reassessments, Monmouth and Somerset Counties are showing much lower CODs when compared to historical or statewide data. Despite the complexity of the Borough, our COD is more accurate than the norms in the rest of the state, meaning that our assessments and resulting tax distribution are more fair. We are also trending to be meaningfully more accurate than our own historical coefficients from the past. The 2020 COD was 8.38 which is the lowest COD on record for Rumson (in at least the past 30 years).

Below is a summary of Rumson’s general COD for the past 7 years (*see figure 1*). Rumson’s average COD prior to implementation of annual reassessments (years 1991-2014) was 13.68. The 2020 COD is about half of the expected COD prior to the annual reassessment model, meaning that tax distribution is significantly more fair and accurate.

| Year        | General Coefficient of Deviation |
|-------------|----------------------------------|
| 2014        | 12.53                            |
| 2015        | 18.95                            |
| 2016        | 11.74                            |
| 2017        | 12.50                            |
| 2018        | 12.57                            |
| 2019        | 9.45                             |
| <b>2020</b> | <b>8.38</b>                      |

(figure 1)

## 2021 Reassessment

Through the 2021 reassessment, changes to global modeling were made to target market value. Adjustments were also made to all individual properties, neighborhoods and submarkets to refine assessment accuracy. The goal is to annually target 100% market value so that statistical measurements represent better assessment accuracy.

### **Inspections (data collection)**

The Borough completed the first five-year inspection program in 2018. The law now allows for an eight-year inspection cycle which will be less expensive and inconvenience residents with inspections less often. For the second cycle, we accelerated the project to be sure all data is current. Half of the Borough was inspected in 2019 and the other half in 2020. We will not have to do regular inspections till at least 2025/2026. Of course, we will still inspect properties that undergo renovations or new construction in the interim.

In late January, inspection notices were mailed to residents located in the area outlined in blue (*see figure 2*). Luckily, we were able to complete most of the project February/March prior to the COVID-19 shutdowns. The pandemic only affected the project at its very tail end. While we continued the exterior inspections as originally planned, we modified the interior inspection process to include virtual inspection options. We stopped entering houses during the last week or so of the 2020 project. Instead, our inspection vendor quickly adapted and created a virtual inspection option where the property owner could walk through the house with a mobile device to show the inspector the interior while the inspector remained off site. We now are seeking a legislative solution to permanently allow for this type of service: <https://www.insidernj.com/press-release/gopal-bill-modernize-pilot-property-tax-assessment-program-advances/>

### **February-March 2020 Inspection Area**



(figure 2)

## General Comments on the Current Real Estate Market

“Unprecedented times” has been a term commonly used to describe many aspects of 2020. With regard to the real estate market, the same holds true. In March, many would have predicted a full blown real estate market collapse. While we are not out of the woods yet, the current reality is that market reactions are very location specific. NYC property values are crashing but properties in Monmouth County (particularly shore towns) have been the beneficiaries of these wild times.

Prior to COVID-19, we were already experiencing a market compression in Rumson. Higher valued properties were struggling while lower valued properties were appreciating at modest rates. The COVID-19 pandemic has accelerated this compression (in relative terms). While larger/older houses may have found a bottom (or at least some level of temporary support), the lower value property appreciation has accelerated at a rate that has not been seen in many years. The flight from the city and low interest rate environment are certainly identifiable causes of this dynamic.

For the vast majority of properties, the market is driven by buyers interested in what their monthly payment will be. The historically low interest rate environment makes all homes more affordable. Nonetheless, higher valued properties located in towns that have higher property taxes can't participate in the appreciation the same way that the lower valued properties can. Quite simply- the higher the property taxes, the less the monthly payment can be affected by the lower interest rates. This does not hold true in towns that have lower property taxes (mainly shore towns). The Rumson Tax Rate is on the lower side of the County. While the significant market appreciation appears to slow around the 850k price point in towns that have 2% tax rates, Rumson properties appear to have a higher threshold (likely due to the lower property taxes).

It is important to keep in mind that shared budgets (like the Regional School and County budgets) are apportioned to the participating towns based on the respective net values of those towns. Should appreciation in Rumson outpace our 52 counterparts in the County, we will be assigned to pay a higher proportionate share of the County Tax Levy. Should Rumson outpace Fair Haven, we would be assigned to pay a higher proportionate share of the Regional School Levy (see *figure 3*). The way the market behaves is mainly out of our control, but it is important to keep a pulse on how other towns are assessing their properties. All towns should be on an equal playing field so that shared budgets get apportioned fairly.

### Rumson Tax Levy History

| Tax Levy Component             | 2016 Tax Levy        | 2017 Tax Levy        | 2018 Tax Levy        | 2019 Tax Levy        | 2020 Tax Levy        | 4 Year Change       |               | Percent of Bill |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|---------------|-----------------|
| County Budget                  | \$ 8,860,091         | \$ 8,813,226         | \$ 8,999,865         | \$ 8,865,086         | \$ 9,273,390         | \$ 413,300          | 4.66%         | 16%             |
| County Library                 | \$ 608,173           | \$ 617,595           | \$ 637,924           | \$ 634,189           | \$ 674,967           | \$ 66,795           | 10.98%        | 1%              |
| Local Elementary School Budget | \$ 15,467,271        | \$ 16,059,502        | \$ 16,899,627        | \$ 17,332,020        | \$ 18,103,124        | \$ 2,635,853        | 17.04%        | 32%             |
| Regional High School Budget    | \$ 12,681,878        | \$ 12,989,474        | \$ 13,534,345        | \$ 13,898,869        | \$ 14,451,437        | \$ 1,769,559        | 13.95%        | 26%             |
| Local Municipal Purposes       | \$ 10,289,019        | \$ 10,514,109        | \$ 10,849,768        | \$ 11,157,169        | \$ 11,376,795        | \$ 1,087,776        | 10.57%        | 20%             |
| Reserve for Uncollected Taxes  | \$ 988,067           | \$ 1,016,115         | \$ 1,050,634         | \$ 1,087,578         | \$ 1,409,296         | \$ 421,229          | 42.63%        | 2%              |
| County Open Space Fund         | \$ 508,863           | \$ 517,809           | \$ 999,527           | \$ 1,023,753         | \$ 1,082,820         | \$ 573,957          | 112.79%       | 2%              |
| Excess for Rate Rounding       | \$ 12,339            | \$ 22,994            | \$ 26,173            | \$ 29,725            | \$ 15,147            |                     |               |                 |
| <b>Total Tax Levy</b>          | <b>\$ 49,415,700</b> | <b>\$ 50,550,825</b> | <b>\$ 52,997,862</b> | <b>\$ 54,028,387</b> | <b>\$ 56,386,976</b> | <b>\$ 6,971,276</b> | <b>14.11%</b> |                 |

(figure 3)

### Total Change of Net Valuation Taxable

The net valuation of the Borough is increasing by 2.82% in 2021 (see figure 4). About 111M has been added to the Rumson ratable base (partially related to new construction and partially related to market appreciation).

|                                |               |
|--------------------------------|---------------|
| 2020 Final Net Valuation       | 3,934,890,180 |
| 2021 Preliminary Net Valuation | 4,045,998,657 |
| Change                         | 111,108,477   |
| Change %                       | 2.82%         |

(figure 4)

### Property Class Breakdown (Year over Year)

| 2020 Final Tax List |               |       |               |            |                  |
|---------------------|---------------|-------|---------------|------------|------------------|
| Class               | Property Type | Count | Value         | Average    | Share of Borough |
| 1                   | Vacant Land   | 56    | 39,089,600    | 698,028.57 | 0.99%            |
| 2                   | Residential   | 2534  | 3,731,467,400 | 1,472,560  | 94.83%           |
| 3A                  | Farm House    | 4     | 16,011,200    | 4,002,800  | 0.41%            |
| 3B                  | Farm Land     | 7     | 9,300         | 1,329      | 0.00%            |
| 4A                  | Commercial    | 67    | 146,100,800   | 2,180,609  | 3.71%            |
| 4C                  | Apartment     | 1     | 1,057,400     | 1,057,400  | 0.03%            |

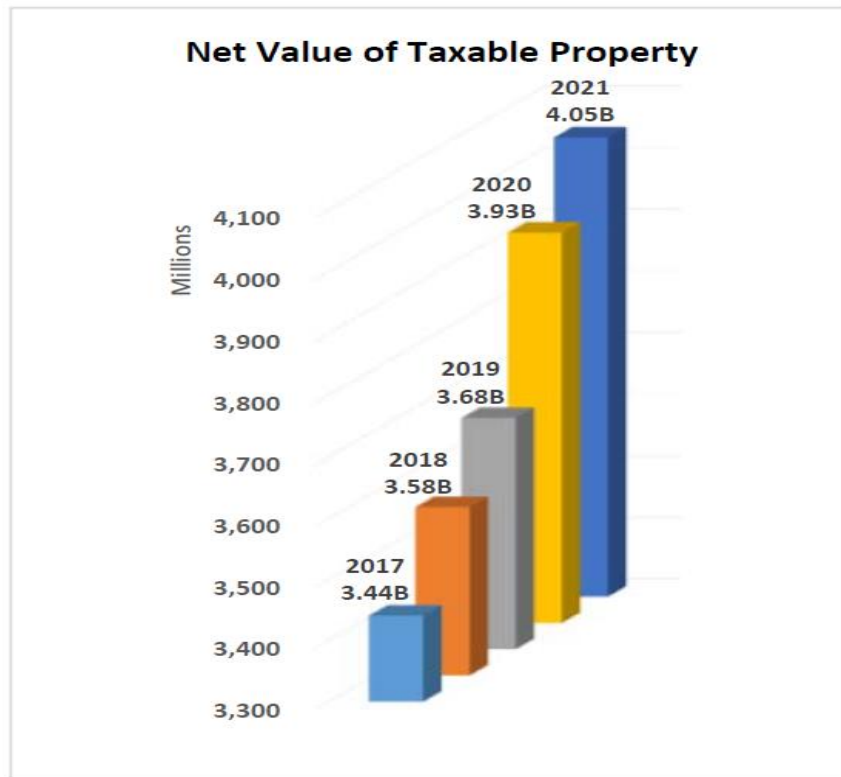
|                       |               |
|-----------------------|---------------|
| Total                 | 3,933,735,700 |
| Verizon               | 1,154,480     |
| Net Valuation Taxable | 3,934,890,180 |

| 2021 Preliminary Tax List |               |       |               |           |                  |
|---------------------------|---------------|-------|---------------|-----------|------------------|
| Class                     | Property Type | Count | Value         | Average   | Share of Borough |
| 1                         | Vacant Land   | 40    | 28,989,700    | 724,743   | 0.72%            |
| 2                         | Residential   | 2542  | 3,848,953,200 | 1,514,144 | 95.13%           |
| 3A                        | Farm House    | 6     | 19,918,900    | 3,319,817 | 0.49%            |
| 3B                        | Farm Land     | 8     | 10,200        | 1,275     | 0.00%            |
| 4A                        | Commercial    | 67    | 145,785,200   | 2,175,899 | 3.60%            |
| 4C                        | Apartment     | 1     | 1,102,200     | 1,102,200 | 0.03%            |

|                       |               |
|-----------------------|---------------|
| Total                 | 4,044,759,400 |
| Verizon               | 1,239,257     |
| Net Valuation Taxable | 4,045,998,657 |

(figure 5)





(figure 6)

| 2017 -2020 Tax Levy and Net Taxable Value |            |               |   |
|---|------------|---------------|---|
| Year                                      | Tax Levy   | Ratables      | Tax Rate  |
| 2017                                      | 50,550,825 | 3,441,172,574 | 1.469%  |
| 2018                                      | 52,997,862 | 3,576,104,047 | 1.482%  |
| 2019                                      | 54,028,387 | 3,677,902,471 | 1.469%  |
| 2020                                      | 56,386,976 | 3,934,890,180 | 1.433%  |
| 2021                                      | TBD        | 4,045,998,657 | TBD   |
|   |            | 111,108,477   | Ratable base change 2020 to 2021 (Prior to Appeals) |
|   |            | 2.82%         | Increase Prior to Appeals                           |

(figure 7)

### 2021 Tax Rate Prediction

| Year   | Ratables      | Tax Levy   | Tax Rate |
|--------|---------------|------------|----------|
| 2020   | 3,934,890,180 | 56,386,976 | 1.433%   |
| 2021*  | 4,045,998,657 | 56,386,976 | 1.394%   |
| 2021** | 4,005,538,670 | 57,514,716 | 1.436%   |

\*Rate if levy was the same year over year and no reductions from appeals

\*\*Assumes a 1% reduction in ratables from appeals & 2% increase in Levy

**Realistic 2021 Tax Rate Range 1.4%-1.44%**

(figure 8)

## Residential Market

Lower price points (homes under 1M) have seen the greatest appreciation in this market. Generally, markets that continue to struggle are older/non-renovated houses on large lots. With regard to the lower price points (namely West Park, the Oceanic, the East River townhomes and other neighborhoods with smaller lots), market appreciation is incredibly strong. It is nearly impossible to find *any* house in Rumson under 600k in this market. While these properties recently had increases in tax levy apportionment due to the 2020 reassessment, the trend continues for the 2021 reassessment. Generally, these neighborhoods will see assessment increases between 5% and 10% (nothing like last year, but still significant relative to larger homes). As for the higher price points, market reactions are very house specific (of course making the reassessment analysis more difficult). If a home is fully renovated (to today's market trends) it will indeed command a much higher price. The delta between non-renovated and renovated, new vs old, has never been so wide in recent history.

The aggregate change of the ratable base is 2.82%. The aggregate change of the residential class is 3.15%, though it is important to note that the 3.15% is actually being inflated by new construction and renovations. The below chart gives better insight into the actual impact on the existing residential property class. Since 2.82% is the aggregate change of the entire ratable base, 2.82% should be seen as the baseline of apportionment change. Any property increasing greater than 2.82% will pay a greater proportionate share of the tax levy. Conversely, any property increasing less than 2.82% (or decreasing) will pay a lesser proportionate share of the tax levy.

### Volatility is Subsiding

For the 2021 reassessment, roughly 81% of residential properties will fall between a 0% and 10% assessment change. About 7% will increase greater than 10% and about 12% will see their assessment decrease. For a frame of reference, only 42% fell in the 0-10% bucket last year while 45% increased greater than 10% (45% compared to this year's 7%). While we are indeed past the point of extreme volatility, we still must recognize that all properties will not change at the same rates. Each year will stabilize further now that we are done with inspections. Also, modeling refinement will continue to target market value and only get better with time.

The steep trend line down, showing the median assessment of each grouping (*see figure 10*), displays the market compression referenced earlier. Lower value properties are increasing at greater rates than higher value properties. Normally, commercial properties will change around the same as the residential properties (or at least in the same direction), but COVID-19 is putting obvious pressure on the commercial market causing assessments to decline in that particular asset class. Other property classes (like residential) will absorb the taxes from this apportionment change.

### Assessment change of all residential properties (excluding new construction and properties that had renovations)

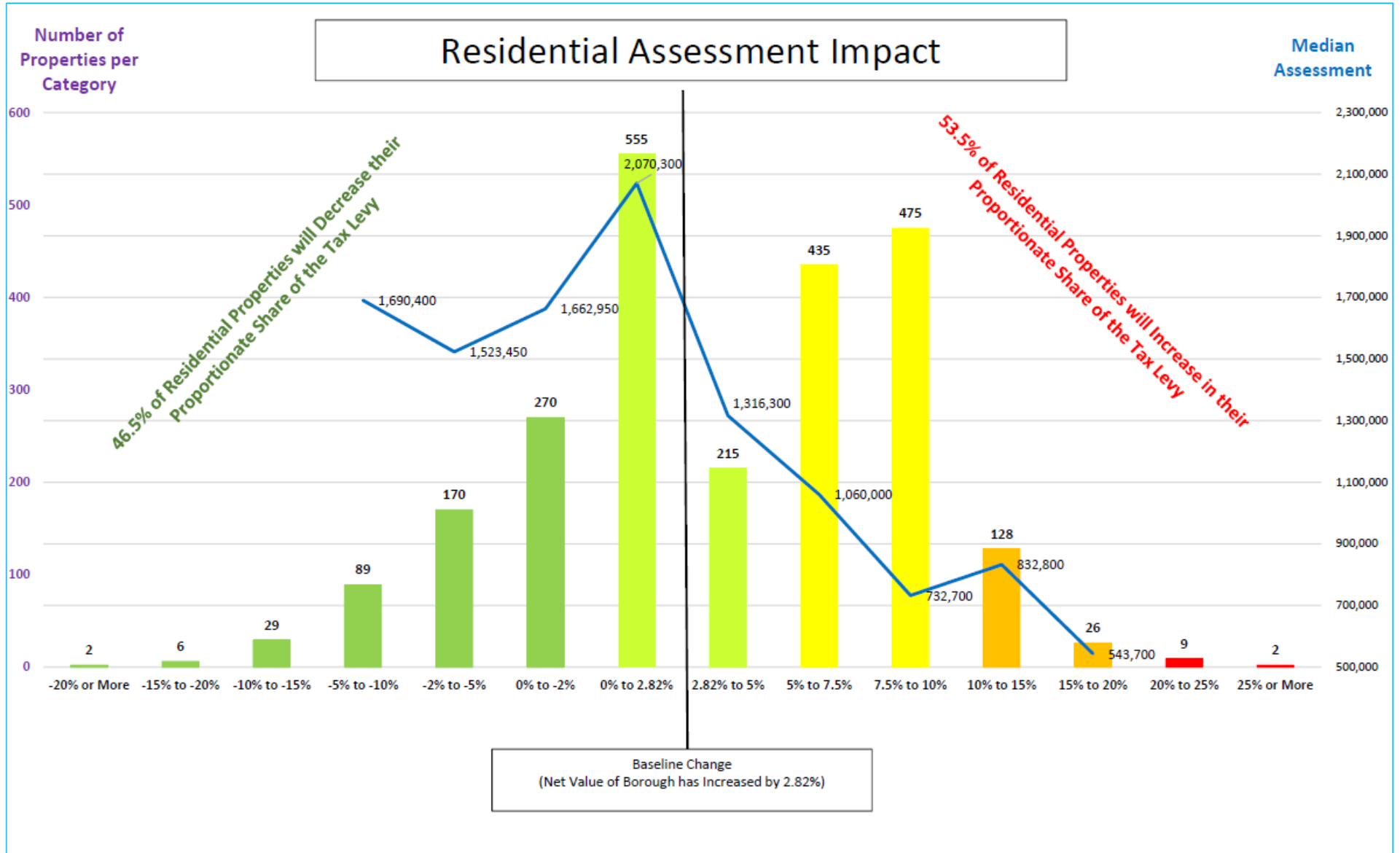
| Residential Classified Properties  |                            |   |            |                            |
|--|----------------------------|---|------------|----------------------------|
|  | Assessment Change Category | Number of Properties In Change Category | % of Total | Median Assessment of Group |
| 46.5% of Residential Properties will Decrease their Proportionate Share of the Tax Levy    | -20% or More               | 2                                       | 0.08%      |                            |
|  | -15% to -20%               | 6                                       | 0.25%      |                            |
|  | -10% to -15%               | 29                                      | 1.20%      |                            |
|  | -5% to -10%                | 89                                      | 3.69%      | 1,690,400                  |
|  | -2% to -5%                 | 170                                     | 7.05%      | 1,523,450                  |
|  | 0% to -2%                  | 270                                     | 11.20%     | 1,662,950                  |
| 53.5% of Residential Properties will Increase in their Proportionate Share of the Tax Levy | 0% to 2.82%                | 555                                     | 23.02%     | 2,070,300                  |
|  | 2.82% to 5%                | 215                                     | 8.92%      | 1,316,300                  |
|  | 5% to 7.5%                 | 435                                     | 18.04%     | 1,060,000                  |
|  | 7.5% to 10%                | 475                                     | 19.70%     | 732,700                    |
|  | 10% to 15%                 | 128                                     | 5.31%      | 832,800                    |
|  | 15% to 20%                 | 26                                      | 1.08%      | 543,700                    |
|  | 20% to 25%                 | 9                                       | 0.37%      |                            |
| 25% or More  | 2                          | 0.08%                                   |            |                            |
| Total Properties In Group  |                            | 2411                                    | 100.00%    |                            |

\*Net Value of Borough has Increased 2.82%

(figure 9)

## Residential Change Report

The market compression continues. Statewide, lower valued properties are appreciating at greater rates than higher valued properties.



(figure 10)



## 2021 Tax List Accuracy

The primary driver of a reassessment is recent “arms-length market transactions”. Statutorily, properties are assessed for what they would have sold for on October 1<sup>st</sup> of the pretax year. The 2021 valuation date is October 1<sup>st</sup>, 2020.

Our Supreme Court has held “value for purposes of taxation has some measure of permanence which renders it secure against general temporary inflation or deflation.” (Hackensack Water Co. v. Division of Tax Appeals, 2 N.J. 157, 163 (1949)); and “True value must be fairly constant and must be gauged by conditions, not temporary and extraordinary, but by those which over a period of time will be regarded as measurably stable.” (Berkeley Arms Apartment Corp. v. City of Hackensack, 6 N.J. Tax 260, 286 (Tax 1983)).

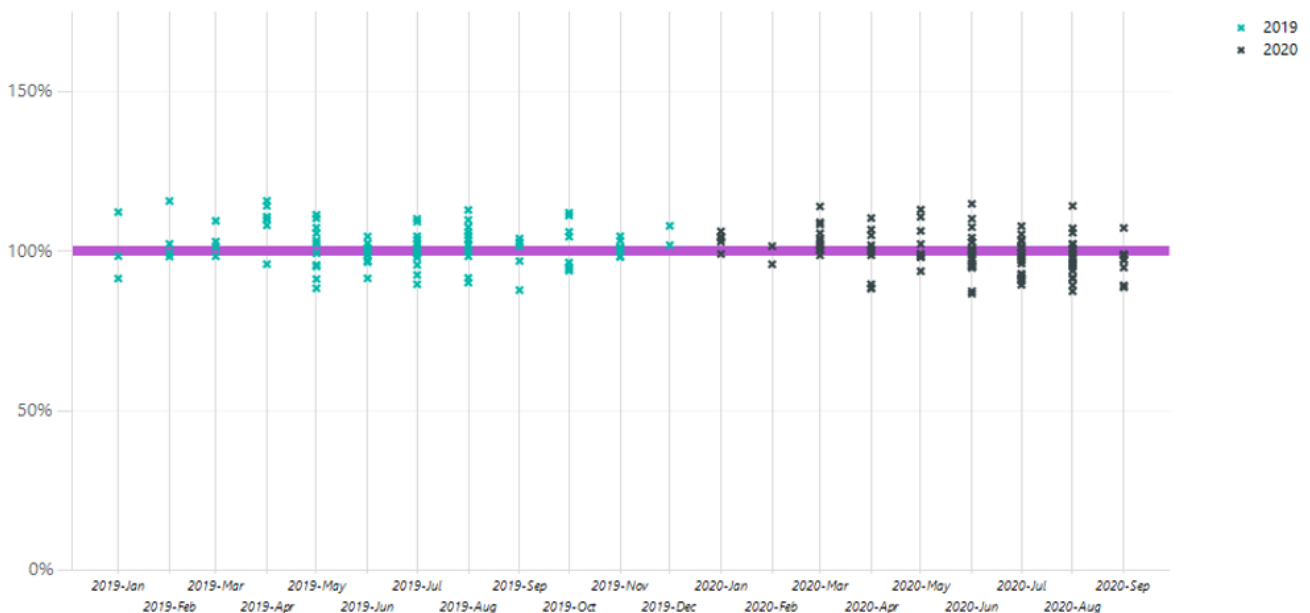
These quotes are more important now than ever. While the local market has appreciated at significant rates, assessors must view sales data used in the study in its totality while mass modeling assessments. While more recent sales are certainly given more credibility in the analysis, older sales will still be a stabilizing factor with annual reassessments. Inevitably, older sales will pull the modeling in the direction that the market was in the past. With regard to the 2021 reassessment, pre-COVID sale data is still dragging the assessments slightly lower than current sale prices actually are. Should this market appreciation continue through 2021, the Division of Taxation Director’s ratio will certainly be lower than the 100% target. We must recognize that the ratio study is being done with future sales, while the reassessment analysis is being done with past sales. The goal of the reassessment is to react to the market, not predict it.

A reassessment generally measures sale prices from the past two years (giving more credibility to the more recent transactions.) The Monmouth County Tax Board has a standardized review process to measure new assessments against sale prices from the current and prior year (*see figure 11*).

### Tax Board Assessment Data Analysis Module (ADAM360) Standardized Review: All 2019/2020 residential usable sales (removing top & bottom 2.5% outliers and properties that had renovations after the sale)

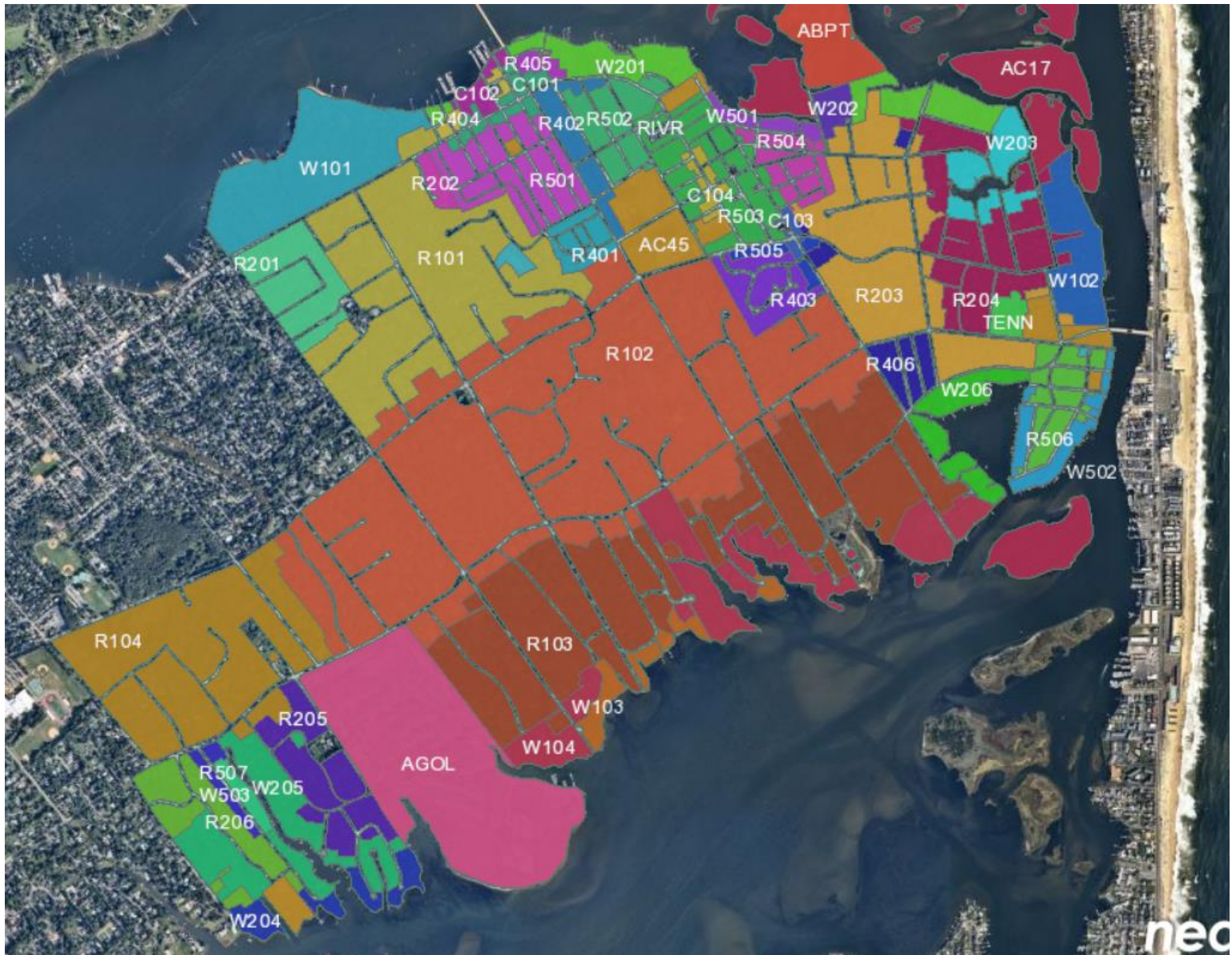
*\*Data addendum with sales attached*

|  |                         |                |                                 |               |                            |            |            |
|--|-------------------------|----------------|---------------------------------|---------------|----------------------------|------------|------------|
| <b>PRC Ratio for Municipality: Rumson Boro</b>             |                         |                | <b>Sale Date Range: 2 Years</b> |               | <b>Non Useable Sales :</b> |            |            |
| <b>Property Class: RESIDENTIAL PROPERTY (1 - 4 FAMILY)</b> |                         |                | <b>Style : ALL</b>              |               | <b>Neighborhood : ALL</b>  |            |            |
| <b>VCS : ALL</b>   |                         |                | <b>Outlier : 2.5</b>            |               |                            |            |            |
| <b>Sample Size</b>   | <b>Weighted Average</b> | <b>Average</b> | <b>Standard Deviation</b>       | <b>Median</b> | <b>COV</b>                 | <b>PRD</b> | <b>COD</b> |
| 194  | 99.97%                  | 100.59%        | 6.40%                           | 100.37%       | 6.36%                      | 100.62%    | 5.02%      |



(figure 11)

# Value Control Sector Modeling Map



(figure 12)

## Lot Valuation Matrix (Acreage Costed VCS)

\*does not include property specific adjustments (Traffic, flood zone, economic obsolescence, etc.)

| Neighborhood   |      |  | VCS Calculation Matrix |  |  |            |              |            |              |                          |
|--|------|--|------------------------|--|--|------------|--------------|------------|--------------|--------------------------|
| Section  | VCS  | Description                                    | Site                   | Per Acre- Up to Standard Size 1 or 1.5 (see Section) | Per Acre of Excess (After Standard Size) | 1 Acre Lot | 1.5 Acre Lot | 2 Acre Lot | 2.5 Acre Lot | 4 Acre Lot (w/ one site) |
| R1- Non Waterfront Residential 1.5 Acre Standard Lot | R101 | North of Ridge                                 | 875,000                | 225,000  | 125,000                                  | 1,100,000  | 1,212,500    | 1,275,000  | 1,337,500    | 1,525,000                |
|  | R102 | Between Rumson & Ridge                         | 875,000                | 225,000  | 125,000                                  | 1,100,000  | 1,212,500    | 1,275,000  | 1,337,500    | 1,525,000                |
|  | R103 | South of Rumson                                | 850,000                | 225,000  | 125,000                                  | 1,075,000  | 1,187,500    | 1,250,000  | 1,312,500    | 1,500,000                |
|  | R104 | Woods End to Fair Haven Rd                     | 775,000                | 200,000  | 100,000                                  | 975,000    | 1,075,000    | 1,125,000  | 1,175,000    | 1,325,000                |
| R2- Non Waterfront Residential 1 Acre Standard Lot   | R201 | Circle / Edgewood                              | 825,000                | 225,000  | 125,000                                  | 1,050,000  | 1,112,500    | 1,175,000  | 1,237,500    | 1,425,000                |
|  | R202 | Sugar Maple                                    | 800,000                | 375,000  | 125,000                                  | 1,175,000  | 1,237,500    | 1,300,000  | 1,362,500    | 1,550,000                |
|  | R203 | East of Ave of Two Rivers                      | 900,000                | 225,000  | 125,000                                  | 1,125,000  | 1,187,500    | 1,250,000  | 1,312,500    | 1,500,000                |
|  | R204 | East of Navesink Ave                           | 1,025,000              | 275,000  | 125,000                                  | 1,300,000  | 1,362,500    | 1,425,000  | 1,487,500    | 1,675,000                |
|  | R205 | West of Golf Course                            | 875,000                | 225,000  | 125,000                                  | 1,100,000  | 1,162,500    | 1,225,000  | 1,287,500    | 1,475,000                |
|  | R206 | Riverside / Ivins                              | 850,000                | 225,000  | 125,000                                  | 1,075,000  | 1,137,500    | 1,200,000  | 1,262,500    | 1,450,000                |
| W1- Waterfront Residential 1.5 Acre Standard Lot     | W101 | West River Waterfront                          | 2,050,000              | 550,000  | 400,000                                  | 2,600,000  | 2,875,000    | 3,075,000  | 3,275,000    | 3,875,000                |
|  | W102 | North Ward Waterfront                          | 1,900,000              | 500,000  | 300,000                                  | 2,400,000  | 2,650,000    | 2,800,000  | 2,950,000    | 3,400,000                |
|  | W103 | Eastside Shrewsbury River                      | 1,500,000              | 400,000  | 100,000                                  | 1,900,000  | 2,100,000    | 2,150,000  | 2,200,000    | 2,350,000                |
|  | W104 | Non-Premium Shrews-Large Sections of Marshland | 1,300,000              | 400,000  | 25,000                                   | 1,700,000  | 1,900,000    | 1,912,500  | 1,925,000    | 1,962,500                |
| W2- Waterfront Residential 1 Acre Standard Lot       | W201 | Navesink Waterfront                            | 1,750,000              | 400,000  | 250,000                                  | 2,150,000  | 2,275,000    | 2,400,000  | 2,525,000    | 2,900,000                |
|  | W202 | Non-Premium Nav-Large Sections of Marshland    | 1,300,000              | 400,000  | 25,000                                   | 1,700,000  | 1,712,500    | 1,725,000  | 1,737,500    | 1,775,000                |
|  | W203 | Blackpoint Horseshoe                           | 1,750,000              | 400,000  | 100,000                                  | 2,150,000  | 2,200,000    | 2,250,000  | 2,300,000    | 2,450,000                |
|  | W204 | Shrewsbury Riverfront                          | 1,500,000              | 400,000  | 200,000                                  | 1,900,000  | 2,000,000    | 2,100,000  | 2,200,000    | 2,500,000                |
|  | W205 | Inlets West of Golf Course                     | 925,000                | 300,000  | 150,000                                  | 1,225,000  | 1,300,000    | 1,375,000  | 1,450,000    | 1,675,000                |
|  | W206 | Oyster Bay                                     | 1,350,000              | 300,000  | 200,000                                  | 1,650,000  | 1,750,000    | 1,850,000  | 1,950,000    | 2,250,000                |

(figure 13)



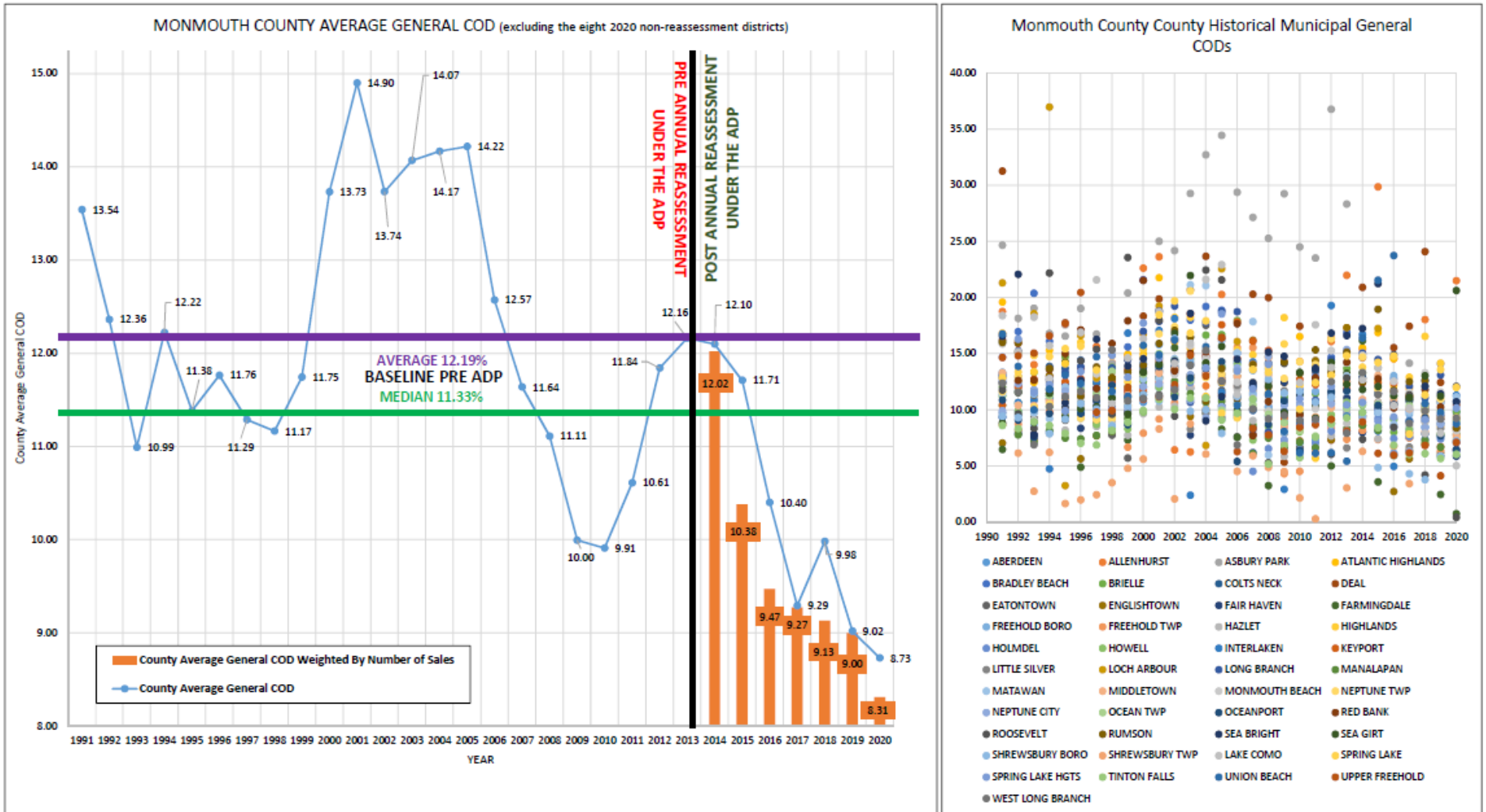
### Lot Valuation Matrix (Front Foot Costed VCS)

\*does not include property specific adjustments (Traffic, flood zone, economic obsolescence, etc.)

| Neighborhood   |      |                                      | VCS Calculation Matrix |   |                 |                 |                  |                    |                    |                     |                    |                    |                     |
|--|------|--------------------------------------|------------------------|---|-----------------|-----------------|------------------|--------------------|--------------------|---------------------|--------------------|--------------------|---------------------|
| Section  | VCS  | Desc                                 | Site                   | FF Calc<br>(up to 75ft<br>then 0.5<br>factor) | 25x75<br>(.5DF) | 50x75<br>(.5DF) | 100x75<br>(.5DF) | 25x150<br>(1.00DF) | 50x150<br>(1.00DF) | 100x150<br>(1.00DF) | 25x250<br>(1.26DF) | 50x250<br>(1.26DF) | 100x250<br>(1.26DF) |
| R4- FF Method<br>(Medium Sized Lot<br>Areas)           | R401 | Cherry/Crabapple                     | 500,000                | 4,400   | 555,000         | 610,000         | 692,500          | 610,000            | 720,000            | 885,000             | 638,600            | 777,200            | 985,100             |
|  | R402 | Bingham/Park                         | 400,000                | 4,400   | 565,000         | 510,000         | 592,500          | 510,000            | 620,000            | 785,000             | 538,600            | 677,200            | 885,100             |
|  | R403 | Robin/Blossom                        | 500,000                | 4,400   | 665,000         | 610,000         | 692,500          | 610,000            | 720,000            | 885,000             | 638,600            | 777,200            | 985,100             |
|  | R404 | Residential North of E River         | 350,000                | 3,300   | 473,750         | 432,500         | 494,375          | 432,500            | 515,000            | 638,750             | 453,950            | 557,900            | 713,825             |
|  | R405 | Oak Tree/Park                        | 450,000                | 4,400   | 615,000         | 560,000         | 642,500          | 560,000            | 670,000            | 835,000             | 588,600            | 727,200            | 935,100             |
|  | R406 | Small Lots East of Ave of Two Rivers | 450,000                | 4,400   | 615,000         | 560,000         | 642,500          | 560,000            | 670,000            | 835,000             | 588,600            | 727,200            | 935,100             |
| R5- FF Method (Small<br>Sized Lot Areas)               | R501 | Church/Lafayette                     | 350,000                | 4,400   | 515,000         | 460,000         | 542,500          | 460,000            | 570,000            | 735,000             | 488,600            | 627,200            | 835,100             |
|  | R502 | Lennox/Lakeside                      | 330,000                | 4,400   | 495,000         | 440,000         | 522,500          | 440,000            | 550,000            | 715,000             | 468,600            | 607,200            | 815,100             |
|  | R503 | E River/Center                       | 330,000                | 4,400   | 495,000         | 440,000         | 522,500          | 440,000            | 550,000            | 715,000             | 468,600            | 607,200            | 815,100             |
|  | R504 | Holly/Bay                            | 350,000                | 4,400   | 515,000         | 460,000         | 542,500          | 460,000            | 570,000            | 735,000             | 488,600            | 627,200            | 835,100             |
|  | R505 | Ave of Two Riv/Ridge                 | 310,000                | 4,400   | 475,000         | 420,000         | 502,500          | 420,000            | 530,000            | 695,000             | 448,600            | 587,200            | 795,100             |
|  | R506 | West park Non-Waterfront             | 350,000                | 4,400   | 515,000         | 460,000         | 542,500          | 460,000            | 570,000            | 735,000             | 488,600            | 627,200            | 835,100             |
|  | R507 | West of Golf Course Non-Waterfront   | 325,000                | 4,400   | 490,000         | 435,000         | 517,500          | 435,000            | 545,000            | 710,000             | 463,600            | 602,200            | 810,100             |
| W5- FF Method (Small<br>Sized Lot Areas<br>Waterfront) | W501 | Highland Ave Waterfront              | 500,000                | 5,500   | 706,250         | 637,500         | 740,625          | 637,500            | 775,000            | 981,250             | 673,250            | 846,500            | 1,106,375           |
|  | W502 | West Park Waterfront                 | 530,000                | 5,500   | 736,250         | 667,500         | 770,625          | 667,500            | 805,000            | 1,011,250           | 703,250            | 876,500            | 1,136,375           |
|  | W503 | West of Golf Course Waterfront       | 575,000                | 5,500   | 781,250         | 712,500         | 815,625          | 712,500            | 850,000            | 1,056,250           | 748,250            | 921,500            | 1,181,375           |

(figure 14)

# Monmouth County General Coefficient of Deviation Update 2020



The above charts display the Historical Average Coefficient of Deviation (COD) of the 45 Monmouth County Reassessment Districts. Coefficients are (on average) significantly lower in the Annual Reassessment Model under the ADP. That said, a simple average can be misleading as it gives the same credibility to municipalities of varying sizes. In some municipalities, the COD is developed with only a few sales. The orange bars post annual reassessment address this concern by weighing the municipalities based on the number of sales in each year's sample. The 2020 Tax Year General COD Weighted by Number of Sales is lower than any prior year in the study. As expected with an annual reassessment model, assessments and resulting tax distribution continue to get more accurate as time goes on.

(figure 15)