Market Value Decline?

Median Value: The MEDIAN value is the middle of a series arranged in order by value. In the example below it is the 5th in a series of 9 values. There are 4 values lower and 4 values higher. If the series contained an even amount of values, say 10, it would be the average of the 5th and 6th value.

| 2023 Sales | | | 2024 Sales | |
|-------------------|------------------------------------|--------------------|------------------------------------|--------------------|
| | Assume ALL Sold for Assessed Value | | Assume ALL Sold for Assessed Value | |
| | 81,000 | Rural area | 81,000 | Rural area |
| | 92,000 | Rural Area | 92,000 | Rural Area |
| | 123,000 | Rural Area | 123,000 | Rural Area |
| | 329,000 | Lakefront | 329,000 | Lakefront |
| | 600,000 | Lakefront (Median) | 330,000 | Lakefront (Median) |
| | 604,000 | Lakefront | 604,000 | Lakefront |
| | 610,000 | Lakefront | 610,000 | Lakefront |
| | 670,000 | Lakefront | 670,000 | Lakefront |
| | 896,000 | Lakefront | 896,000 | Lakefront |
| | 9 | Number of Sales | 9 | Number of Sales |
| | 600,000 | Median Value | 330,000 | Median Value |
| | | | | |

In 2024 the Median sale price dropped 45%. Does this indicate assessments are 45% high? No! It means the median price was lower. If higher valued home sales dominate the market the median price will be higher. If lower valued home sales dominate the market the median price will be lower.

Mean Value: The MEAN value is the average value of a series. In the example below it is the sum of the values divided by the number of values in the series. (Same sales used from above example)

| | 2023 Sales | 2024 Sales | |
|------------------------------------|-------------------|------------------------------------|-----------------|
| Assume ALL Sold for Assessed Value | | Assume ALL Sold for Assessed Value | |
| 81,000 | Rural area | 81,000 | Rural area |
| 92,000 | Rural Area | 92,000 | Rural Area |
| 123,000 | Rural Area | 123,000 | Rural Area |
| 329,000 | Lakefront | 329,000 | Lakefront |
| 600,000 | Lakefront | 330,000 | Lakefront |
| 604,000 | Lakefront | 604,000 | Lakefront |
| 610,000 | Lakefront | 610,000 | Lakefront |
| 670,000 | Lakefront | 670,000 | Lakefront |
| 896,000 | Lakefront | 896,000 | Lakefront |
| 4,005,000 | Sales | 3,735,000 | Sales |
| / 9 | Number of Sales | _/ 9 | Number of Sales |
| 445,000 | Mean Value | 415,000 | Mean Value |

In 2024 the Mean sale price dropped 6.74%.

Does this indicate assessments are 6.74% high? No! It means the average price was lower. If higher valued home sales dominate the market the average price will be higher. If lower valued home sales dominate the market the average price will be lower.

NOTE: All sales are the same except for one. One sale does not make a market. Mean or median prices are easily influenced by one sale and are not valid indicators to determine assessment accuracy.