

JOHNSON COUNTY
KANSAS

Appraiser's Office

Notes of Value
Third Quarter 2019



Message from the Interim County Appraiser

Jeff T. Holsapple, CAE, RES RMA



Real Property Update

The first nine months of the year show a significant increase compared to last year. There are 289 commercial property sale transactions amounting to roughly \$1.36 billion dollars. These transactions include land, apartments, retail, office, and industrial with a commercial property LBCS code.

Commercial Property Sales Transactions January to September

Year	Amount of Sales	No. of Transactions	% Change in No. of Transactions
2019	\$1,365,119,439	289	-9.4%
2018	\$875,720,647	319	2.9%
2017	\$1,594,189,347	310	13.3%
2016	\$775,445,571	269	---

ORION© *Jan – Sept Sales; Sales Type 2; All validity codes; Multi-parcel COVs Only Counted Once
COV field not null; Sale price field not null; Com = 4xx Nbhd or 6xx Nbhd

New commercial construction permits as of September 2019 were down compared to the new construction permits in September 2018. The table below reflects the comparison to the same time frame of the last four years:

Commercial Property New Construction Permits January to September		
Year	New Construction Permits (by EOM September)	Percent of Difference
2019	89	-31.5%
2018	130	-1.5%
2017	132	18.9%
2016	111	----

Source: Johnson County Appraiser's Office - Statistics Division (Jan.-Sep.)

Residential property sales transactions and new construction permits for the same timeframe, January to September, show a steady to slight increase in the residential market.

Residential Property Sales Transactions January to September			
Year	Amount of Sales	No. of Transactions	% Change in No. of Transactions
2019	\$3,407,975,450	10,178	-1.3%
2018	\$3,319,069,316	10,314	2.8%
2017	\$3,059,653,088	10,029	-4.7%
2016	\$3,044,843,190	10,525	---

Source: ORION© All Residential improved properties (Jan.-Sep.)

New residential construction permits as of September 2019 include single family, duplex, triplex, and fourplex property types. The table below shows a comparison to the same timeframe of the last four years:

Residential Property New Construction Permits January to September		
Year	New Construction Permits (by EOM September)	Percent of Difference
2019	1,212	-22.1%
2018	1,480	-4.5%
2017	1,550	19.7%
2016	1,295	---

Source: Johnson County Appraiser’s Office Statistics Division (Jan.-Sep.)

The three ways Kansas municipalities can work with new commercial development or neighborhood revitalization projects is through the use of Economic Development Exemption (EDX), Tax Increment Financing (TIF) and Industrial Revenue Bond (IRB). The top twelve Kansas counties with EDX by State Constitution for 2018 (Real Property) are shown on the table below. Johnson County has an appraised value of \$31,638,930 in EDX real property for 2018.

Top Twelve Kansas Counties for 2018 Economic Development (EDX) Exempt Real Property Appraised Value					
County Rank	County	EDX Real Property Appraised Value	County Rank	County	EDX Real Property Appraised Value
1	Shawnee	\$115,095,280	7	Franklin	\$20,805,270
2	Reno	\$64,174,100	8	Lyon	\$19,488,250
3	McPherson	\$58,260,190	9	Finney	\$16,151,280
4	Johnson	\$31,638,930	10	Republic	\$14,757,170
5	Cowley	\$25,451,940	11	Butler	\$13,869,880
6	Sedgwick	\$25,226,010	12	Ford	\$13,181,502

Source: 2018 Statistical Report of Property Assessment and Taxation – KDOR, PVD

Industrial Revenue Bonds (IRBs) are used in Kansas to finance acquisition and construction of a broad variety of industrial and commercial properties under K.S.A. 12-1740 et. seq. on behalf of private business or non-profit agencies. IRBs require a governmental entity to act as the “Issuer” of the bonds. The issuer can provide property tax abatement for up to ten years for property financed with IRBs. These are usually issued by the cities. The chart for the 2018 top twelve Kansas counties for Industrial Revenue Bond (IRB) exempt real property appraised value is as follows:

**Top Twelve Kansas Counties for 2018
Industrial Revenue Bonds (IRB) Exempt Real Property Appraised Value**

County Rank	County	IRB Appraised Value	County Appraised Value	IRB% of Total County Appraised Value
1	Johnson	\$1,291,279,410	\$73,509,869,086	1.75%
2	Wyandotte	\$407,592,640	\$7,720,739,321	5.27%
3	Sedgwick	\$275,284,074	\$30,824,606,442	0.89%
4	Butler	\$63,125,410	\$4,351,474,197	1.45%
5	McPherson	\$54,832,750	\$2,209,862,262	2.48%
6	Shawnee	\$36,926,410	\$10,344,398,442	0.35%
7	Cowley	\$36,560,180	\$1,374,162,034	2.66%
8	Douglas	\$32,794,240	\$9,269,797,248	0.35%
9	Sumner	\$28,108,240	\$1,257,433,756	2.23%
10	Harvey	\$13,931,350	\$1,739,687,381	0.8%
11	Crawford	\$13,072,250	\$1,590,068,044	0.82%
12	Geary	\$12,837,960	\$1,529,806,924	0.83%

2018 Statistical Report of Property Assessment and Taxation – KDOR, PVD

Exempt real properties (exempt from taxation K.S.A. 79-201, 201a and 201b) include buildings used exclusively by school districts, places of worship, and any buildings used by any association, organization, or nonprofit corporation.

Top Ten Kansas Counties for 2018 Exempt Real Property Appraised Value

County Rank	County	Exemption Appraised Value	County Appraised Value	Exempt Real Property % of Total County Appraised Value
1	Johnson	\$5,829,678,400	\$73,509,869,086	7.93%
2	Sedgwick	\$4,894,833,250	\$30,824,606,442	15.87%
3	Shawnee	\$1,653,741,110	\$10,344,398,442	15.98%
4	Riley	\$1,623,200,479	\$4,601,886,112	35.27%
5	Wyandotte	\$1,547,514,430	\$7,720,739,321	20.04%
6	Douglas	\$1,508,079,020	\$9,269,797,248	16.26%
7	McPherson	\$1,193,995,860	\$2,209,862,262	54.03%
8	Butler	\$962,426,770	\$4,351,474,197	22.11%
9	Montgomery	\$950,616,720	\$1,362,013,652	69.79%
10	Saline	\$911,624,833	\$3,521,385,805	25.88%

2018 Statistical Report of Property Assessment and Taxation – KDOR, PVD – except EDX and IRB

Mission Statement:

In accordance with the County's mission and values, the Appraiser's office establishes fair values of real and personal property that meet compliance standards established by the state.

Vision Statement:

An appraiser's office that makes a difference. The best people, giving their best efforts, for the very best community and striving to be better.

Executive Management Team

Jeff Holsapple	Interim County Appraiser
Scott Porter	Commercial Real Estate Valuation Manager
Jeff Ramsey	Residential Real Estate Valuation Manager
Alex Stewart	Personal Property Manager
Michelle Sipes	Support Services Manager

Notes of Value is published quarterly by the Johnson County Office of the Appraiser

Website:

<http://jocogov.org/appraiser>

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