



Notes of Value

Office of the County Appraiser
4th Quarter 2019

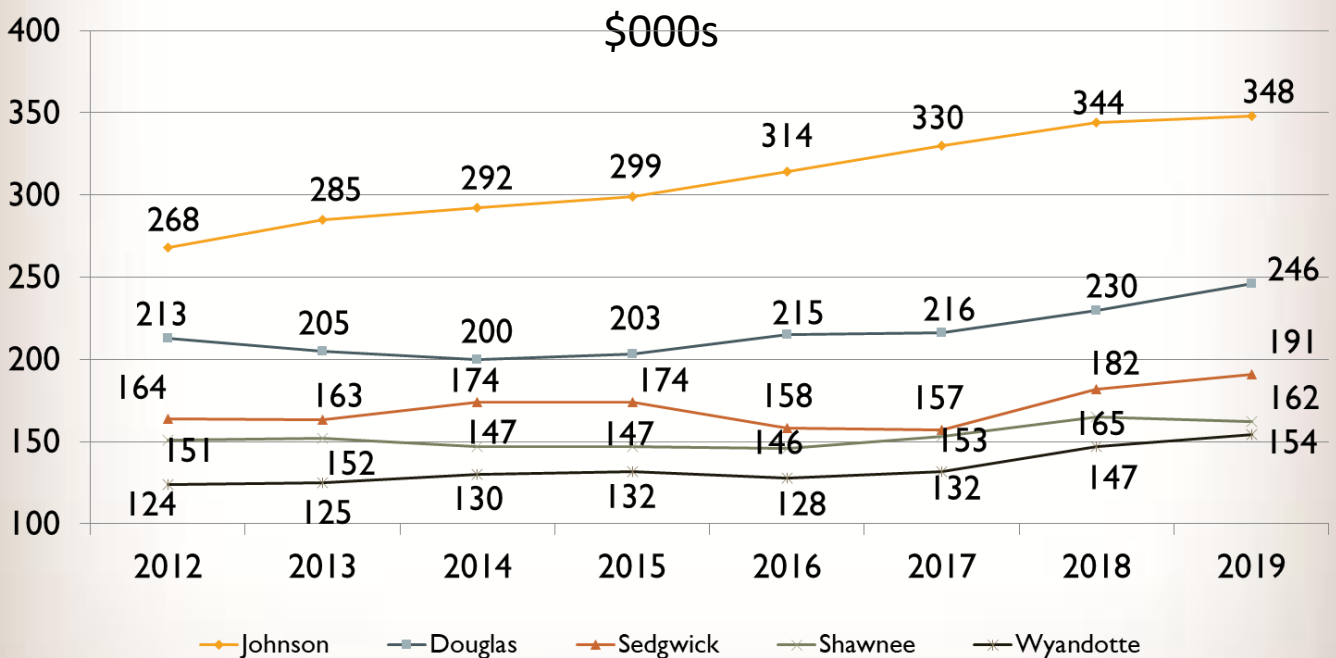


**Beau Boisvert, RMA
County Appraiser**



Average Sales Price by County

In terms of Residential property, the five largest counties in Kansas are Johnson, Douglas, Sedgwick, Shawnee and Wyandotte. The County Appraiser Survey shows the average sales price as of end of December 2019 in the graph below.



Residential Sales Information

Shown below are the average sale prices from 2018 to 2019 by model area.

Model Area	City boundaries	Average Sales Price 2018	Average Sales Price 2019	\$ Difference	% Change
1	Overland Park 79th to 95 th St	\$216,520	\$227,075	\$10,555	4.87%
2	Mission Hills	\$1,122,320	\$921,687	-\$200,633	-17.88%
3	Overland Park I-435 to 119 th	\$296,629	\$312,650	\$16,021	5.40%
4	DeSoto Eudora USD	\$282,475	\$312,931	\$30,456	10.78%
5	Overland Park 119 th to 135 th	\$391,206	\$408,084	\$16,878	4.31%
6	Overland Park 95 th to I-435	\$245,611	\$255,198	\$9,587	3.90%
7	Shawnee Quivira to Lackman	\$230,719	\$240,512	\$9,793	4.24%
8	Johnson County Northeast	\$472,954	\$514,904	\$41,950	8.87%
9	Johnson County North Central	\$222,531	\$232,206	\$9,675	4.35%
10	Lenexa – West of I-35 East of I-435	\$255,372	\$267,664	\$12,292	4.81%
11	Shawnee original town	\$179,441	\$190,497	\$11,056	6.16%
12	Leawood 79 th to I-435	\$570,449	\$553,513	-\$16,936	-2.97%
13	Shawnee Upscale 55 th & Pflumm	\$408,589	\$418,504	\$9,915	2.43%
14	Southeast Townships in BV USD	\$499,133	\$520,134	\$21,001	4.21%
15	Shawnee All western	\$317,669	\$330,812	\$13,143	4.14%
16	Prairie Village City limits	\$279,631	\$316,075	\$36,444	13.03%
19	Cedar Creek	\$551,604	\$593,264	\$41,660	7.55%
20	Olathe Original H-7 to I-35	\$153,560	\$156,645	\$3,085	2.01%

Model Area	City boundaries	Average Sales Price 2018	Average Sales Price 2019	\$ Difference	% Change
21	Olathe - NE to E of MurLen and S to 143 rd St.	\$271,555	\$275,647	\$4,092	1.51%
22	Olathe – SE to E of I-35 to S 151st	\$256,309	\$266,832	\$10,523	4.11%
23	Olathe – N & W of I-35 excl. Cedar Creek	\$320,416	\$330,921	\$10,505	3.28%
24	Lake Quivira	\$620,217	\$651,017	\$30,800	4.97%
25	Leawood – S of I-435 excl. model 31	\$544,567	\$533,678	-\$10,889	-2.00%
26	Overland Park 135 th to 151st	\$449,019	\$479,441	\$30,422	6.78%
27	Overland Park 95 th to 103 rd Metcalf to Belinder	\$305,781	\$325,680	\$19,899	6.51%
28	Merriam/Overland Park 47 th to 79 th Metcalf to Switzer	\$191,860	\$207,670	\$15,810	8.24%
29	Spring Hill USD	\$289,785	\$307,746	\$17,961	6.20%
30	Gardner-Edgerton USD	\$232,153	\$241,851	\$9,698	4.18%
31	Upscale Leawood, Hallbrook, Hazelwood, Tomahawk Creek Estates, The Woods, Siena, Tuscany Reserve	\$1,240,409	\$1,295,111	\$54,702	4.41%
32	Lenexa – W of I-435 incl. Whispering Hills & Falcon Ridge	\$438,711	\$460,235	\$21,524	4.91%
33	Olathe – S of 151st	\$308,586	\$331,552	\$22,966	7.44%
35	Overland Park – S of 151st	\$541,964	\$543,474	\$1,510	0.28%
36	Prairie Village – excl. central neighborhoods	\$559,895	\$570,190	\$10,295	1.84%
37	Olathe - Northwest	\$317,263	\$334,990	\$17,727	5.59%
38	Overland Park south of 167 th St	\$600,443	\$666,106	\$65,663	10.94%

3 Models not listed: Model 17 (Condominiums built 1994 or earlier); Model 18 (Multi-family residential); Model 34 (Condominiums built 1995 and later); 2019 sales 9/1/18 - 9/1/19

Commercial Property Update

Commercial real estate uses the Income, Cost, or Market approach to estimate value. Conditions for most of the commercial real market remains fairly stable. The number of permits for new construction still points to an expanding market trend for most property types.

Retail Properties had 310,000 square feet of construction permits issued during 2019. There continues to be redevelopment in the county for older sites demolished to make room for new construction, and often in the form of mixed-use type properties. Construction of restaurants was strong with permits issued for 30,000 square feet to build six new eateries.

Year	2013	2014	2015	2016	2017	2018	2019
GBA*	1,545,622	358,713	258,275	855,944	216,189	331,904	310,000

Office Properties have more than 950,000 square feet currently under construction and most is in the cities of Olathe, Overland Park, and Leawood. More specifically, the new Johnson County Courthouse contains approximately 390,000 square feet, the Shamrock East building at 95th and Metcalf in Overland Park will contain 230,000 square feet and the balance is in various smaller office structures.

Year	2013	2014	2015	2016	2017	2018	2019
GBA*	678,775	230,362	410,787	571,368	580,680	510,985	950,000

Industrial Property continue to be at the top of the expansion cycle as there has been 2.5 million square feet of warehouse space permits issued during 2019, including four permits for greater than 250,000 square feet each. One warehouse building is larger than 950,000 square feet while another is greater than 760,000 square feet, both being in or near the BNSF Intermodal. Though the southwest part of the county is seeing this large warehouse construction activity, Olathe and Lenexa are also experiencing significant industrial building construction.

Year	2013	2014	2015	2016	2017	2018	2019
GBA*	1,213,732	2,280,943	5,194,017	4,726,550	4,432,294	4,653,050	2,500,000

Large Industrial 200,000+ sq. ft. Buildings

2018	KUBOTA BUILDING 1 (SOUTH)/KUBOTA BUILDING 2 (NORTH)	1,952,183
2017	INLAND PORT VII	951,860
2019	HOSTESS (INLAND PORT LI)	764,500
2018	EXCELLIGENCE LEARNING CORPORATION	648,070
2018	KGP LOGISTICS/IT RENEW	567,290
2019	LENEXA LOGISTICS EAST 3	249,150
2018	LONE ELM COMMERCE CENTER	212,032

Multi Family construction remains strong with 1,799 recently completed units and 4,068 units under construction. Proposed projects add up to approximately 9,623 units. The proposed projects seek approval for initial plans, zoning changes, Tax Increment Financing and other dynamics. Many older properties are choosing to renovate to attract tenants who cannot afford rents like those at new luxury properties but wanting similar amenities. Multifamily rents, occupancy, and capitalization rates remain stable.

Multi-Family Construction Completed

Year	2013	2014	2015	2016	2017	2018	2019
Units*	1,784	1,751	2,468	1,510	1,279	868	1,799

* Apartments are measured in units rather than square feet.

The Commercial Real Estate division tracks all multi-family new construction projects as they are proposed, through construction, and when completed. The current status for each phase of construction is as below:

2019 Multi-Family Construction Summary

Phase of Construction	No. of Units
Total recent completed units	1,799
Total new construction starts	4,068
Estimated or proposed units	9,623

Hotel/Motel property in Johnson County has seen significant supply growth with eight new hotels and several more proposed. The county added 836 new hotel rooms in 2019, which more than doubled 2018's new room count of 359. All eight new hotels are of the category "select service" type and creates a total of 9,950 rooms in the county, which is up 9% from the prior year. Despite a significant amount of new supply, REVPAR and capitalization rates remain stable and these two factors result in generally stable valuations.

Hotel Market Construction Starts

Year	2013	2014	2015	2016	2017	2018	2019
Rooms*	0	439	0	519	124	359	836

* Hotels are measured in number of rooms rather than square feet.

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

Beau Boisvert	County Appraiser
Jeff Holsapple	Assistant County Appraiser
Scott Porter	Commercial Real Estate Manager
Alex Stewart	Personal Property Manager
Jeff Ramsey	Residential Real Estate 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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