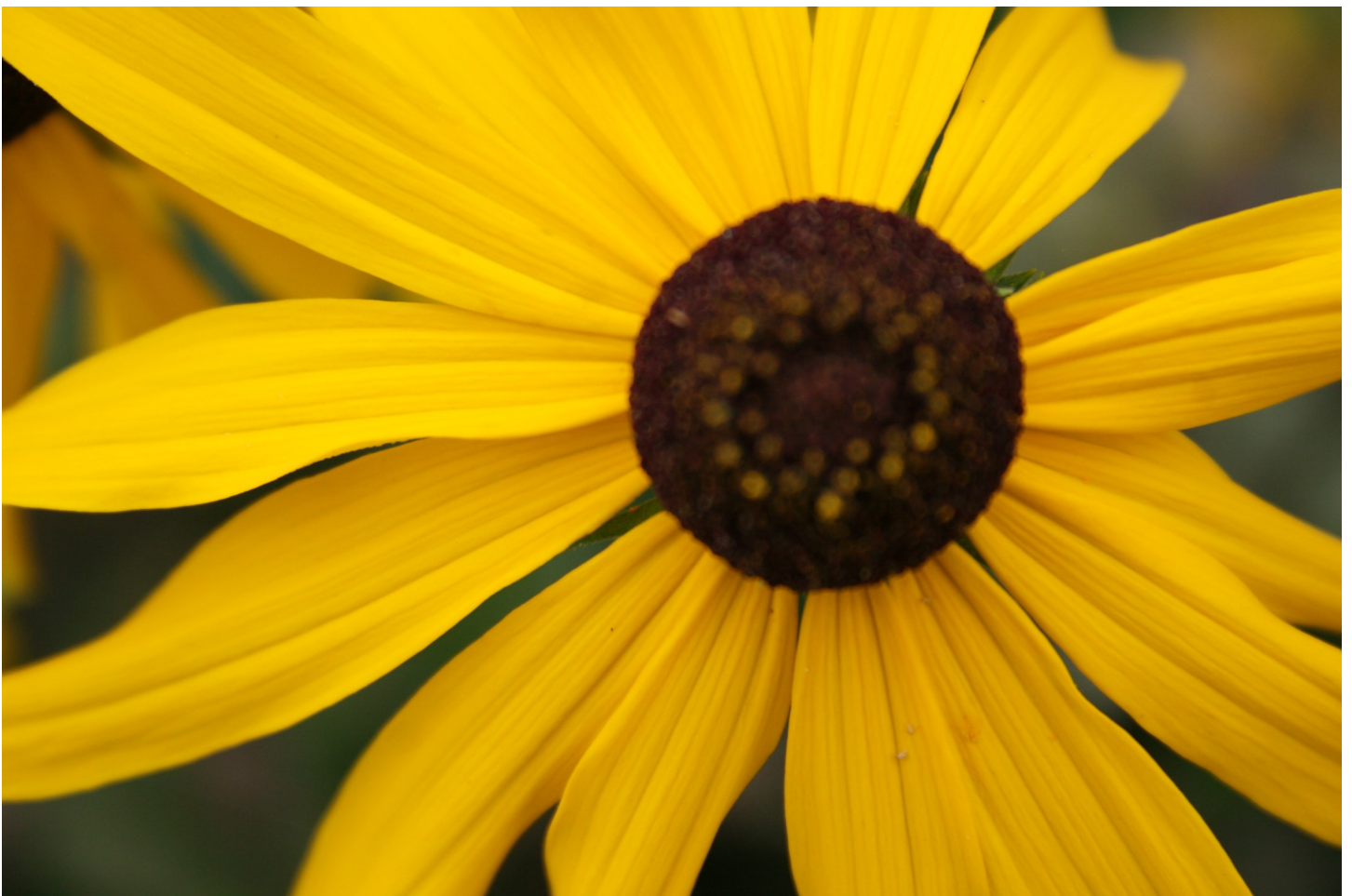


JOHNSON COUNTY
KANSAS

Appraiser's Office

Notes of Value

First Quarter 2021



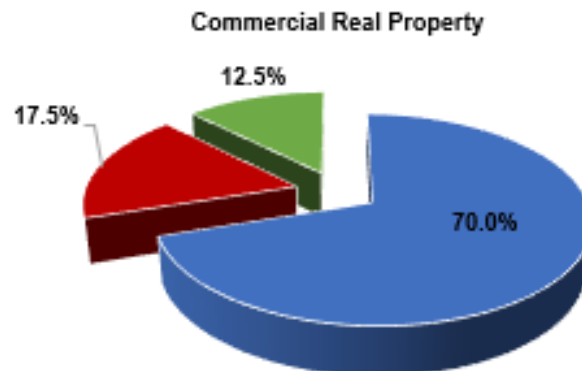
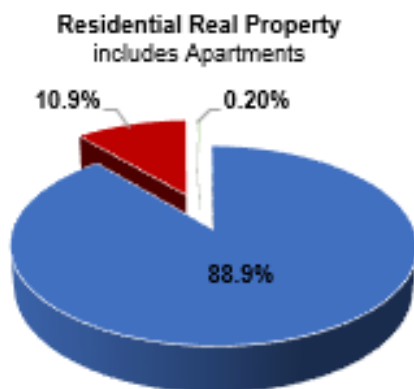
David “Beau” Boisvert, RMA

Johnson County Appraiser



2021 Revaluation

2020 / 2021 Market Value Comparisons			
Includes New Construction			
Johnson County 102 Property Type	Market Value November 2020 Appraised	Market Value February 2021 Appraised	Percent Change
RESIDENTIAL INCLUDING APARTMENTS	\$67,269,759,650	\$71,058,081,588	5.63%
RESIDENTIAL FARM HOMES	\$549,761,660	\$578,966,380	5.31%
AGRICULTURAL USE LAND AND IMPROVEMENTS	\$46,809,900	\$45,867,350	-2.01%
COMMERCIAL AND INDUSTRIAL	\$13,810,747,970	\$14,501,797,932	5.00%
VACANT LOTS	\$845,124,560	\$965,711,860	14.27%
NOT FOR PROFIT	\$87,653,910	\$114,128,170	30.20%
ALL OTHER REAL PROPERTY	\$6,111,230	\$6,314,030	3.32%
UTILITIES	\$0	\$0	0%
TOTAL TAXABLE VALUE	\$82,615,968,880	\$87,270,867,310	5.63%
TOTAL EXEMPT	\$8,196,247,450	\$8,510,774,300	3.84%
TOTAL APPRAISED VALUE	\$90,812,216,330	\$95,781,641,610	5.47%



■ INCREASE ■ DECREASE ■ NO CHANGE

Real Property

New construction building permits for residential real property in 2020 ended at 1,867. Commercial real property new construction permits were at 160. This reflects a 15.1% decrease over 2019 permit numbers in residential property types and a 36.7% increase in commercial property types.

The number of Sales Validation questionnaires for all real property was 18,172 an increase of 3,210 or 21.4% over 2019 Certificates of Value.

Foreclosures no longer impact the residential and commercial property market and are not considered in the real property values. The number of foreclosed properties sold in 2020 was 112, an decrease of 63.7% from the 309 foreclosed properties sold in 2019. The bid amount for 2020 is \$14.7 million.

New SF Residential Building Permits

As of the end of March, Johnson County reported a total of 533 building permits for new construction for 2021. This represents an increase of 175 permits for the same period a year ago.

2021 Q1 Residential Property Market

The local market update provided by the Kansas City Regional Association of Realtors for March 2021 reflects the average sale price for new and existing homes (combined) to be \$291,620 for the Kansas City region, representing a 14.2% increase over March 2020. The combined (new and existing) number of closed sales is 6.5% higher than in the first three months of last year.

The Johnson County market reports the average sales price for new and existing homes (combined) in March 2021 to be \$430,190 representing an 16.8% increase over March 2020. The combined (new and existing) number of closed home sales shows a increase of 2.3% compared to the same quarter last year.

The average number of days on market until sale for homes in Johnson County year to date through March 2021 is 34 days, a 41.4% decrease for the average days on market year to date March 2020 of 58. The percentage of original list price received is 102.1% for the month of March 2021.

Information from the Kansas City Regional Association of Realtors; data from Heartland Multiple Listing Service

Johnson County Residential Values						
Year	\$ Total Value	\$ New Construction	% New Construction	\$ Valuation less New Construction	\$ Valuation Change w/o New Construction	% Reappraisal growth
2012	41,998,032,550	279,751,350	0.67%	41,882,592,280	-60,627,630	-0.85%
2013	42,631,445,700	404,851,520	0.95%	42,226,594,180	344,001,900	0.54%
2014	45,050,635,070	686,017,360	1.52%	44,364,617,710	2,138,023,530	4.07%
2015	47,985,463,650	693,533,060	1.45%	47,291,930,590	2,241,295,520	4.98%
2016	50,956,798,320	645,852,120	1.27%	50,310,946,200	2,325,482,550	4.85%
2017	55,119,737,450	900,476,150	1.63%	54,219,261,300	3,262,462,980	6.40%
2018	59,695,759,780	731,296,330	1.23%	58,964,463,450	3,844,726,000	6.98%
2019	64,070,690,540	626,836,880	0.98%	63,443,854,660	3,748,094,880	6.28%
2020	67,819,521,310	611,994,860	0.90%	67,207,526,450	3,136,834,910	4.90%
2021	71,637,047,968	549,195,570	0.77%	71,087,852,398	3,268,331,088	4.82%

Data Source: Orion. Total values are as of October in each year, except 2021 which is as of February. New construction values are as certified in June by the County Appraiser except 2021 which is as of February. The Total Value includes Residential and Farmstead property class types.

Commercial Real Estate - Overall

According to the County Economic Research Institute, Johnson County's unemployment rate increased from last year, moving in November 2019 from 2.5% to 4.3% in 2020. This figure is slightly below the state of Kansas as a whole with an overall unemployment rate of 4.8%, and well below the national average of 6.4%. The population continues to grow, and new construction remains strong for several commercial property type sectors. Johnson County's excellent demographics and quantity of new construction continues to draw the attention of more national developers and investors.

There is evidence through sales that land values continue to have upward pressure in vicinities around new development and redevelopment projects. Areas specifically noted are Lenexa City Center around 87th and Renner Road and the city of Edgerton as it is influenced by the Intermodal with mega warehouse construction; along with redevelopment projects in areas such as the original downtown Overland Park near 80th and Metcalf Avenue; Sonoma Plaza at the southeast corner of 435 and 87th Street; and the former French Market at the northeast corner of 95th and Metcalf.

The County's commercial real estate market for industrial and multifamily properties continue to see market conditions conducive for growth. Demand has continued to be strong despite the Pandemic. Office and retail properties have remained relatively flat overall as the market is still adjusting to the way people work and shop due to the presence of Covid-19. The hotel inventory increased with regards to rooms; however, the market really struggled overall during 2020. The capitalization rates among various types and qualities of property has seen only minor changes during 2020 as indicated by annual studies. All national and local market conditions are continuously monitored by the appraiser's office regarding rents, vacancy, expenses, and capitalization rates; and adjusted annually to reflect current market conditions. Market data studied indicates that the future remains positive for some property types, but uncertain for others while they continue to adapt and adjust to the current conditions.

Conclusion:

Johnson County has a broad and diversified economic base, and remains very well ranked among more than 3,100 counties in the U.S. It continues to be an affluent community with good schools, solid employers, and a good transportation system. New construction projects continue to add to the real estate market and the local economic engine that lend themselves to good overall health of the county.

More specific data regarding major property types and conditions are discussed in the pages that follow.

Johnson County Commercial Values						
Year	\$ Total Value	\$ New Construction	% New Construction	\$ Valuation less New Construction	\$ Valuation Change w/o New Construction	% Reappraisal growth
2014	9,895,819,430	332,466,050	3.36%	9,563,353,380	381,526,798	4.16%
2015	10,616,541,356	271,799,600	2.56%	10,344,741,756	448,922,326	4.54%
2016	11,751,441,220	259,826,900	2.21%	11,491,614,320	875,072,964	8.24%
2017	12,250,963,614	331,571,250	2.71%	11,919,392,364	167,951,144	1.43%
2018	12,914,933,660	368,101,900	2.85%	12,546,831,760	295,868,146	2.42%
2019	13,275,470,070	434,638,360	3.27%	12,840,831,710	-74,101,950	-0.57%
2020	13,810,747,970	521,422,110	3.78%	13,289,325,860	13,855,790	0.10%
2021	14,501,797,932	403,613,410	2.78%	14,098,184,522	287,436,552	2.08%

Data source: Orion. Total values are as of October in each year, except 2021 which is as of February. New construction values are as certified in June by the County Appraiser except 2021 which is as of February.

Appeals	Residential	% of Total	Commercial	% of Total	Total
2020 Notice of Value Informal Appeal	6,361	74.5%	2,175	25.4%	8,554

Employment

The Johnson County unemployment rate at the end of February 2021 was 3.7% with a civilian labor force of 336,136. This compares to an unemployment rate for the state of Kansas of 3.2%.

Employment Wage Statistics Distribution

The table below shows the five counties with the highest estimated average weekly wages in Kansas for the 3rd quarter, 2020.

County Name	Average Annual Wage	Total Average Employment
Johnson	\$ 61,516	336,136
Coffey	\$ 59,228	3,304
Wyandotte	\$ 54,652	87,310
Leavenworth	\$ 49,920	20,150
Ford	\$ 48,984	16,336

Source: Kansas Department of Labor, Labor Market Information Services and the Bureau of Labor Statistics; Quarterly Census of Employment and Wages (QCEW)

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 Team

Beau Boisvert	County Appraiser
Jeff Holsapple	Assistant County Appraiser
Kara Endicott	Commercial Real Estate Valuation Manager
Jeff Ramsey	Residential Real Estate Valuation Manager
Alex Stewart	Personal Property Manager
Michelle Sipes	Support Services Manger

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

Website: jocogov.org/appraiser

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