



APPRAISING THE PLAINS of Kansas



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Spring daffodils received a fresh blanket of snow as we were putting together this issue of Appraising the Plains. Let's hope this is the last blast of winter!

In the meantime, get ready for some warm-weather fun at the joint NCRAAO/KCAA Conference in June. See page 30 for registration.

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My Wacky World— and Welcome to It!

Della Rowley, RMA
Cowley County
KCAA President

Well, another exciting year has come around for all of us. Changes with Orion have happened, will keep happening, and for some are just beginning. Change seems to be the theme so far this year, and I don't see that differing anytime soon. Hopefully, everyone has notices out and the Informal hearings are not too difficult this year.

Exciting times are occurring due to the shutting down of Yotta, a company that was responsible for Mobile "O" and allowing tablets to be used in the field. The counties that are already utilizing field tablets were delighted when Tyler offered to step in and write a program that will interact with Orion directly! Several counties listened in to a webinar in March that was presented by Brian McGrath from Tyler. Tyler is going to keep the cost for this application competitive with other products that are out there at this time. That was great news to hear to everyone listening in. More will come on this and possibly other vendors as time moves on, I am sure. If you missed the webinar or would like to know more, don't hesitate to contact Brian with Tyler.

The joint conferences of KCAA and NCRAAO (North Central Regional Association of Assessing Officers) are just around the bend. There has been a lot of hard work going on with this for over a year already, and much is still to be done. I appointed an NCRAAO Host Committee that immediately took hold of helping me get this put together, and they have done a wonderful job! Having members step up and work hard seems to be something that has made KCAA what it is today and what it will continue to be in the future.

Be sure and register for the conference, and come with the intent of learning a lot, having a great time and welcoming everyone to Kansas! NCRAAO is a great organization and this is your opportunity to see what happens at those conferences as well. *See registration info on page 30.*

Part of our June conferences each year involved electing new officers for the upcoming year. Please take time to let the nominating committee know if you are interested in running for office. There has always been great leadership in KCAA, and if this organization is going to continue with the high standards that it has always held, the leadership must continue with that same great path that history has laid out for us. GET INVOLVED; don't sit around waiting for someone else to do the job! No one has time; you just have to make it.

KCAA Appraising the Plains of Kansas is a quarterly publication of the Kansas County Appraisers Association. KCAA invites readers to submit articles or topics of interest for inclusion in "Appraising the Plains." Send them to Cindy Brenner, KCAA, P.O. Box 988, Meade, KS 67864. Ph. (620) 873-7449. Fax (620) 873-2237. Email: kcaa@sbcglobal.net

The Small and the Massive

By Rick Stuart, CAE

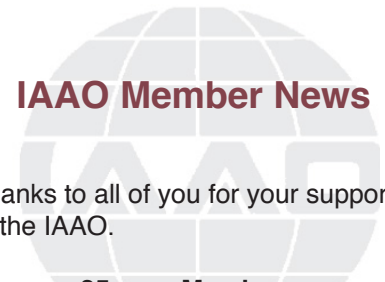
Della Rowley, RMA, submitted a website to see how you can live in a small home. But then I noticed another video that talks about a \$1 billion home in India. You must see this one for sure.

Small home:

<http://realestate.msn.com/slideshow.aspx?cp-documentid=27510726>

Massive home:

http://realestate.msn.com/video/default.aspx?vid=846c47a3-8e71-4abf-b715e978f30564d7&from=msnrealestate_ss



IAAO Member News

Thanks to all of you for your support of the IAAO.

25-year Members:

Rodney Broberg, CKA, RMA
(Way to go, Rod!)

20-year Members:

Jerry Mentzer, RMA, Woodson Co.
Debra Redding, Lyon County

New Members:

Rebecca Basinger, Sumner County
Pamela Palmer, Chase County
Jassmyne Word, Sumner County



IAAO 77th International Conference

Sept. 18–21, 2011, Phoenix, Arizona
<http://www.iaao.org/events/AnnualConference.cfm>

See page 9 for details/registration for Kansas Night 2011.

Board Meeting Highlights

■ **KCAA Executive Board Meeting Nov. 15, 2010, Sheraton Overland Park** (in conjunction with KAC Annual Meeting)

Attendees: Mark Hixon, Greg McHenry, Rod Broberg, Leon Reimer, Mike Montgomery, Rick Batchellor, Gene Bryan, Lori Reedy, Bruce Wright, Cindy Brenner, Della Rowley, Kenton, Jami, Dean Denning.

1. 2011 Education: Residential Review in June, Commercial Review after June. Della’s concern is making sure we offer what everyone needs for designations. 402 & 311 were two classes that came up that people might need this year. KCAA will not offer IAAO classes in the same timeframe as IAAO.

Continuing Ed requirements: Broadening the “appraiser process” portion to include classes re: mortgages, etc. Allowing more online hours to qualify for continuing ed. Mike to follow up with board after he gets more clarification from Marilyn.

2. Previous Meeting Minutes: Correction on the total KCAA funds to 111,431.57.

3 Financial Report:

82,259.76
 56,544.96
 11,342.23

 150,146.95

4. Treasurer’s Report: Matches Cindy’s figures. A vote was made and passed unanimously to approve the Treasure’s Report.

5. Legislative Issues & Reception: January 18th, in conjunction with KAC, from 4 p.m. to 6:30 p.m. at Top of the Tower. Rod is the chair of the committee. Does he need to register as lobbyist. 16-20m truck issue?? Should we

bring it up again?

6. Orion Enhancements: Mark made a motion to pay for the \$18,340 Obsolete Party Records, individual pdf reporting for \$13,886, new market variables at \$6,550. Sedgwick will pay separately Online Reporting at \$11,790. These are estimates only. It could vary 10-15% up or down. All agreed, no opposing.

Mark suggested seed money into the Orion Fund from KCAA. Mark made a motion to dedicate/earmark \$50,000 for the Orion Enhancement Committee to be used for future enhancements. Leon questioned whether or not “earmarking” an exact amount at this point is a little early. Gene suggested waiting until at least January to make a decision, or waiting to see what enhancements PVD will request for 2011 (they get 2 a year). Vote on dedicating the \$50,000 with Gene and Leon opposing and Greg, Rod, Jami, Gene, Lori, Bruce approving.

7. Oil & Gas: Rick Batchellor is the new committee chair. Try to get data together to help appraisers defend the guide. Decline rate only uses two years and it is suggested more years be used. Decline rate for new wells. Valuation should be at all levels of production.

8. NCRAAO ’11 Conference: Della reported we are moving ahead. KCAA portion of meeting will be Monday.

9. IAAO: No report

10. Other Business: Motion to move forward on getting a new website and host. Cindy to contact KAM on what they do and send some examples

Next meeting will be held in conjunction with the Legislative Reception in Topeka on January 18th.

Meeting adjourned.

Enhancement Committee Update: 11/15/2010

Kenton Lyon, RMA, Russell County Orion Enhancement Committee Chair

At the KCAA board meeting held in conjunction with the KAC meeting in Overland Park, the KCAA Board of Directors voted to fund four (4) of the enhancements for Orion this year. Those four (4) items and their costs are:

- | | |
|---------------------------|----------|
| 1. Obsolete party records | \$18,340 |
| 2. On-line reporting | \$11,790 |
| 3. Individual pdf | \$13,886 |
| 4. New market | \$ 6,550 |

To date, \$60,494.60 has been deposited. Sedgwick County will be paying for the online reporting enhancement as their contribution to our enhancement effort for this year. Some funding continues to trickle in and will continue into 2011. The carry-over monies will be utilized for the next round of enhancements.

Believe it or not, there are still some items on the list. Our job is to identify those items with the most critical need, broadest appeal, and to fund as many of those as we can with the least expenditure possible.

“...I’ve personally never been prouder of our organization.”

This project is unusual. It requires cooperation and a willingness to come together to resolve some common issues. That can-do spirit is sadly missing in our culture today, and is why I’ve personally never been prouder of our organization. Thank you, each and every one of you who at least asked for funding this past year. Thanks also to the entire committee, the KCAA board, PVD, and Tyler. None of us succeeds individually. All of us benefit to varying degrees from the efforts and actions of others. Acknowledgement of that truth is something to be especially thankful for this year.

Alternative Valuation Notice

By Mark Hixon, CKA, RMA, Shawnee County

Most county appraisers are well aware of the basic requirements for notifying taxpayers of the classification and appraised value of their real property pursuant to K.S.A. 79-1460 (aka 1460). After living with it in its various forms since 1989, I thought I knew it by heart. But because of the fact that Gov. Brownback has created a new position known as “The Repealer,” I had all my statute books out pouring over them looking for laws that are no longer relevant.

That’s when I stumbled onto the wording in 1460 regarding an alternative form of notification. And because I was also looking for ways to cut my budget by 10%, it got me thinking. *What could this mean? Had this ever been done? If so, who? And with 85% of our values being the same as last year, I could save the taxpayers \$25,000 by not printing and mailing notices to the ones that did not change.*

So I fired off an email to Mark Beck. By the way, while Mr. Beck may be very sick, he is still very much on the job and getting things done. By the next day, I had a response that included an opinion from Bill Waters that the Legislature did not mean the term “alternative notification” to include no notification—a very helpful piece of information. It also included the revelation that no one had ever done such a thing. What that meant to me was that this needed further exploration. Why would the Legislature have included the alternative notification as an option if they did not mean it to be utilized?

As you know, the printing and mailing of valuation notices is expensive. And it should not matter if we are in good or bad economic times, but it seems to become more urgent during bad economic times for us to do everything possible to cut costs. So, because of the potential for significant cost savings, I put together a proposal for providing alternative notifications to all property owners whose classification and/or value had not changed from the

previous year. I presented my proposal to the Board of Shawnee County Commissioners, and they instructed me to forward it to the PVD Director with a request that he approve the proposed alternative notification process. The proposal included:

- Provide a press release to all news media informing the public of the fact that valuation notices will not be mailed to property owners whose 2011 appraised value and classification did not change. The press release would further inform the public that failure to receive a notice or to file an informal appeal would not preclude them from appealing their 2011 appraised value or classification or paying under protest when they receive their tax statement in November.
- Direct the public to the county’s website where all real property values and property characteristics can be found.
- Provide clear instructions or appeal rights and contact information for anyone who wishes to appeal their appraised value or classification. These would be found in multiple locations on the main page of the county’s website as well as the county appraiser’s web page.
- Provide the public with a taxpayer assistance phone number for the purposes of inquiring about the classification/appraised value and/or to schedule appointments for informal appeal hearings.

The director responded with an approval in less than a week with the

above wording verbatim along with the following additional requirements:

Your request is approved as a pilot program for the 2011 tax year in Shawnee County with the following additional requirements:

- Calculate and state in the press release and set forth on the respective web sites the appeal deadline for appealing real property valuations.
- Provide any taxpayer requesting a copy of the notice, such copy.

I could live with those additional requirements, so we charged ahead at full speed.

We have just over 75,000 parcels and mailed about 10,000 notices on March 1st. We made some changes to the website to make sure it was as easy and intuitive as possible for people to find the info they needed. I sent news releases to all the media, and we got prepared to answer all the calls/emails/faxes/visitors we thought would be coming in.

The deadline for this report came before all the numbers were in, but as of March 14th we had 177 informal appeals scheduled. That is 26% fewer appeals than the same time last year. Of those, 37 were for parcels that did not change; 27 were for parcels that had decreases in appraised value; 113 had increases in value. We’ll see how those numbers hold up after all the appeals are in.

As part of this pilot program I have been keeping notes on the pros and cons as well as the unanticipated problems. One of the things we did not

Alternative Valuation, cont.

count on is the fact that the receipt of a notice apparently initiates a reaction from some taxpayers who utilize the services of tax reps. And that resulted in an email from a tax rep to the PVD in which the tax rep claimed that “tons of people from [the] Topeka area calling because they don’t know how to appeal their 2011 valuation.” And this brought up the possibility that properties owned by individuals and/or corporations located outside Shawnee County and not tuned in to our news media may not have gotten the message. However, because of the fact that the payment under protest option is available, this does not present a meaningful risk to the alternative notification process.

Another positive outcome is the general positive reaction by the public. The one comment about the story in the online version of *the Topeka Capital-Journal* was very cynically positive: “that seems too efficient for government.” I was pleasantly surprised. The bloggers usually have a lot to say about everything and it’s usually not very nice. But I don’t gauge my assessment of the public’s response on the online bloggers. Most people I have spoken with feel like it is unnecessary to spend their tax money to notify them of something they already know.

Of course, this alternative notification process would not work for every county. In order to make sense, the most important requirement is a very robust website that is heavily used. Last year we had an average of 152,000 hits a day on the county’s website with a little over half of them going to my site. That goes up to over 206,000 hits per day in March. That is a lot of usage. Check it out www.snco.us/ap. You can view and/or print a copy of the CVN, and it displays the sales comps along with live links to the comps. You can also get a copy of the PRC along with a lot of other stuff.

A program like this is bound to be more problematic and confusing to taxpayers the first time but will become more familiar with time. And if the initial two weeks of experience are any indication, this should become very familiar to the taxpayers of Shawnee County.

Welcome New County Appraisers

We have a new county appraiser, Georgianna Rail, RMA. Please make sure to welcome her to the easy, hassle-free, no-politics and taxpayer-happy position of county appraiser.



Georgianna Rail, RMA, Montgomery County

Why and how did you get started in the appraisal profession?

My husband knew some of the field appraisers and thought that a job with the county would be easy and secure.

What did you want or intend to be when you grew up?

My intention was to be an interior designer, and I quickly found out that it was a sure path to starvation. I did work at it for several years in a large real estate firm in Denver that provided this service to office-leasing accounts.

If you could change one thing associated with appraisal, what would it be?

I like mass appraisal, but the government system in which we perform this is too complex. The taxpayer is usually dissatisfied and flustered because of the complexities.

What person(s) has had the greatest effect on your personal and professional life?

My mother, who is 99 years old, and my sister, who is a nurse-researcher and educator.

What personal and/or professional goals do you have for yourself?

Continuing my education in mass appraisal and building on that and my experiences.

What are your hobbies or ways you like to spend your spare time? (Okay, pretend you have spare time!)

Camping, boating, golf, reading and playing with my grandchildren.

The screenshot shows the header of the Kansas Office of the Repealer website. Below the header is a navigation menu with links for Home, Accounts & Reports, Budget, Facilities, OIG, Personnel, Purchases, Printing, Repealer, and Surplus. The main content area features a "Welcome to the Office of the Repealer" message. It states: "If you believe that an unreasonable, unduly burdensome, duplicative, onerous or conflicting law, regulation or other governing instrument, detrimental to the economic well-being of Kansas, exists, please provide us with information in the fields below." It then asks the user to "Please enter your information and the law, regulation, or rule that you would like to have reviewed." and provides an alternative: "Or you can send the information to: Office of the Repealer, 1000 SW Jackson, Suite 500, Topeka, KS 66612".

State Repealer Office Online

Have a law you do not like or think is antiquated? Then Governor Sam Brownback has just the man for you. The Governor created a State Repealer position so Kansans can now submit online suggestions for laws or regulations they want repealed. To make your suggestion on a law or procedure, go to www.repealer.ks.gov.

Farmland Prices in Kansas Follow Increase in Crop Prices

By Dan Voorhis, The Wichita Eagle, Feb. 6, 2011. Reprinted with permission. Submitted by Lisa Ree, RMA.


The rise in Kansas agricultural land prices appears to be accelerating in response to the incredible jump in the price of many agricultural products since mid-2010. A recent survey by Farmers National Co., a national brokerage for farm and ranch land, showed that non-irrigated crop land in central Kansas averaged \$3,000 an acre, up 50 percent since June. Irrigated farmland in central Kansas was up 15 to 20 percent since June, for an average of \$3,500 an acre. Other Midwestern states saw increases of 10 to 20 percent, according to the company. Farmland on the coasts may actually have fallen in value in recent years because development prospects have dried up.

The only agricultural land in Kansas seeing a drop is land bought for hunting preserves — a hot commodity until 2008. Crop and pasture land, like any commercial real estate, attracts more buyers as the income it produces rises, say experts. More buyers plus fewer sellers equals higher prices. Crop prices have seen an extraordinary run since early July. A bushel of wheat priced about \$4 a bushel on July 4 is now more than \$8.50. Other crops have experienced similar increases.

As the land generates more income, it puts more cash in the pockets of the most likely buyers, nearby farmers. It also provides an attractive return for investors who then rent it out to farmers. The result: Auctions are drawing twice the number of bidders as before, said area agents. Monty Meusch, areas sales manager of Farmers National, said his agents used to have a pretty good feel for what land would sell for at auction but find they are now often underestimating final bids. “This thing has got pretty wild, with corn at \$6 and wheat at \$7 and \$8,” Meusch said.

What’s driving it?

The surge in farmland prices



As prices for crops continue to rise, the land farmers grow the crops on is increasing in price as well. Crop and pasture land, like any commercial real estate, attracts more buyers as the income it produces rises, experts say.

is partly the result of normal supply and demand, and partly because of federal government efforts to revive the economy. The Federal Reserve’s printing of more dollars to revive the economy has reduced its value against foreign currencies. As that value has dropped, American exports have become cheaper and easier to sell overseas. But the situation is complex. Many believe the U.S. actions have exported inflation outside the country, leading to rising prices for food produced elsewhere. And the low interest rates set by the federal government to encourage borrowing also have an effect. They make it cheap to borrow and reduce the attractiveness of holding the money in alternative investments. This has driven up investor demand, and prices, of crops and the land to grow them.

Farmers, say agents, are comfortable owning land, so buying more is an obvious place to put their newfound surpluses. It also has attracted those who are seeking higher returns than US Treasury bonds and less risk than stocks. This includes the local doctor and banker, but it’s moved beyond that. Chris Ostmeyer of Farmers National in Wichita manages farms for out-of-town investors. “These big investors are really national in scope,” he said. “They’ll rent it to the farmer and get a good return, better than they can get anywhere else right now.” These investors, whether local or national, are driving prices high enough in some instances that local farmers won’t buy.

Duane Hilger, who farms wheat and raises cattle south of Norwich, said he was at a recent auction and was outbid by an investor. He was really interested in the land, he said, but it just got too expensive. Land prices can’t be based solely on today’s high crop prices, he said. “You throw a rock up and eventually it will come down,” he said.

Headed for a bubble?

Thomas Hoenig, president of the Kansas City Federal Reserve, has warned that farmland prices may be getting above what is warranted by crop prices. The fear is that another bubble is inflating, that buyers are borrowing to buy that land, bid up prices and increase leverage in a replay of the housing crisis. The Kansas City Federal Reserve Bank will release a study of the fourth quarter soon that looks more closely at how much farmers have borrowed.

Many are watching the situation closely to see if a bubble is starting to form. “That’s the million dollar question,” said Brian Briggeman, an economist for the KC Fed. “It’s difficult to identify a bubble.” He said the use of debt appears to be increasing among farmland buyers, but that doesn’t necessarily signal trouble. In Kansas, at least, that doesn’t seem to be a problem, yet, said Byron Enix, Wichita-based regional manager for American AgCredit. “We are not seeing a tremendous increase in leverage in the balance sheet,” Enix said. “That is locally. Nationally, we are seeing increased levels on farmers’ balance sheets in the corn belt.”

In Memoriam

- ▶ **Dennis Ronald Albers**, April 25, 1953 to Feb. 2, 2011
- ▶ **Willis A. Wilson Jr.**, May 1, 1934 to Feb. 4, 2011

☛ **We lost a very nice person**

Reprinted from the Kansas City Star, Feb. 7, 2011.

Dennis Ronald Albers, beloved father and husband, was called home on February 2, 2011, and God said "well done good and faithful servant." Dennis was born April 25, 1953, in Hays, Kan., the son of Roy and Marie (Tiny) Albers. He graduated from Palco High School and left to see the world with just a smile and a backpack. He traveled Europe for three months visiting 17 countries where he developed a genuine love of other cultures. After serving his country in the United States Air Force as a Sergeant, he went on to receive a Bachelor's degree at the University of Kansas in 1987.

Dennis had a devoted career to Douglas County, Kan., for 24 years, where he gave his time and talents in the area of mapping and GIS (geographic information systems). Dennis worked as a GIS Coordinator in the Douglas County Appraiser's office for over 20 years before being recently promoted to the GIS Director for Douglas County. Throughout Dennis' career he was a member of professional organizations, including KAM (Kansas Association of Mappers) and IAAO (International Association of Assessing Officers), where he earned a prestigious CMS (Cadastral Mapping Specialist) designation. Dennis served on many IAAO committees and gave back to the mapping industry by becoming an IAAO Senior Instructor teaching various mapping courses. Dennis will be remembered as a well-respected individual in the society of professional mappers.

Dennis was a founding member of JumpStart Sudan, a Christian nonprofit organization which provides humanitarian aid to Akon, Sudan. He served on

the board from 2002 to 2010 with six years as Treasurer. The members of that board held a deep respect and affection for Dennis and his wit, dry sense of humor and passion for helping the people of Sudan. He accompanied JSS Executive Director Akot Arech to Sudan on a mission trip in 2005 and wanted to return someday to do more.

He is survived by wife, Christine and sons, Mark of Moore, Okla., and Michael, his mother, Marie Albers, sister, Marie Albers, brother, Dr. Robert Albers (Lynne) of Albuquerque, NM. Services will be held at Indian Creek Community Church, 12480 Blackbob Rd., Olathe, KS 66062. Visitation from 6 to 8 p.m. Thursday evening, Feb. 10, and funeral service at 10 a.m. Friday, Feb. 11. Burial follows at Oaklawn Memorial Gardens. In lieu of flowers, the family is asking that donations be made in his memory to Jumpstart, PO Box 4471, Olathe, KS 66063-4471 and please visit www.jumpstartsudan.org/ help. Please visit Dennis's website at www.maplehillfuneralhome.com.

This email from Steve Miles, RMA, Douglas County appraiser, probably says it all about Dennis:

It is with sadness that we share the loss with you of Dennis Albers yesterday, February 2, 2011.

Dennis worked for the county for 24 years in the GIS department. He was well respected and liked by his colleagues and his fellow co-workers. His talents, friendly smile, genuine kindness and helpfulness will be greatly missed.

He is survived by his wife Christine and sons Mark and Michael. Funeral services are pending; another email will be sent out with details when we are notified by the family.

Please keep his family and friends in your heart during this most difficult time.

Unfortunately, the bad news continues in this issue. Many of the long-timers will have had Willis in class and knew him from his time at PVD.

☛ **Willis A. Wilson Jr.**

Reprinted from the Topeka Capital-Journal, Feb. 5, 2011.

Willis A. Wilson Jr., 76, of Topeka, passed away Friday, February 4, 2011. He was born May 1, 1934 in Cimarron, Kan., the son of Willis A. and Iva Wilson. Willis graduated from Cimarron High School and Oklahoma State University. He owned Wilson Homes and other businesses. He was a member of the Topeka Bible Church. He retired from Kansas Dept. of Revenue, Property Valuation in 1996.

Willis and Mary Jo Crick were wed June 6, 1954. She preceded him in death June 10, 2008. He is survived by fiancé, Adine Martin; son, Terry Wilson and wife, Maricel; grandchildren Joshua, Justin and Jade, Topeka; Amber Guzek and two great-granddaughters; daughter, Meredith Roth and husband, Glenn; grandchildren, Ryan and Megan of Topeka; brother, Ivan Wilson and wife, Jody, of Cimarron; sister-in-law, Rita Mohr and husband, Ray, Topeka.

Visitation will be Mon., from 6 to 8 p.m. at Kevin Brennan Family Funeral Home, 2801 SW Urish Rd, Topeka KS 66614. Funeral service will be Tues., at 1:30 p.m. at the funeral home. Burial will follow at Mt. Hope Cemetery. Memorial contributions may be made to the National Jewish Medical and Research Center or Midland Hospice Care, sent in care of the funeral home. Online condolences may be sent to www.kevinbrennanfamily.com.

Oklahoma Supreme Court Strikes Appraisal Law for Drilling Equipment

By Jay F. Marks, jmarks@opubco.com Reprinted from NewsOK.com, Jan. 28, 2011.

A recent Oklahoma Supreme Court ruling may have resulted in more questions than answers for oil and natural gas companies and the elected officials charged with determining the value of their taxable equipment.

The state's top court Tuesday affirmed the ruling by a Roger Mills County judge that a statute dealing with how county assessors figure the value of oil and gas equipment was unconstitutional.

The law, which required assessors to rely on the values listed in the year's first Hadco International monthly bulletin, violates the statutory requirement to determine the "fair cash value" of all property, the court ruled in agreeing with District Judge Charles L. Goodwin's judgment.

"The Legislature cannot make the Hadco International bulletin the sole and conclusive factor for valuing property for tax purposes, nor give the Hadco valuation preference over relevant and reliable market data concerning property of the same kind that has been obtained by the assessor," Justice John F. Reif wrote in the appellate court's ruling.

Garfield County Assessor Wade Patterson said the ruling seems fair, given that appraisals are meant to determine the fair cash value of property for taxation purposes.

"As the assessor, I have to use the best information available at the time to help me determine fair cash value. It may be sales, it may be the income approach, and it may be the cost approach," Patterson said. "By ordering the use of one source, you would not be able to consider certain market conditions that exist on Jan. 1."

The invalidated statute had been written by a coalition that included members of the oil and gas industry and county officials.

A Chesapeake Energy Corp.

spokesman said company representatives worked with the Mid-Continent Oil and Gas Association of Oklahoma, state Tax Commission and some assessors on the legislation to develop a uniform standard for determining the value of oil and gas equipment. It is too soon to tell how Tuesday's Supreme Court ruling will effect the industry, he said. The ruling has not been released for publication, so it is still subject to revision or withdrawal.

Tulsa-based Unit Drilling Corp. appealed the original Roger Mills County ruling, maintaining the statute was valid. The company and its attorneys could not be reached for comment on the Supreme Court's ruling.

Patterson said the statute challenged by Roger Mills County Assessor Teresa Morris likely was written because the state Tax Commission does not have anything in its personal property valuation guide pertaining to drilling equipment. "If that was the reasoning, it has merit," he said.

Patterson said assessors consulted the Hadco publication even before its use was mandated by law. He called it a great tool, but it is only one of the manuals used in making appraisals. "There are numerous sources available, the best of which is actual sales in our market," Patterson said.

Read more: <http://newsok.com/oklahoma-supreme-court-strikes-appraisal-law-for-drilling-equipment/article/3536060#ixzz1HjNWxWmnarticle/3536060#ixzz1CKRE296o>

Oklahoma Supreme Court Rules Judge Made Wrong Decision on Appraisal Case

By John Estus. Reprinted from NewsOK.com, Feb. 24, 2011

A case of coincidental timing led the state Supreme Court to rule Tuesday that its newest justice made the wrong

decision in one of her old cases. Justice Noma Gurich took office last week at a time justices were wrapping up review of a case about a property assessment dispute she handled as an Oklahoma County district judge in 2009. Gurich was not involved in the debate over her old case because the court began considering it months before she was seated.

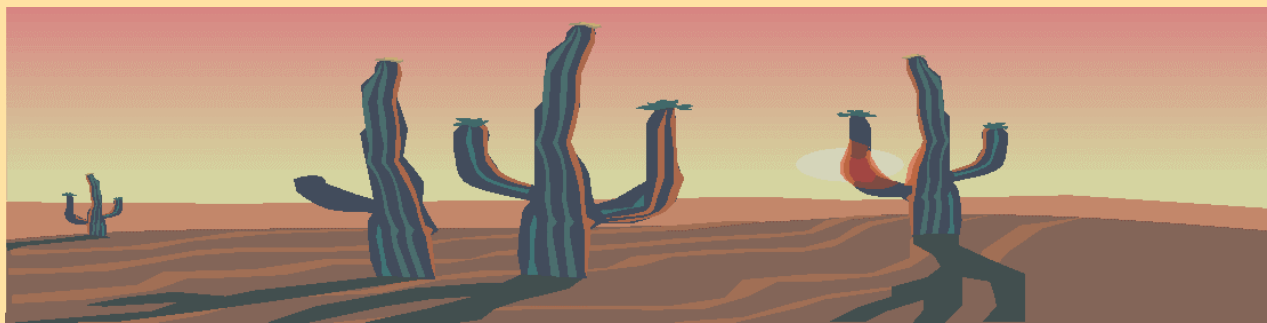
Gurich in 2009 ruled Oklahoma County assessors should be allowed to enter a home in eastern Oklahoma County to determine its value, which assessors often do when a property valuation has been protested. The homeowner had protested the properties valuation but did not want employees from the assessor's office inside the home for a reappraisal. In a 5-3 ruling Tuesday, the high court reversed Gurich's decision and sent it back to district court. "I guess we'll just have to start over," said Larry Stein, chief deputy for Oklahoma County Assessor Leonard Sullivan.

The court ruled homeowners have privacy rights that would be infringed upon if a county assessor were allowed to enter their home against their wishes. "The trial court has given the county assessor permission the law has not," Justice Yvonne Kauger wrote in the concurring opinion. "The privacy afforded citizens in their homes is one of the most valued tenets of this society."

Also concurring were Vice Chief Justice Tom Colbert and Justices Douglas Combs, James Edmondson and Joseph Watt. Chief Justice Steven W. Taylor and Justices John Reif and James Winchester argued in a dissenting opinion that a fair trial to determine the value of the home would not be possible if assessors are not allowed to enter the home to perform a fully informed appraisal.

Justices were not available for comment because the judicial code of conduct prevents them from discussing pending or active cases. The case could potentially come back before the high court.

[The trial court has given the county assessor permission the law has not.](#)



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For additional info contact: Rick Stuart rstuart17@cox.net or Kim Laufer cmappras@pixius.net

COTA Decision with a USPAP Twist

By Kevin Bradshaw, CAE, RMA

This is an interesting decision from the Court of Tax Appeals (COTA) concerning an appeal in Wyandotte County with some argument by the property owner about USPAP. The court found that the inclusion of evidence that the county had not prepared does not change the scope and character of the work of the mass valuation appraiser. In other words, it sounds like the county did not run afoul of Advisory Opinion 32 by reading and presenting several fee appraisals done on the subject as part of the county evidence. The property owner's attorney tried to argue that as soon as the county considered the fee appraisals, they violated the spirit of mass appraisal and thus undertook to perform a single property report, not a mass report. The decision follows below.

BEFORE THE COURT OF TAX APPEALS STATE OF KANSAS

In the Matter of the Protest of KJH, L.L.C. for the Year 2007
In Wyandotte County, Kansas
Docket No. 2008-614-PR

AND

In the Matter of the Equalization Appeal of KJH, L.L.C. for
the Year 2008 In Wyandotte County, Kansas
Docket No. 2008-3422-EQ

ORDER

Now the above-captioned matters come on for consideration and decision by the Court of Tax Appeals of the State of Kansas. The Court conducted a hearing in these matters on January 29, 2010. KJH, L.L.C., Taxpayer, appeared by Linda A. Terrill, Attorney, and Kelly Hefton, Owner. The Unified Government of Wyandotte County and Kansas City, Kansas (County) appeared by Ryan Carpenter, Wyandotte County Counselor, and Jeff Storie, Senior Commercial Appraiser.

After considering all of the evidence and arguments presented, the Court finds and concludes as follows: The Court has jurisdiction of the subject matter and the parties, as an equalization appeal has been properly and timely filed pursuant to K.S.A. 2009 Supp. 79-1609, and a tax protest has been properly and timely filed pursuant to K.S.A. 2009 Supp. 79-2005. The tax years in issue are 2007 and 2008. The subject matter of these appeals is as follows:

Real estate and improvements known as 1201 N. 130th St., also known as Parcel ID #105-296900, located in Kansas City, Wyandotte County, Kansas.

I. Subject Property

The subject property is a mini-storage facility located at the northeast corner of 130th and State Avenue in Kansas City, Kansas. The Kansas Speedway and the Village West development are located east of the subject property. The Delaware Ridge residential subdivision is located immediately west of the subject property. The Sandstone Amphitheater and Wyandotte County Park are located south of the subject property.

The subject facility consists of four separate buildings and land that collectively contain 270 mini-storage units. The subject property's largest building is a two-story climate controlled structure with 23,036 square feet of gross building area. The three smaller one-story buildings have a total of 10,300 square feet of gross building area. The County lists the buildings at C construction quality, normal physical condition, and normal functional utility.

The subject property has a 2007 appraised value of \$993,460 and a 2008 appraised value of \$1,193,000. The Taxpayer appealed these valuations asserting the County has not properly adjusted its appraisals for the subject property's above market vacancy and the negative impact of restricted access to the property due to area road construction. Further, the Taxpayer argued the County's appraisal was not compliant with various provisions of the Uniform Standards of Professional Appraisal Practice (USPAP).

II. County Evidence

Jeffrey Storie, Senior Commercial Appraiser, appeared as a witness for the County. Storie has the RMA (Registered Mass Appraiser) designation from the State of Kansas, Division of Property Valuation (PVD) and the Residential Evaluation Specialist designation from the International Association of Assessing Officers (IAAO). Storie personally inspected the subject property in January 2007 and is familiar with the subject area. Storie presented the County's appraisal evidence for the subject property and discussed the subject property's location, physical characteristics, and dimensions in detail.

2007 Valuation

For its 2007 appraisal, the County compiled income and cost approaches. The County's income approach indicated a value of \$1,359,000. To support its income approach parameters, the County presented a capitalization rate study, and an income and expense study. As the subject property was partially constructed and in its initial lease-up period during 2007, the County placed most emphasis on its cost approach.

For its cost approach, the County determined a base replacement cost new (RCN) of \$586,030. The County referenced an appraisal compiled for financing of the subject property

that indicated actual construction costs of \$1,316,560. The County reduced this RCN 3% for physical and functional depreciation. The County did not make any adjustments for economic obsolescence. However, a 20% reduction was applied to the climate controlled building as it was not complete as of January 1, 2007. A county index of 1.68 was applied to yield a modified replacement cost new less depreciation of \$840,150. The County added \$43,530 for paving and \$102,780 for land to arrive at a total estimate of value of \$993,460. To support its cost parameters, the County presented a property type summary, a cost index study, and a depreciation analysis.

2008 Valuation

For 2008, the County determined the subject property's original appraised value of \$1,415,150 utilizing the cost approach. The County presented a property type summary, a cost index study, and a depreciation analysis to support the parameters of its cost approach. At the informal hearing, the County reduced the appraised value to \$1,193,300—the estimate of value determined by its income approach. The County submitted that the income approach would be the best methodology to allow for any losses in value due to the initial lease-up period and restricted access to the property during area road construction. The County presented a capitalization rate study, and an income and expense study to support its income approach parameters.

The County's 2008 income approach utilized an \$8.40 per square foot stabilized blended rental rate for a potential gross income (PGI) of \$275,822. This rental rate was determined from the County's prior years' rental rate studies and an examination the rental rates of comparable properties. The County applied a 10% vacancy and collection loss rate (vacancy rate) to determine an effective gross income (EGI) of \$248,240. Deductions were made for total operating expenses (\$38,418) and management expenses (\$14,894) to arrive at a net operating income (NOI) of \$194,928. The NOI was capitalized at 13.99% (10% capitalization rate and a 3.99% effective tax rate) to yield an estimate of value of \$1,393,300. The County applied a \$200,000 rent loss adjustment to account for rent loss during the initial lease-up period as well as any negative economic impact from road construction. The County calculated this adjustment by determining the property's net revenue less a 5% lease-up cost and 60% vacancy rate for the first year, a 40% vacancy rate for the second year, and a 30% vacancy rate for third year. The net present value of this revenue was determined utilizing an 11% discount rate.

The County also presented various appraisals of the subject property compiled for loan purposes to support its appraisal parameters and overall opinion of value. Shane Gretzinger of Overland Park, Kansas, performed an appraisal that indicated an "as complete" value of \$1,615,000 as of October 2005 and a stabilized value of \$2,250,000 as of April 25, 2006. Timothy J. Keller of Lawrence, Kansas, performed an appraisal in

October 2007 that indicated an "as is" value of \$1,687,500 as of September 2007 and a stabilized value of \$2,000,000 as of September 2010. Both Gretzinger and Keller have the MAI designation from the Appraisal Institute.

Gretzinger relied primarily on the cost approach which indicated a value of \$1,615,000. This cost approach indicated no loss in value due to economic obsolescence. Gretzinger's income approach indicated a stabilized value of \$2,250,000. This income approach utilized a PGI of \$335,220 and a 15% vacancy rate. Gretzinger estimated the subject property would need 18 months to reach stabilized occupancy.

Keller relied primarily on his income approach. Keller determined his vacancy rate from an examination of seven comparable mini-storage facilities. Five of these facilities had vacancy rates of 8% or less. Keller chose a 15% vacancy rate noting the subject property's greater than typical percentage of climate controlled area. Keller's stated that climate controlled space has a higher rental rate and is more difficult to rent than non-climate controlled space. Keller determined a PGI of \$307,560 to yield a stabilized value of \$1,990,000. Keller reduced this value by \$312,500 to account for rent loss during the initial lease-up period. Keller estimated the subject property would need 24 months to reach stabilized occupancy.

Keller's cost approach indicated a value of \$2,060,000. Keller did not observe any economic obsolescence in the market. Keller also indicated the subject improvements had actual construction costs of \$1,316,560.

III. Taxpayer Evidence

Kelly Hefton, Owner, appeared and testified on the Taxpayer's behalf. Hefton acquired the land for \$250,000 and completed construction of the improvements in March 2007. Hefton disputed the actual construction cost estimate provided in the Keller appraisal. Hefton testified there were duplicate costs incurred during construction as the general contractor collected money from the Taxpayer without paying bills. Hefton submitted that, but for these additional costs, the subject improvements would have had an actual construction cost of \$1,144,400.

Hefton selected the subject location as there were plans to construct an apartment complex immediately north of the subject property. Midway through construction of the subject property, Hefton learned these plans had been scrapped. The subject property has never generated sufficient revenue to cover its real estate property taxes. The subject property has only one paid employee who works approximately 30 hours per week. Hefton performs all labor and maintenance duties at no cost. After one full year of operation, the subject property had a NOI of \$79,000. The subject property was 14% occupied in 2007, 28% occupied in 2008, 48% occupied in 2009, and is currently 78% occupied. The subject property's current clientele consists of storage for closed Village West

COTA Decision, continued

businesses and individuals who have lost their homes to foreclosure.

At the time the subject property first commenced operations in March 2007, road construction resulted in restricted access. Potential customers had to drive past the subject property and use an alternate road for access. Road construction was not fully complete until June 2009. Hefton attributed the recent increase in occupancy to the completion of the road construction.

Bank regulators have classified the loan on the subject property as substandard. Hefton was recently notified the loan would have to be either paid down by \$600,000, or the property would have to be deeded back to the bank and the Taxpayer would have to pay the bank \$270,000.

The subject property has been listed for sale for over a year for \$2,000,000. In 2008 and 2009, the Taxpayer did not receive any offers to purchase the subject property. Hefton asserted the subject property is hampered because it is not large enough to allow recreational vehicle storage. Immediately prior to the hearing, Hefton received an offer to purchase the subject property for \$900,000.

IV. Law Governing Ad Valorem Tax Valuations

All real and personal property in Kansas is subject to taxation on a uniform and equal basis unless specifically exempted. Kan. Const. Art. XI § 1(a); K.S.A. 79- 101. It is the duty of the Legislature to provide for a uniform and equal rate of assessment and taxation. *See id.* Pursuant to its constitutional dictate, the Legislature has enacted a statutory scheme to ensure property is appraised for ad valorem tax purposes in a uniform and equal manner. Central to this statutory scheme is the requirement that property be appraised at fair market value as of January 1 of each taxable year. *See* K.S.A. 79-1455.

Fair market value is defined as the amount in terms of money that a well-informed seller is justified in accepting for property in an open and competitive market. *See* K.S.A. 79-503a. In determining fair market value the appraiser must consider various factors delineated in K.S.A. 79-503a(a) to (k).

The Taxpayer has provided its prior three years income and expense statements to the County. Therefore, pursuant to K.S.A. 2009 Supp. 79-1609 and 2009 Supp. 79-2005, with regard to the determination of value of the subject commercial use property, the County has the duty to initiate the production of evidence to demonstrate, by a preponderance of the evidence, the validity and correctness of such determination. Further, no presumption shall exist in favor of the county appraiser with respect to the validity and correctness of such determination.

The ad valorem tax appraisal process also shall conform to

generally accepted appraisal procedures “adaptable to mass appraisal and consistent with the definition of fair market value, unless otherwise specified by law.” *In re Yellow Freight System, Inc.*, 36 Kan. App.2d 210, 213, 137 P.3d 1051 (2006).

The director of the property valuation division (PVD) for the State of Kansas is required to adopt rules and regulations prescribing appropriate standards for performing appraisals in accordance with generally accepted appraisal standards, as evidenced by the standards promulgated by the Appraisal Standards Board. *See* K.S.A. 79-505. The Appraisal Standards Board publishes USPAP.

In November 1992, the PVD director adopted Directive #92-006, requiring county appraisers to perform all appraisal functions in conformity with Standard 6 of the 1992 USPAP. Standard 6 governs the development and reporting of mass appraisals. Computer assisted mass appraisal is the method of appraisal generally used throughout Kansas, and it is the method approved by the PVD director for ad valorem tax purposes.

V. Court Findings and Conclusions**USPAP**

The Taxpayer questioned whether the documentary evidence sponsored by the County’s expert witness was in compliance with USPAP. The thrust of Taxpayer’s criticism is that the County’s appraisal report does not comply with certain ethical, competency, and reporting requirements prescribed under USPAP. In particular, the Taxpayer contends that the documents introduced by the County at the hearing should be disregarded as unreliable evidence, as a matter of law, because the County violated certain USPAP scope-of-work requirements.

This Court recognizes the importance of US P AP compliance to the legitimacy of the ad valorem tax system in Kansas. Each year counties throughout the State issue ad valorem tax assessments on every non-agricultural taxable parcel within their jurisdictions based on fair market value estimates. The vast majority of assessments are accepted by property owners without appeal. In order to maintain public trust and confidence in the system, it is essential for a property owner to know that this assessment is backed by appraisal work that conforms to recognized professional standards. That purpose is served by USPAP, as well as by other legal protections such as statutory penalties for tax officials who fail to discharge their duties lawfully and State oversight requirements under the Kansas Real Estate Ratio Study Act (K.S.A. 79-1485 to 79-1493).

It is the duty of each taxing unit, as well as the state director of PVD, to regulate and oversee the professional practice of county appraisers and to ensure substantial compliance with state appraisal laws. This Court—which is strictly a quasi-judicial body—has no such oversight or regulatory authority.

It is the role of this Court to provide an impartial venue for the resolution of tax disputes. The Court hears the parties' arguments and weighs all of the evidence in accordance with the Kansas Administrative Procedures Act (KAPA) and the code of civil procedure. See KA.R. 94-5-1. The Court must render decisions based on substantial competent evidence in light of the record as a whole, see K.S.A. 77-621(c), and must decide cases solely on the evidence presented. See K.S.A. 77-526(d). The presentation of evidence in proceedings before this Court need not adhere strictly to the Kansas rules of evidence. See K.S.A. 77-524(a). The objective is to provide the parties with a reasonable opportunity to be heard.

We also note that this Court is a quasi-judicial administrative body and may therefore rely upon its own expertise in assessing the evidence before it. See *Hart v. Board of Healing Arts of State*, 27 Kan. App.2d 213,217-18, 2 P.3d 797 (2000). As our sister tax court of Minnesota has explained, "The quality of the work, the adherence to relevant meaningful industry standards, the witness's comportment and persuasiveness on the stand, their candor and ability to explain their analysis are among the significant factors in determining credibility." *Johnson Matthey Advanced Circuits v. Cty. of Wright*, 2003 WL 21246379 at 9 (Minn Tax, May 22, 2003).

Of course, in considering the credibility of evidence in each case, we are mindful of the standards of appraisal practice embodied in USPAP. We also recognize that when valuation evidence so deviates from USPAP that it becomes materially detrimental to a party's overall opinion of value, the evidence may be unreliable as a matter of law. See *In re Amoco Production*, 33 Kan. App.2d. 329, 337, 102 P.3d 1176 (2004); see also *Board of Saline Cty. Comm'rs v. Jensen*, 32 Kan. App.2d 730, 88 P.3d 242, rev. denied 278 Kan. 843 (2004) (holding that a valuation premised on an appraisal approach expressly prohibited by USPAP is erroneous as a matter of law).

In the present case, the County presented its valuation evidence through Jeff Storie, a qualified mass appraisal expert with demonstrated knowledge of the subject property and the subject market area. Storie personally inspected the subject property. Storie provided credible testimony at the hearing concerning the characteristics and amenities of the subject property.

In addition to his testimony, Storie sponsored a computer-assisted mass appraisal (CAMA) report with supporting documentation. The County's documentary evidence consisted of various items such as the property record card, photographs, maps, geographic data, property characteristic information, various studies supporting its cost and income parameters, and fee appraisals done on the subject property for lending purposes.

On balance, the Court finds Storie clearly communicated the elements and conclusions supporting the County's valuation

and definitively set out the scope of the County's appraisal work. Nowhere in the record is there any indication that the County undertook the task of performing a single-property appraisal, as the Taxpayer suggests. On the contrary, the County's evidence makes clear that its scope of work was a mass appraisal assignment and that its valuation is based on data developed using standard methods applied through computer-assisted mass appraisal models. We find nothing misleading in the County's evidence with regard to scope of work.

The Court also rejects any suggestion that the County's inclusion of documentary evidence other than its standard CAMA report changes, ipso facto, the scope and character of the County's valuation evidence. Inclusion of supporting documents assists the Court in its final analysis and such evidence is not prohibited by law. See *In re Yellow Freight System, Inc.*, 36 Kan.App.2d 210, 215, 137 P.3d 1051, 1055 (2006).

The Court finds that the County's presentation—including its CAMA-generated mass appraisal report, supplemental documents, and testimony from a competent valuation expert—provides substantial competent evidential support for valuation. The Court also finds that the County's evidence meets minimum standards of reliability under Kansas law. Nothing in the record suggests that the County's value is premised on an appraisal approach expressly prohibited by USPAP. Nor is there any evidence of USPAP deviations that could be construed as materially detrimental to the County's overall opinion of value.

Market Value

For both tax years, the Taxpayer requested a reduction in value to account for above market vacancy and monetary losses caused by road construction. The Taxpayer presented no market evidence support its reduction request for the 2007 tax year. Further, the Court finds no substantial credible evidence indicating the road construction was occurring as of the January 1, 2007 appraisal date. Neither Gretzinger's nor Keller's appraisals included adjustments for road construction or economic obsolescence. Moreover, the subject property was not completed and open for business until March 2007. At this juncture, based on the record evidence, the Court is not persuaded that any adjustment for road construction is appropriate for 2007.

For its 2007 opinion of value, the County relied primarily on the cost approach as the subject property was only partially constructed and in its initial lease-up phase. The cost approach is based on the theory that the market value of an improved parcel can be estimated as the sum of the land value and the depreciated value of the improvements' construction costs. The cost approach is justified in part by the principle of substitution: an informed buyer will pay no more for an improved property than the price of acquiring a vacant site and constructing a substitute building of equal

COTA Decision, continued

utility. *Property Appraisal and Assessment Administration*, 205 (J.K. Eckert, Ph.D. ed. 1990). The cost approach is deemed reliable for newer properties. *Id.* at 206. The subject property's actual construction costs, adjusted to include the County land value, as well as the cost approach determinations of the Gretzinger and Keller appraisals, adjusted to account for the incomplete state of the climate controlled building, all support the County's opinion of value. Therefore, based on the record evidence, the Court concludes that the County's opinion of value as determined via its cost approach is the best indicator of the subject property's market value for 2007.

For 2008, the County gave most weight to its income approach. The County examined the rental rates of comparable properties to substantiate its \$8.40 per square foot rental rate. The County's PGI of \$275,822 is supported by the PGI determinations of Keller (\$307,560) and Gretzinger (\$335,220). The Taxpayer presented no market income and expense evidence for 2008. The Taxpayer's sole evidence consisted of Hefton's testimony that the subject property had a NOI of \$79,000 for 2008. Given the record evidence, the Court finds the County's income and expense determinations, based on stabilized market parameters, are reliable and supported by substantial credible evidence.

The difference in the respective income approaches lies in the vacancy rates. The County's utilized a 10% vacancy rate whereas both Gretzinger and Keller applied a 15% vacancy rate. The Keller appraisal presented extensive evidence regarding the occupancy/vacancy rates of comparable County mini-storage facilities. Most of these facilities had vacancy rates significantly less than that of the subject property. Keller, however, utilized a 15% vacancy rate to address the subject property's greater than normal amount of climate controlled space. The Court finds Keller's determinations and reasoning sound. Unlike any of the mini-storage comparables presented, approximately 70% of the subject property is climate controlled space. Climate controlled space has a higher rental rate and is more difficult to rent than non-climate controlled space. Based thereon, the Court finds that a 15% vacancy rate is appropriate for the subject property for 2008.

The road construction occurring as of the 2008 appraisal date was a temporary condition. Once road construction ceased, the subject property's occupancy rate immediately and dramatically increased from 48% to 78%. Further, the road construction occurred contemporaneously with the initial lease-up period. Rent loss adjustments, as implemented in the County's 2008 income approach, are intended to compensate for a known short term loss of rent. See Appraisal Institute, *The Appraisal of Real Estate* 489 (11th ed. 1996) 591-592. While Keller and Gretzinger estimated lease-up periods of 24 and 18 months, respectively, the County's rent loss was premised upon a three year (36 month) lease-up period. The County's rent loss assumed a 60% vacancy rate for the first year, a 40% vacancy rate for the second year,

and a 30% vacancy rate for third year. The Court finds the County's \$200,000 rent loss adjustment adequately addresses the conditions affecting the subject property as of the appraisal date. Based on the record evidence, the Court finds the County's income approach, with a 15% vacancy rate, is the best indicator of the subject property's market value for 2008. Based thereon, the Court finds the subject property's 2008 appraised value shall be reduced to \$1,095,000.

IT IS THEREFORE ORDERED that, for the reasons stated above, the appraised value of the subject property for tax year 2007 is \$993,460.

IT IS FURTHER ORDERED that, for the reasons stated above, the appraised value of the subject property for tax year 2008 is \$1,095,000.

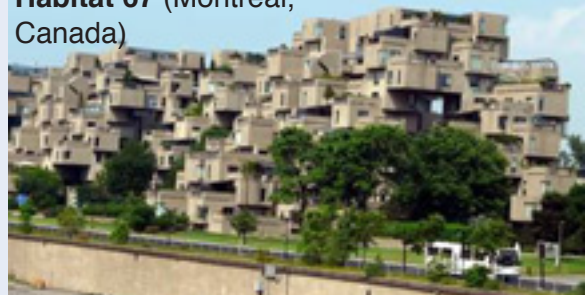
IT IS FURTHER ORDERED that the appropriate officials shall correct the County's records to comply with this Order, re-compute the taxes owed by the Taxpayer and issue a refund for any overpayment.

Any party to this action who is aggrieved by this decision may file a written petition for reconsideration with this Court as provided in K.S.A. 2009 Supp. 77-529. The written petition for reconsideration shall set forth specifically and in adequate detail the particular and specific respects in which it is alleged that the Court's order is unlawful, unreasonable, capricious, improper or unfair. Any petition for reconsideration shall be mailed to: Secretary, Court of Tax Appeals, Docking State Office Building, Suite 451, 915 SW Harrison St., Topeka, KS 66612- 1505.

A copy of the petition, together with any accompanying documents, shall be mailed to all parties at the same time the petition is mailed to the Court. Failure to notify the opposing party shall render any subsequent order voidable. The written petition must be received by the Court within fifteen (15) days of the certification date of this order (allowing an additional three days for mailing pursuant to statute at 5:00 p.m. on the last day of the specified period the Court has not received a written petition for reconsideration of this order, no further appeal will be available.

This is a challenge!

Habitat 67 (Montreal, Canada)



Submitted by Kevin Bradshaw, CAE RMA

Famous Kansans

By Kevin "Brad" Bradshaw, CAE, RMA, Wyandotte County

I began the writing of this list thinking it would be easy. But, as it progressed, it quickly became apparent that some sort of parsing was going to be necessary. Depending on how you define "famous" this list could be long enough to fill the entire newsletter. So I made the decision to limit it to people I have heard of and those actually born in Kansas. Using that criteria the list was quickly reduced to something like what you see below. But it meant omitting such personages as Dwight D. Eisenhower, who was born in Texas but was raised in Abilene. Enjoy!

Buster Keaton, 1895–1966, Silent Film Star, was born in Piqua, Kan. Buster was a stage veteran at the age of 21. On one wet New York day, the successful comedian and director, Roscoe Arbuckle, was walking down the street when he spotted Keaton and invited him to start in films together, and so Keaton's reputation was launched forever.

Walter P. Chrysler, 1875-1940, Automobile Mogul. Walter Chrysler was born in Wamego but grew up in Ellis. He purchased his first automobile not to drive, but to take apart and put back together again. Chrysler trained as a master mechanic and shifted his focus to automobiles in 1912.

Within a year after his departure from General Motors, Chrysler returned to the automobile business and took on the ailing Maxwell Motor Car Company. His vision was to develop a line of high-styled automobiles priced for people with medium incomes. In 1925 Maxwell Motor Car Company took the name of its president and became the Chrysler Corporation. When Walter Chrysler finally retired, his company was one of the three top automobile companies in the country.

Roscoe "Fatty" Arbuckle, 1887–1933, Silent Film Star. One of nine children, he was the baby of the family who weighed a reported 16 pounds at birth. Born in Smith Center, Kan., his family



Native Kansan Walter P. Chrysler, founder of Chrysler Corporation.

moved to California when he was a year old. At age 8, he would appear on the stage. His first part was that of a kid with the Webster-Brown Stock Company. From then until 1913, Roscoe was on the stage performing everything from acrobatic acts, to clown, to singer.

Kirstie Alley (1951–), Actress. Starred in television sitcoms *Cheers* and *Veronica's Closet*. Born in Wichita, Kan.

Robert D. Ballard (1942–), Adventurer. Discovered the Titanic shipwreck. Born in Wichita, Kan.

Eugene Hugh Beaumont (1909–1982), Actor. Beaumont is best known for his portrayal of Ward Cleaver on the television series *Leave It to Beaver* (1957-1963). Born in Lawrence, Kan.

Annette Francine Bening (1958–), Actress. Her breakthrough role in *The Grifters* was followed with critically acclaimed roles in films such as *Bugsy* and *American Beauty*. In 1992, she married American actor and director Warren Beatty, with whom she has four children. Born in Topeka, Kan.

Bob Dole (1923–). United States Senator for many years. He ran for President in 1996. Born in Russell, Kan.
Amelia Earhart (1897–1939). Adventurer, first woman granted a pilot's license by the National Aeronautics Associate, the first woman to fly solo across the Atlantic Ocean (1932), and the first person to fly solo across the Pacific. Born in Atchison, Kan.

Melissa Etheridge (1961–). Popular singer and guitarist. Born in Leavenworth, Kan.

Dennis Lee Hopper (1936–2010), Actor, filmmaker and artist. Enjoyed a 50-plus-year career during which time he starred in such films as *Apocalypse Now*, *Speed* and *Easy Rider*. Born in Dodge City, Kan.

Martina McBride (1966 –), Singer. McBride has been called the "Céline Dion of Country Music" for her big-voiced ballads and soprano range. Born in Sharon, Kan.

Hattie McDaniel (1895–1952), Actress. The first African-American woman to win an Academy Award; won for her role in *Gone with the Wind*. Born in Wichita, Kan.

Charlie Parker (1920–1955), Musician. One of the most influential improvising soloists in jazz, and a central figure in the development of bop in the 1940s. Born in Kansas City, Kan.

Cassandra Peterson (1951–), Actress, best known for her on-screen horror hostess character Elvira, Mistress of the Dark. Born in Manhattan, Kan.

Vivian Vance (1909–1979), Actress. An award-winning television and theater actress and singer. Often referred to as "TV's most beloved second banana," she is best known for her role as Ethel Mertz, sidekick to Lucille Ball on the television sitcom *I Love Lucy*. Born in Cherryvale, Kan.



Spotlight on Geary County

The Smallest Kansas County

By Shirley Ehrlich

Geary County was originally named Davis County from 1855 to 1869, in honor of Jefferson Davis (president of the Confederate States). Due to the Civil War, the name was changed to Geary after John W. Geary, who was governor of the Kansas Territory in 1856.



General John W. Geary

Ft. Riley (originally Camp Center) was established in 1852 to help protect supply wagons and the pioneers from Indian raids along the Oregon and Santa Fe Trails. Ft. Riley was the major horse cavalry training school in the country, and their beautiful limestone buildings still house those stables. The Kansas-Nebraska Act was signed in 1854 taking away the Indian lands and creating the territories, Kansas encompassing the eastern half of Colorado to the Rockies. This resulted in a great migration of settlers from both the North and the South, setting off a powder keg that would become known as "Bleeding Kansas."

Towns could decide whether they wanted a free state or a pro-slavery state. The first territorial capitol was at Pawnee for exactly five days—from July 2 to July 6, 1855—before pro-slavery legislators voted to move the capital to Shawnee Mission, which is located in present-day Fairway. It is believed to be one of the shortest-lived capitals of any U.S. state or territory (tied with Old Colorado City).

After Pawnee lost its designation as capital, the city residents were visited by two officers from Ft. Riley in September 1855 along with a proclamation from Washington which extended the reservation to take in Pawnee. The residents were given three weeks to vacate the area. Many lost all they had



Ft. Riley's renowned limestone buildings

and were reduced to living in dugouts, tents and little log huts with winter coming on. It was believed that they were being punished for being free-staters.

The territorial capitol building was all that remained after the town was burned to the ground. The limestone building is now a museum on Ft. Riley.

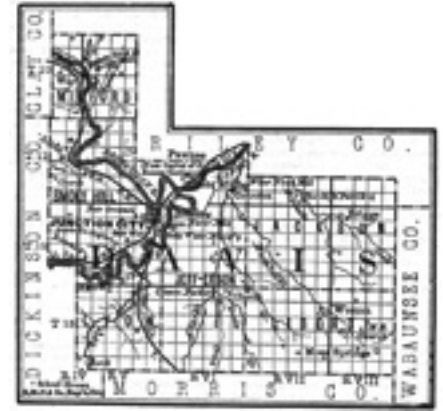
Establishment of Towns

According to William G. Cutler's *History of the State of Kansas*, "this [Junction City] is one of the most beautifully located cities in the state. In 1857 the founders of the town of Junction City, Robert Wilson, J.R. McClure, F.N. Blake, John T. Price and P.Z. Traylor, organized themselves into a town company and selected the site. The county seat of Junction City was so named due to the junction of the Republican and Smoky Rivers, and was incorporated in 1859.

The railroads began construction in 1866—the Kansas-Pacific (Union



The Junction City Opera House opened in 1882 at 7th & Jefferson, and also housed city offices and the fire department.



Special Points of Interest:

- Geary County originally Davis County
- One of the smallest counties in Kansas at 377 sq miles
- Milford Lake is the largest man-made lake in Kansas
- Historical Ft. Riley
- Major towns: Junction City, Grand-view Plaza, Milford
- Supplied limestone blocks to help build the capitol building in Topeka.

Pacific), the Missouri-Kansas-Texas (Katy), and the Junction City-Kearney Railway which ran to Clay Center. February of 1867 was noted for the high water of the Republican River and carried away a railway bridge, making this the third time that a bridge had given way to the Republican River. The Hale House was the premier hotel at the corner of 6th and Washington, but fire broke out in 1874, which destroyed it and nine other structures. It later became the Bartell in 1880, which also was a hotel "of the finest appointments."

Junction City. The townsite was first chosen by land agents of the Cincinnati-Manhattan Company, who proposed to name the town Manhattan. They ordered supplies for building, but

the steamboat ran aground near the present-day Manhattan, which was then called New Boston. Settlers on the steamboat went ashore and agreed to merge with New Boston if the name was changed to Manhattan. When the steamboat made it to our townsite, the captain proposed the name of Millard, after himself. A year or so later, some local farmers came up with Humboldt. Finally, a group of settlers named it Junction City and began construction in 1858.

Milford. The original town of Milford (or Bachelder or Bachellor) was the oldest community on the Republican River. The Bachelder Town Company had organized in 1857. The postmaster was so annoyed with the continual misspelling of the town that they changed the name to Milford in 1868. In 1961 the citizens of Milford voted to relocate the community to accommodate the construction of Milford Dam. In 1965 the original townsite of Milford was bulldozed and now lies under the waters of Milford Lake.

Wreford. The community of Wreford grew up around a railroad siding of the Katy after the Civil War. The town was named after the brother of Mr. McCarty, who was the postmaster. It was a busy little community since the railroad made trips to Council Grove. When the railroad station was closed, the little town of Wreford died.

Alida. Located in the Smoky Hill Township where Curtis Creek joins the Republican River. The area was settled in 1858, and Mr. and Mrs. Royal Clemons moved here in 1868. A post office was established in 1870 and was located on, or in, Mrs. Clemons' chest of drawers. For being so accommodating, she was allowed to name the little town. It, too, was demolished to make way for Milford Lake.

Grandview Plaza. Born out of three Republican River and Smoky Hill River floods, and necessity, Grandview Plaza came into existence in 1963. It is located in Jefferson Township and is just off Interstate 70 near Ft. Riley.



Geary County Courthouse

Among other things, this town features the atomic cannon, which was capable of firing a nuclear device. They were deployed to Europe and Korea but soon became obsolete. Only eight survive on display.

Townships. Smoky Hill Township took in the western third of the county and Jackson Township (named after Andrew Jackson) covered the rest. Beginning in the 1870s, various parts of these townships were divided into Blakely,



Atomic Cannon

Jefferson (after Thomas Jefferson), Lyon (after Nathaniel Lyon), Liberty, Milford, and Wingfield.

Ft. Riley

The gratitude we owe Ft. Riley is difficult to measure. From the time of our county's inception in 1852 to present, our existence depended in large part on Ft. Riley. The cavalry protected our pioneers and supply routes to the west. They came from all walks of life, the West Point military, the cowboys, the Buffalo Soldiers, the Indians. It is true that not all were exemplary, but they were essential to our progression as a country.

Our soldiers lost their lives in World War I, World War II, the Korean and Vietnam theaters, the Gulf War and now in Iraq and Afghanistan. All to protect our freedom and democracy. Our sincere thanks to them and their families.



Milford Lake has 163 miles of shoreline and over 16,000 surface acres.

Geary County Demographics



2009 Population Estimate: 31,751	Median household income: \$43,528
1900 Population: 10,744	2009 Assessed Real Estate: \$190,321,507
Area: 385 square miles	2009 Assessed Personal Property: \$9,475,594
Persons per square mile: 82.5	2009 Assessed Oil & Gas: \$24,756

X Equals Everything

Editor's Note: This was an old (2001) article written by Dave Barry that I found in my file recently but definitely still applies to today—you have to love him.

President Bush says our schools need to do a better job of teaching mathematics, and I agree with him 150 percent. Many high-school students today can't even calculate a square root! Granted, I can't calculate a square root, either, but I used to be able to, for a period of approximately 15 minutes back in 1962. At least I think that was a square root. It might have been a "logarithm."

But whatever it was, if I had to learn how to do it, these kids today should have to learn it, too. As President Bush so eloquently put it in his address to Congress: "Mathematics are one of the fundamentals of educationalizing our youths."

I could not have said it better with a 10-foot pole. We all need mathematics in order to solve problems that come up constantly in the "real world." For example, suppose four co-workers go to a restaurant, and at the end of the meal, the waiter brings a bill totaling \$34.57. How much, including tip, does each person owe? If the co-workers do not know mathematics, they will just guess at the answer and put in random amounts of money ranging from \$9 to \$11, unless one of them is a guy I used to work with named Art, in which case he will make a big show of studying the bill, then put in exactly \$4.25.

But if the co-workers know their mathematics, they can easily come up with exactly the correct answer. They can do this using "algebra," which was invented by the ancient Persians. (They also invented the SATs, although they got very low scores because in those days there were no pencils.) The way algebra works is, if you don't know exactly what a number is, you just call it "X". The Persians found that this was a big mathematical help in solving problems:

Persian wife: (suspiciously) – How much have you had to drink?

Persian husband: I had "X" beers.

Persian wife: Well, how much is *that*?

Persian husband: It's a (burp) variable.

Persian wife: (not wanting to look stupid) – Well, OK then.

Historical footnote: Several years later, when the ancient Romans invented Roman numerals, and it turned out that "X" was actually equal to 10, there was *big trouble* in Persia.

But getting back to the four co-workers at the restaurant: To figure out how much each person owes, they would simply use the algebraic equation of: $AEPO \frac{1}{4} \$34.57 + T(((SA?X \div NSOB!X-SITE)(H))$, where "AEPO" is the amount each person owes, "T" is the tip, "SA" is whether the waiter has a snotty attitude, "NSOB" is whether the waiter has a nice set of buns, "SITE" is a variable used if

you think somebody in the kitchen is spitting in the entrees, and "H" is hydrogen. Using this equation, our four co-workers can easily calculate that each one owes exactly, let's see... carry the 7...OK, it would probably be somewhere between \$9 and \$11.

So we see that algebra is a vital tool for our young people to learn. The traditional method for teaching it, of course, is to require students to solve problems developed in 1928 by the American Association of Mathematics Teachers Obsessed With Fruit. For example: "If Billy has twice as many apples as Bobby, and Sally has seven more apples than Chester, who has one apple in each hand plus one concealed in his knickers, then how many apples does Ned have, assuming that his train leaves Chicago at noon?"

The problem is that these traditional algebra problems are out of date. Today's young people are dealing with issues such as violence, drugs, sex, eating disorders, stress, low self-esteem, acne, global warming and the demise of Napster. They don't have time to figure out how many apples Ned has. If they need to know, they will simply ask Ned, and if he doesn't want to tell them, they will hold him upside down over the toilet until he does. And then Ned will sue them, plus the school, plus his parents for naming him "Ned" in the first place. Ultimately, the ACLU will get the Supreme Court to declare that the number of apples a student has is protected by his constitutional right to privacy.

So what is the solution? How do we balance our children's need to learn math against the many other demands placed on them by modern life? I believe there is a solution, one that is both simple and practical. I call it: "X"

Editor's Note: I am sure some of you are embarrassed that you cannot remember how to manually calculate a square root, so I have shown the directions below. There will be an exam in the next newsletter.

How to calculate a square root without a calculator and should your child learn how to do it

<http://www.homeschoolmath.net/teaching/square-root-algorithm.php>

Many school books seem to think that since calculators can find square roots, that kids don't need to learn how to find square roots using any pencil-and-paper method. But learning at least the "guess and check" method for finding the square root will actually help the student UNDERSTAND and remember the square root concept itself!

So even though your math book may totally dismiss the topic of finding square roots without a calculator, you can consider to let them practice at least the first method presented here. This method, "guess and check," actually works around what the square root is all about, so I would consider exercises with it as *essential* to help children understand the

concept of square root.

Depending on the child, it might be good to concentrate on teaching the concept of square root without taking the time for paper-pencil calculations. In this case, you can study the guess and check method with the help of a simple calculator that doesn't calculate square roots but can quickly do the multiplications.

Finding square roots by guess & check method

One simple way to find a decimal approximation to, say, $\sqrt{2}$ is to make an initial guess, square the guess, and depending how close you got, improve your guess. Since this method involves squaring the guess (multiplying the number times itself), it actually uses the definition of square root, and so can be very helpful in teaching the concept of square root.

Example: what is $\sqrt{20}$?

Children first learn to find the easy square roots that are whole numbers, but quickly the question arises as to what are the square roots of all these other numbers. You can start out by noting that (dealing here only with the positive roots) since $\sqrt{16} = 4$ and $\sqrt{25} = 5$, then $\sqrt{20}$ should be between 4 and 5 somewhere.

Then is the time to make a guess, for example 4.5. Square that, and see if the result is over or under 20, and improve your guess based on that. Repeat the process until you have the desired accuracy (amount of decimals). It's that simple and can be a nice experiment for children.

Example: Find $\sqrt{6}$ to 4 decimal places

Since $2^2 = 4$ and $3^2 = 9$, we know that $\sqrt{6}$ is between 2 and 3. Let's just make a guess of it being 2.5. Squaring that

we get $2.5^2 = 6.25$. That's too high, so make the guess a little less. Let's try 2.4 next. To find approximation to four decimal places we need to do this till we have five decimal places, and then round the result.

Guess	Square of guess	High/low
2.4	5.76	Too low
2.45	6.0025	Too high but real close
2.449	5.997601	Too low
2.4495	6.0005025	Too high, so between 2.449 and 2.4495
2.4493	5.99907049	Too low
2.4494	5.99956036	Too low, so between 2.4494 and 2.4495
2.44945	5.9998053025	Too low, so between 2.44945 and 2.4495.

This is enough since we now know it would be rounded to 2.4495 (and not to 2.4494).

Finding square roots using an algorithm

There is also an algorithm that resembles the long division algorithm, and was taught in schools in days before calculators. See the example below to learn it. While learning this algorithm may not be necessary in today's world with calculators, working out some examples can be used as an exercise in basic operations for middle school students, and studying the logic behind it can be a good thinking exercise for high school students.

continued on page 20

How NOT to build an underground garage...

One assumes the engineer was executed? Anybody who bought a condo here sure has a problem. Talk about a collapsed market! **Yes, it's a 12-story building in China lying on the ground.**

- (1) An underground garage was being dug on the south side, to a depth of 4.6 meters.
 - (2) The excavated dirt was being piled up on the north side, to a height of 10 meters.
 - (3) The building experienced uneven lateral pressure from south and north.
 - (4) This resulted in a lateral pressure of 3,000 tons, which was greater than what the pilings could tolerate. Thus the building toppled over in the southerly direction.
- First, the apartment building was constructed.
 - Then the plan called for an underground garage to be



dug out. The excavated soil was piled up on the other side of the building.

- Heavy rains resulted in water seeping into the ground.
- The building began to tilt. Then it began to shift and the "hollow" concrete pilings were snapped due to the uneven lateral pressures, and thus were born the eighth wonder of the world. If the buildings were closer together it would have resulted in a domino effect.

X Equals Everything, cont. from page 19

Example: Find $\sqrt{645}$ to one decimal place.

First group the numbers under the root in pairs from right to left, leaving either one or two digits on the left (6 in this case). For each pair of numbers you will get one digit in the square root. To start, find a number whose square is less than or equal to the first pair or first number, and write it above the square root line (2).

$$\begin{array}{r} 2 \\ \sqrt{6.45} \end{array}$$

$$\begin{array}{r} 2 \\ \sqrt{6.45} \\ -4 \\ \hline 245 \end{array}$$

Square the 2, giving 4, write that underneath the 6, and subtract. Bring down the next pair of digits.

$$\begin{array}{r} 2 \\ \sqrt{6.45} \\ -4 \\ \hline (4 _) 245 \end{array}$$

Then double the number above the square root symbol line (highlighted), and write it down in parenthesis with an empty line next to it as shown.

$$\begin{array}{r} 2 \\ \sqrt{6.45} \\ -4 \\ \hline (45) 245 \end{array}$$

Next think what single digit number *something* could go on the empty line so that forty-*something* times *something* would be less than or equal to 245.
 $45 \times 5 = 225$
 $46 \times 6 = 276$, so 5 works.

$$\begin{array}{r} 2 \ 5 \\ \sqrt{6.45.00} \\ -4 \\ \hline (45) 245 \\ -225 \\ \hline 20 \ 00 \end{array}$$

Write 5 on top of line. Calculate 5×45 , write that below 245, subtract, bring down the next pair of digits (in this case the decimal digits 00).

$$\begin{array}{r} 2 \ 5 \\ \sqrt{6.45.00} \\ -4 \\ \hline (45) 245 \\ -225 \\ \hline (50 _) 20 \ 00 \end{array}$$

Then double the number above the line (25), and write the doubled number (50) in parenthesis with an empty line next to it as indicated:

$$\begin{array}{r} 2 \ 5 \ .3 \\ \sqrt{6.45.00} \\ -4 \\ \hline (45) 245 \\ -225 \\ \hline (503) 20 \ 00 \end{array}$$

Think what single digit number *something* could go on the empty line so that five hundred-*something* times *something* would be less than or equal to 2000.
 $503 \times 3 = 1509$
 $504 \times 4 = 2016$, so 3 works.

X Equals Everything, continued

$$\begin{array}{r}
 25.3 \\
 \sqrt{6.45.00.00} \\
 \underline{-4} \\
 (45) 245 \\
 \underline{-225} \\
 (503) 20.00 \\
 \underline{-15.09} \\
 491.00
 \end{array}$$

$$\begin{array}{r}
 25.3 \\
 \sqrt{6.45.00.00} \\
 \underline{-4} \\
 (45) 245 \\
 \underline{-225} \\
 (503) 20.00 \\
 \underline{-15.09} \\
 (506) 491.00
 \end{array}$$

$$\begin{array}{r}
 25.39 \\
 \sqrt{6.45.00.00} \\
 \underline{-4} \\
 (45) 245 \\
 \underline{-225} \\
 (503) 20.00 \\
 \underline{-15.09} \\
 (506) 491.00
 \end{array}$$

Calculate 3 x 503, write that below 2000, subtract, bring down the next digits.

Then double the 'number' 253 which is above the line (ignoring the decimal point), and write the doubled number 506 in parenthesis with an empty line next to it as indicated:

5068 x 8 = 40544
 5069 x 9 = 45621, which is less than 49100, so 9 works.

Thus to one decimal place, $\sqrt{645} = 25.4$

Bridal Suite?

For those newlyweds seeking something out-of-the-ordinary, this interesting structure might make a nice bridal suite.





Real Estate Notes of Interest

■ Veronica Chufo, *Newport News VA Daily Press*, Dec. 29, 2010. The faster foreclosures happen, the better it might be for the real estate market, a study from Old Dominion University suggests. Two researchers used modeling and simulation to examine the lingering impact of foreclosures and determine if it actually slows the market recovery.

■ Appraisalinstitute.org, Dec. 22, 2010. "Appraisal-related suspicious activity accounted for between 5 and 6 percent of the overall reports of suspected mortgage fraud in the first half of 2010, according to two reports released by the Treasury Department's Financial Crimes Enforcement Network on Dec. 14. The reports covered the first and second quarter 2010. Overall, reports of mortgage fraud increased 7 percent in the first half of 2010 when compared to the first half of 2009."

■ Kathleen Howley, *businessweek.com*, Dec. 29, 2010. There are some real estate problems in Mickey Land. Disney developed a residential utopia called Celebration, Florida. This 16-year-old development is now starting to act like other Florida residential areas. Property owners paid premiums for the location and "Mayberry"-type of atmosphere. However, foreclosure rates are now twice the statewide rate, one owner committed suicide before having his home foreclosed, and now there has been a murder.

■ www.corelogic.com, Jan. 11, 2011. Not good news for residential values. Home prices in the U.S. declined for the fourth straight month and nationally were over 5% lower at the end of November 2010 versus the previous year. See the entire article at: <http://www.corelogic.com/About-Us/News/CoreLogic-Home-Price-Index-Shows-Drop-for-Fourth->

[Straight-Month.aspx](#)

■ Wendy Koch, *USA Today*, Jan. 14, 2011. A survey of 238 builders, architects, manufacturers and designers indicated the following about future homes:

Single-family homes will get smaller, have more green features, will have more technology features and more universal access features, and have more outdoor living features such as fireplaces and kitchens.

■ *USA Today*, Jan. 14, 2011. RealtyTrac is predicting that 1.2 million homes will be repossessed this year, which would make it the largest year ever. There are about 5 million borrowers who are at least two months past due on their mortgages. You can go to the following link to find state-by-state information. <http://www.realtytrac.com/trendcenter/>

■ Anton Troianovski, *The Wall Street Journal*, Jan. 4, 2011. The office market is getting better—kind of. According to Reis Inc, more space was absorbed in the fourth quarter of 2010, but the national vacancy rate remains at 17.6%, the highest since 1993. Some areas of the country are seeing improvement. Miami is showing some signs of recovery, and a 50-story office building in Atlanta sold for one of the highest rates per square foot in several years.

■ Dan Fitzpatrick, *The Wall Street Journal*, Jan. 4, 2011. There is some extra change in the pockets of Fannie Mae and Freddie Mac. Bank of America (Bofa) has agreed to pay nearly \$3 billion to cover bad mortgages the government agencies purchased from what was Countrywide Financial. Bofa took over Countrywide a few years ago.

■ Kris Hudson, *The Wall Street Journal*, Jan. 5, 2011. It appears that Red Roof Inn will hand over 127 of their 203 hotels to lenders. Red Roof has been in bankruptcy for the last two years. There are an additional 139 hotels with the Red Roof banner that are owned by franchisees. At this point, the hotels given to the lenders will still carry the Red Roof banner and be run by the management of Red Roof.

■ Eliot Brown, *The Wall Street Journal*, Jan. 5, 2011. Delinquency rate for Commercial Mortgage Backed Securities (CMBS) is now at a new high of 9.2%.

■ Dawn Wotapka, *The Wall Street Journal*, Jan. 6, 2011. Maybe the apartment business is getting better. There has been a strong demand for apartments over the last two months, and vacancy has fallen below 7% for the first time in two years. The stronger market is attributed to pent-up demand, falling home ownership and job creation.

■ Candace Jackson, *The Wall Street Journal*, Jan. 7, 2011. Some people just have too much money! There are currently three spec homes on the market: Miami Beach, Fla.—asking price \$60 million; Aspen, Colo.—\$23.9 million; and finally Palm Beach, Fla.—\$84 million.

■ Claire Easley, *builderonline.com*, Jan. 19, 2011. This is another one of those good news, bad news stories. Residential building permits way up in November, but actual starts in December below the previous year. The good news side: Multi-family starts, especially over five units, were up almost 18% in December. The entire article can be found at <http://www.builderonline.com/housing-data/december-starts-lag-while-permits-look-hopeful.aspx?cid=BLDR110120002>.

■ S. Mitra Kalita, *The Wall Street Journal*, Jan. 21, 2011. According to the National Association of Realtors, sales of previously owned homes jumped over 12% from November which set a seven month high. The large increase in sales was attributed to bargain prices

and historic low interest rates.

■ *The Wall Street Journal*, Jan. 22, 2011. For those of you that have an ethanol plant in your jurisdiction, are they getting busier? This article started out with the idea that inflation in food prices is back and growing fast. Part of the cause for this is the amount of corn that is being used by ethanol plants for fuel production. In 2001, around 7% of all corn produced was used by the plants, but in 2010 that percentage had grown to almost 40%. Just think, as you go down the road and look at a corn field, four or every 10 rows goes to ethanol plants and thus is not available for food usage.

■ Appraisalinstitute.org, Jan. 12, 2011. *Editor's Note*: I found this an interesting post to the AI's web page and not sure that all independent fee appraisers will appreciate it. The Appraisal Institute's tips encourage homeowners and buyers to:

- Understand the role of appraisals.
- Make sure their lender hires a qualified appraiser (such as a designated SRA, SRPA or MAI member of the Appraisal Institute).
- Accompany the appraiser during the inspection of the property if possible.
- Request a copy of the appraisal report from the lender.
- Examine the appraisal report and ask questions.
- Appeal the appraisal if appropriate.
- Ask the lender to order a second appraisal by a qualified and designated appraiser.
- File legitimate complaints with appropriate state board or professional appraisal organizations.

The entire article can be found at <http://www.appraisalinstitute.org/newsadvocacy/downloads/AIhelpfultipsforconsumers.pdf>

■ Rowan Sbaiti and Robert Grunnah, CCIM, *www.ccim.com*, Jan. 24, 2011. Very good article about the amount of troubled commercial properties and how the lending institutions are

handling them. The entire article is at: <http://www.ccim.com/cire-magazine/articles/shadow-effect>

■ Hotelresource.com, Jan. 25, 2011. The U.S. hotel industry ended 2010 with mostly positive performance results, according to data compiled by STR (Smith Travel Research). The industry's occupancy increased 5.7 percent to 57.6 percent, average daily rate ended the year virtually flat with a 0.1-percent decrease to US\$98.08, and revenue per available room was up 5.5 percent to US\$56.47.

■ Walter Molony, *realtor.org*, Jan. 20, 2011. Sale of existing homes increased by over 12% in December over November of 2010 but still remained about 3% below December 2009.

■ Nina Patel, *remodeling.hw.net*, Jan. 13, 2011. Home remodeling is anticipated to see a 3.5% increase in 2011 after a 12.5% drop in years 2007-2009.

■ *www.standardandpoors.com*, Jan. 25, 2011. Current data from the S&P Case-Shiller Home Price Indices, states that 17 of the 20 Metropolitan Statistical Areas (MSA's) are down for the year. This continuation of declining residential markets is causing some economists to fear a double-dip in home values going down.

■ Thomas Grillo, *Boston Herald*, Jan. 24, 2011. Oh, the further perils of buying a foreclosed property. This article discusses a court ruling that the bank did not have sufficient paperwork to foreclose on a property and thus the buyer of the property from the bank has no legal ownership. To complicate the matter more, the buyer turned the property into four condos and sold them.

■ *USA Today*, Jan. 27, 2011. The Commerce Department released information showing the number of new homes sold last year was the lowest in 47 years.

■ Julie Schmit, *USA Today*, Jan. 27,

2011. High unemployment drove up foreclosures in 72% of the 206 leading metropolitan areas last year. The highest foreclosure rate continues to be Las Vegas.

Gregory Korte, *USA Today*, Jan. 27, 2011. A report by the Inspector General states the federal mortgage modification program is a failure "because regulators are afraid to rein in or impose penalties on the mortgage servicers, whose record has been nothing short of abysmal." Around 550,000 mortgages have had permanent mortgage modifications started, which is considerably less than the 3-4 million anticipated.

■ If you deal with mixed-use properties and CAM (Common Area Maintenance) expenses, this web address might be of interest. http://boma.convio.net/site/MessageViewer?em_id=9461.0&printer_friendly=1#in7 The address will discuss a book developed by those in the business of determining how the allocation should be made.

■ Jim Butler, *HotelLawBlog.com*, Feb. 1, 2011. This is an article about how hotel demand and rates are changing and projected to change.

"Great increase in demand: The demand for room nights grew a staggering 7.8% returning to the pre-bubble peak of 1 billion room nights sold during 2010, but with an increased supply of hotel rooms taking a share of the demand, occupancy only increased 5.7% to 57.6%, below the magic 60% occupancy level. Smith Travel hailed the demand growth, but noted that it does not expect to see this outsized growth again in the foreseeable future. In fact, as noted below, demand growth for the next two years is projected to be below 2% per year."

See some good charts and projections at:

http://www.hotelnewsresource.com/article51901How_Improving_Fundamentals_Make_____the_Year_of_Great_Expectations_for_the_Hotel_Industry_By_Jim_Butler_Author_of_Www_HotelLawBlog_com.html

REAL ESTATE NOTES, continued

■ Julie Schmit, *USA Today*, Feb. 2, 2011. Loan fees for home mortgages are going up, even if you have good credit. Fannie Mae and Freddie Mac are raising their risk fees they charge on almost all home loans. About the only way to avoid the higher fees is to have a FICO score of 740 or greater and make a 25% down payment.

■ Les Christie, *money.cnn.com*, Feb. 1, 2011. This is a different article with the title "10 foreclosure hotspots." What is different is that the 10 cities mentioned are among the fastest 100 growing cities in the United States.

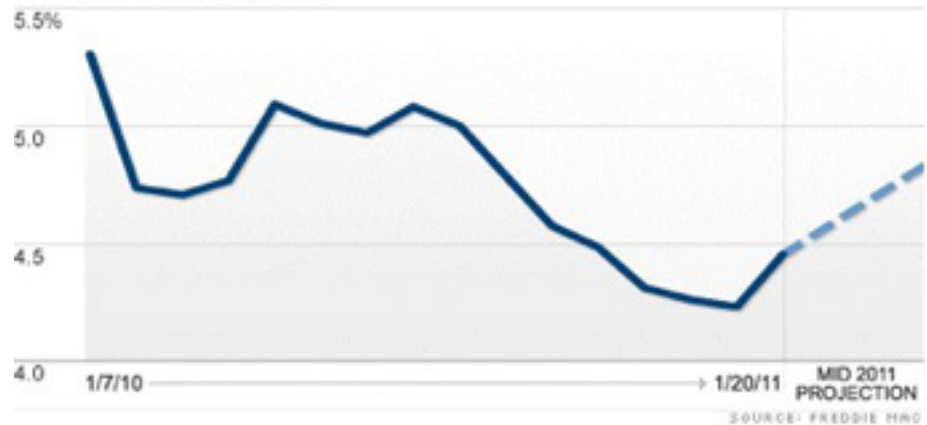
Editor's Note: The names on this list surprised me. You can read the article at http://money.cnn.com/galleries/2011/real_estate/1102/gallery.latest_foreclosure_hotspots/index.html.

Foreclosure Rank	City
1	Spartanburg, SC
2	Albuquerque, NM
3	Myrtle Beach, SC
4	Savannah, GA
5	Charlotte, NC
6	Tulsa, OK
7	New Orleans, LA
8	Virginia Beach, VA
9	York, PA
10	Mobile, AL

■ Les Christie, *money.cnn.com*, Jan. 26, 2011. "Housing markets will remain flat, flat, flat in 2011, according to forecasts from the Mortgage Bankers Association (MBA). The MBA attributes the sales decline mostly to slow economic recovery and high unemployment. Until hiring picks up, the market will continue to struggle." Projection of interest rates, by the MBA, for the year is shown above (see Rising Mortgage Rates).

■ Ben Johnson, *nreionline.com*, Jan. 1, 2011. If you work with large commercial properties and/or watch the commercial investment markets, this is an article for you. It talks about the amount of cash that is available for real

RISING MORTGAGE RATES



investment as witnessed by the title, "Flush with cash." According to Atlanta-based researcher Blue Vault Partners, non-traded REITs raised an estimated \$7.6 billion in 2010, compared with \$6.4 billion in 2009. Nationwide the industry has 57 non-traded REITs with \$70 billion in assets, or about 20% of the total market capitalization for all publicly registered REITs. http://nreionline.com/finance/real_estate_flush_cash/

■ *USA Today*, Feb. 3, 2011. Hilton Worldwide open their first Home2 Suites in Fayetteville, NC, their first new hotel brand in 20 years. This new brand is an extended-stay hotel with increased amenities and a larger, more modern lobby design than Homewood Suites. There are six others under construction.

■ Shelly Banjo, *The Wall Street Journal*, Jan. 25, 2011. The CoStar Group, Inc. has reported that the difficult economy is affecting the number of churches being foreclosed on. "Since 2008, nearly 200 religious facilities have been foreclosed on by banks, up from eight during the previous two years and virtually none in the decade before that."

■ Alan Zibel and Nick Timiraos, *The Wall Street Journal*, Jan. 25, 2011. Some Republican House members are seeking to further limit the roles of Fannie Mae and Freddie Mac in the housing market. They believe these two organizations played a large role in creating the crisis, and that the government should not be guaranteeing loans

and private-sector lenders should take a larger role. The Mortgage Bankers Association and the National Association of Real Estate Investment Trusts are opposing any changes.

■ John Jannarone, *The Wall Street Journal*, Jan. 28, 2011. The real estate market has been tough on some of the largest retailers. When J.C. Penney announced a large number of store closings, their stock value rose 7.2%. Dillard's saw a stock increase of 8.9% after making a similar announcement.

■ Ester Fung, *The Wall Street Journal*, Jan. 28, 2011. In an attempt to slow the residential real estate market, China has imposed a trial property tax in two cities. The government now requires that to purchase a second home you must have a 60% down payment, up from 50%. Second homes in the cities of Chongqing and Shanghai will be the trial areas, with each having a slightly different method of taxation so the government can see which is the most successful.

Editor's Note: Then-IAAO President Bill Carroll travelled to China in 2010 at their request to speak about property taxation. His presence was encouraged by Michael Lomax, an IAAO member from Canada who has been a property valuation consultant to China for the last two years.

■ Dawn Wotapka, *The Wall Street Journal*, Jan. 29, 2011. Apartment values are finally headed in the direction that was anticipated when housing foreclosures started to escalate. "Values of

apartment buildings rose 16% in 2010, according to brokerage firm Marcus & Millichap, after falling 27% between 2006 and 2009. Values of apartment buildings owned by real-estate investment trusts are now within 20% of their 2007 peak, according to Green Street Advisors, a research firm that follows REIT's.

■ Robbie Whelan & Anthony Klan, *The Wall Street Journal*, Feb. 1, 2011. Loan modifications made by individual banks helped over four times the number of distressed lenders than the federal government's Home Affordable Modification Program (HAMP).

■ Dawn Wotapka, *The Wall Street Journal*, Feb. 1, 2011. The number of Americans owning their own home (outright or with a mortgage) fell to the 1998 level.

■ Eliot Brown, *The Wall Street Journal*, Feb. 2, 2011. Need a loan to construct a new commercial building and your banker is not cooperating? According to the U.S. Citizenship and Immigration Services, there is a program named EB-5 that may help you. Foreign nationals who invest at least \$500,000 will be granted a green card.

■ *The Wall Street Journal*, Feb. 2, 2011. The research firm Trepp reports that the 9.34% delinquency on Commercial Mortgage Backed Securities (CMBS) is a record high.

■ Janet Hook & Corey Boles, *The Wall Street Journal*, Feb. 4, 2011. Oops and double oops! The Mortgage Bankers Association purchased an office building in 2007 in Washington, DC, when under development for \$79 million. They sold the building to CoStar in February 2010 for \$41.3 million, and CoStar sold the building in Jan. 2011 for \$101 million. Not a bad little profit!

■ An interesting article about two hotel chains willingly cutting down on miscellaneous income can be found at <http://www.htrends.com/research/article51861.html>. It seems that Omni and Marriott have removed porn options

(excuse me, adult entertainment) from their in-room entertainment options.

■ Crenews.com, Feb. 7, 2011. Optimism is up in the commercial real estate market. "Eighty percent of those surveyed by the Real Estate Roundtable this quarter said property values are up from a year ago, and none of the respondents expect declines this year."

■ Hotelnewsresource.com, Feb. 8, 2011. Okay, let's think ahead here. For those of you who will be going to the IAAO Annual Conference in Indianapolis in 2015, this is your hotel. The entire story can be found at http://www.hotelnewsresource.com/article52083World_s_Largest_JW_Marriott_Opens_in_Downtown_Indianapolis.html.

World's Largest JW Marriott Opens in Downtown Indianapolis

"The JW Marriott Indianapolis Downtown opened its doors on Friday, completing the Marriott Place development project occupying seven acres along the west side of downtown Indianapolis. Marriott Place Indianapolis is a collection of five Marriott properties that offer unprecedented options for business and leisure travelers, not to mention meeting planners. In addition to the new JW Marriott Indianapolis, the \$450 million complex includes the Courtyard by Marriott Indianapolis Downtown, SpringHill Suites by Marriott Indianapolis Downtown, Fairfield Inn & Suites by Marriott Indianapolis Downtown and the Marriott Indianapolis Downtown, with a total 2,248 rooms. All are connected to the newly renovated and expanded Indiana Convention Center."

■ Lee Christie, *money.cnn.com*, Feb. 9, 2011. The bad residential news continues. According to a recent survey by Zillow, the percent of homes underwater rose last quarter to 27% from 23% the previous quarter.

■ Julie Schmit, *USA Today*, Feb. 8, 2011. More of the back underwater

story was discussed in this article. It is hard to grasp how bad it is in some areas. The worst counties in the country and the percentage of properties underwater are as follows: Clark, Nev. – 71.1%; Osceola, Fla. – 66.5%; Merced, Calif. – 63.1%; St. Lucie, Fla. – 62.4%; and San Joaquin, Calif. – 59.6%.

■ Julie Schmit, *USA Today*, Feb. 11, 2011. Freddie Mac reported Thursday that 30-year fixed-rate mortgages averaged 5.05% this week. That's the highest since late April of 2010 and up sharply from a modern record low of 4.17% in November of 2010. Although the rates have risen, we all know they are still historically low.

■ S. Mitra Kalita, *The Wall Street Journal*, Feb. 8, 2011. Cash purchases of homes constituted 28% of all sales nationally last year, according to the National Association of Realtors. This rate is twice what it was in October 2008 and is considered a sign that the residential market is improving as investors believe the market has hit the bottom.

■ Nick Timiraos, *The Wall Street Journal*, Feb. 9, 2011. A ratio of median housing price to annual household income in some metro areas, known as the price-to-income ratio, has improved, according to Moody's Analytics. The ratio indicates that home purchasing power is the best it's been since 2003.

■ *The Wall Street Journal*, Feb. 9, 2011. Commercial loans in the fourth quarter of 2010 were at the highest level since mid-2007, according to the Mortgage Bankers Association.

■ Maura Webber Sadovi, *The Wall Street Journal*, Feb. 9, 2011. In still another positive sign for the real estate market, development companies and REIT's (Real Estate Investment Trusts) are starting to buy land for future development.

■ Nick Timiraos, *The Wall Street Journal*, Feb. 12, 2011. The federal government continues to discuss shrinking their role in Fannie Mae and

REAL ESTATE NOTES, continued

Freddie Mac. To read about some of the initial options, go to http://online.wsj.com/article/SB10001424052748703786804576137942242796306.html?mod=WSJ_RealEstate_LeftTopNews.

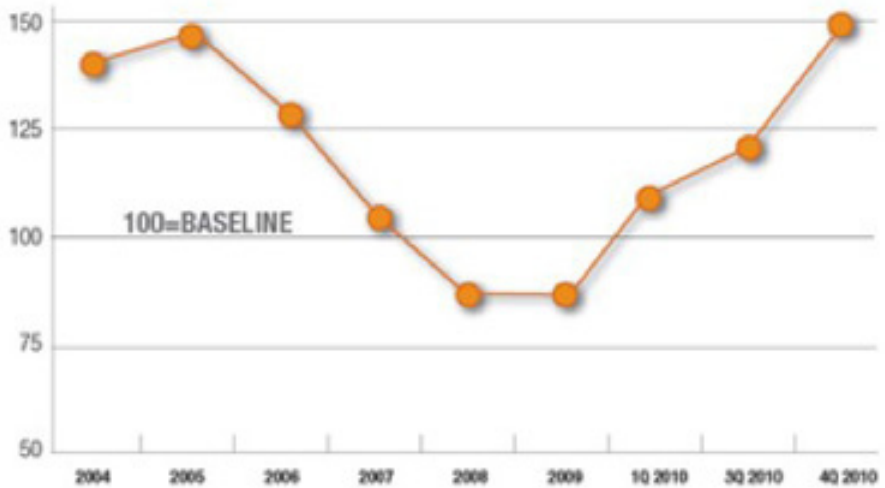
Then to see why some believe the announced proposal will not work, go to http://online.wsj.com/article/SB10001424052748703786804576138350318049460.html?mod=WSJ_RealEstate_LeftTopNews.

■ S. Mitra Kalita, *The Wall Street Journal*, Feb. 16, 2010. Down-payment percentages for home purchases continue to rise. The most typical requirement now is 10%, with nine major U.S. cities averaging 22%.

■ Scott Kilman, *The Wall Street Journal*, Feb. 16, 2010. Farmland values in the 10th District of the Federal Reserve Bank continues to increase. Prices jumped almost 15% for irrigated and almost 13% for non-irrigated cropland as a result of rising crop prices. The 10th District includes western Missouri, Nebraska, Kansas, Oklahoma, Wyoming, Colorado and northern New Mexico.

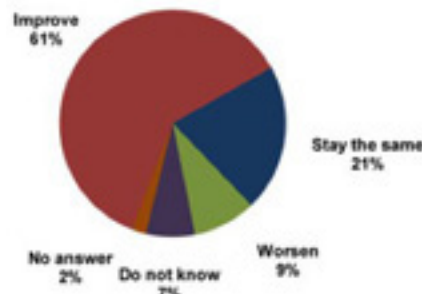
■ A.D. Pruitt, *The Wall Street Journal*, Feb. 17, 2011. With the bankruptcy filing of Borders, retail vacancy nationwide may increase. Borders had about \$287 million in rental fees in 2010 on about 4.9 million square feet, with the largest share of this leased space around shopping centers. It is projected that if all the stores close, the national vacancy rate for retail could rise from 4.2% to 9.5%.

■ Nreionline.com, Jan. 25, 2011. "An improving economy combined with a thaw in the capital markets and limited new supply led to a big spike in investor confidence in the fourth quarter. That's the takeaway from an exclusive survey conducted jointly by NREI (National Real Estate Investor) and Marcus & Millichap Real Estate Investment Services." The chart above shows the investor confidence level, with 100 be-



ing the baseline, and it shows the years 2004 – 2009 and then the first, third and fourth quarters of 2010.

■ Nreionline.com, Feb. 17, 2011. Overall, 61% of borrowers and 74% of lenders who responded to the NREI survey expect credit to become more available over the next 12 months.



■ Nick Timiraos, *The Wall Street Journal*, Feb. 18, 2011. The Mortgage Brokers Association has reported that the number of U.S. households behind on their mortgages is at the lowest level since the end of 2007.

■ Julie Schmit, *USA Today*, Feb. 21, 2011. Foreclosures are taking longer, and thus the length of time between when the homeowner stops paying and the actual foreclosure occurs is increasing. LPS Applied Analytics reports the following average number of days that mortgage borrowers in some stage of foreclosure go without making payments:

December 2008 – 315 days
 December 2009 – 406 days
 December 2010 – 507 days

■ Smith Travel Research, Feb. 23, 2011. In the last 12 months, hotel occupancy has risen by 1.7% to 54.7% and average daily rate rose 0.7% to \$97.88.

■ Nick Timiraos and Justin Lahart, *The Wall Street Journal*, Feb. 23, 2011. Not good residential home price news from the latest S&P/Case-Shiller home price index report. Eleven cities within the largest 25 markets fell in December to new lows. Across all 20 markets home prices fell collectively 1% and are the fourth straight month of decline.

Lee Christie, *Money.com*, Feb. 24, 2011. RealtyTrac reports that 26% of all residential sales are foreclosures, a percentage that has not changed much over the last few years.

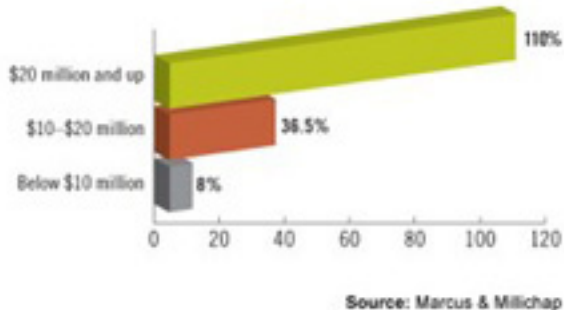
■ *Hotelnewsresource.com*, March 2, 2011. "Red Lion Hotels Corporation (NYSE: RLH), a western U.S.-based owner of midscale hotels, announced its results from continuing operations for the fourth quarter and full year ended December 31, 2010.

- Fourth quarter RevPAR for owned and leased hotels increased 11.4 percent year over year; RevPAR was up 5.4 percent for the full year
- Fourth quarter occupancy of 50.4

■ ccim.com, Feb. 23, 2011

Commercial Real Estate Transaction Volume 2010

Percentage increase in dollar volume over 2009



percent increased 350 basis points; contributing to a 160 basis point increase for the full year

- Fourth quarter ADR at owned and leased hotels increased 3.5 percent year over year to \$79.41; ADR was up 2.5 percent for the full year”

■ Dailyrealestatenews.com, March 2, 2011. “A growing number of home owners whose homes have dropped drastically in value are deciding to stop paying their mortgage and walk away from the property, even though they can afford to keep making the payments—a move known as strategic default. The exact number of strategic defaults is unknown. A study conducted by the Federal Reserve Board showed that half of home owners who walked away from their home owed twice what their house was worth.”

You can read the entire article at <http://www.realtor.org/RMODaily.nsf/pages/News2011030204?OpenDocument>

■ There was a very interesting article in the *Denver Post* titled, “Tax break intended for struggling farmers enriches developers and investors.” The article can be found at the links shown below. http://www.denverpost.com/news/ci_17549051

A follow-up to this is titled “Celebrities, pols benefit from Colorado tax breaks” and can be found at http://www.denverpost.com/search/ci_17556835

■ A.D. Pruitt, *The Wall Street Journal*, March 1, 2011. The appetite for health care facilities is apparently very strong.

Ventas, Inc. just made a purchase totaling \$5.8 billion of health care real estate. The company now owns 379 nursing homes, 643 senior housing properties, 294 medical offices, 47 hospitals and eight other related properties.

■ Miguel Bustillo, *thewallstreetjournal.com*, March 3, 2011. Are your big box stores doing this? In this article it talks about the big box stores are finding they are too large for today’s market. It discusses how some stores are leasing out portions of their buildings and new buildings are being downsized. See the entire article at: <http://online.wsj.com/article/SB10001424052748704728004576176601936377760.html?KEYWORDS=big+boxes>

■ *Housing Wire’s* Christine Ricciardi reports: “According to San Diego-based DataQuick Information Systems, sales on homes \$1 million or more rose 18.6% last year after four consecutive years of decline. The real estate data firm reported high-end home sales for last year using public property records for new and resale single-family detached houses and condos. Numbers were reported for 20 major metropolitan statistical areas.”

■ Julie Jargon, *The Wall Street Journal*, March 8, 2011. Maybe this will not surprise you, but Subway now has more restaurants than McDonald’s.

■ *Corelogic.com*, March 9, 2011. CoreLogic today released negative equity data showing that 11.1 million, or 23.1 percent, of all residential proper-

ties with a mortgage were in negative equity at the end of the fourth quarter of 2010, up from 10.8 million, or 22.5 percent, in the third quarter.

■ NBC’s *Today Show*, March 10, 2011. I do not think this person will make many of our Christmas card lists. See video at <http://today.msnbc.msn.com/id/3041440/vp/42005252/#42005252>

■ www.ccim.com, March 9, 2011. Foreign investors are purchasing U.S. residential properties. The National Association of Realtors (NAR) has reported that between April 2009 and March of 2010, 7% of all residential sales were purchased by foreign nationals, recent immigrants, and temporary visa holders.

How international investors plan to use residential purchases based on a recent National Association of Realtors survey:

- 50 percent plan to make U.S. purchase primary residence
- 25 percent bought vacation homes for their own use
- 14 percent bought residential rentals for investment
- 14 percent want purchases to double as their own vacation home and a rental

■ Mark Newman, *www.remodeling.hw.net*, March 14, 2011. Construction publisher Handley Wood, publisher of *Remodeling Magazine*, has predicted the top 25 counties in the U.S. that are likely to see the most remodeling activity in 2011. Johnson County is shown as #11. All the top 25 had the following characteristics:

- Densely populated. Only one county has less than 100,000 households.
- A busy 2010. The RRI’s remodeling activity index benchmarks all counties against one another regarding consumer remodeling projects. All the top

REAL ESTATE NOTES, continued

25 are in the top percentile, most in the top 5%.

- Higher home values. As is usually the case, the more expensive the home, the more remodeling activity there is.
- Middle age spreads. Hanley Wood's research suggests that the optimal age for remodeling is in homes built between 1980 and 1999. Counties with a higher concentration of homes built in these two decades scored higher.
- Location, location, location. All of the counties on the list are in highly desirable areas. The data include consumer segments more likely to take on remodeling projects such as households with families and older homeowners who remain active.
- Above average activity. These counties are all in markets where the 2011 remodeling forecasts are somewhat higher than the national average. Some are even close to 2007 levels.

■ Claire Easley, *www.builderonline.com*, March 15, 2011. There is a very interesting article titled, "The Definition of Qualified Residential Mortgage is About to Define the Industry" at <http://www.builderonline.com/mortgages-and-banking/the-definition-of-qualified-residential-mortgage-is-about-to-define-the-industry.aspx?cid=BLDR110315002>

Even non-snake-infested houses are having a hard time getting sold in this market.



Realtor Slices Price on Snake Infested Home

Sounds like an *sssstea!* A beautiful five-bedroom house in Idaho for only \$109,000. It comes with a tiny catch: The house is infested with thousands of live, writhing garter snakes.

One realtor is trying to offload the property, which went into foreclosure after the previous family got sick of the snakes and fled the premises. The realtor hopes the price drop will help, but it may not be enough. Even non-snake-infested houses are having a hard time getting sold in this market. "I guess I need a snake lover," he told *The Daily Mail*. "Or someone with multiple mongooses."

Previous owners described waking up in the middle of the night with snakes in their bed, finding snakes climbing up the walls all the time, and finding piles of snakes in crawlspaces. Just walking around the yard uncovered enough snakes to fill a bucket.

It's likely no amount of mongooses or poison will do the trick, as the house was probably built on top of snake den, Joe Collins, director of the Center for North American Herpetology in Lawrence, Kan., told *The Daily Mail*. Even if most of the snakes were gotten rid of, some snakes would probably remain and give birth again, starting the cycle anew. Also, garter snakes leave pheromone trails leading the way to a den which attracts other snakes from other areas to converge on the den.

"Snakes have a great deal of fidelity to the den site," said Collins. "They're born near there and the animals return each fall to den up and avoid the cold... People always build first and never ask about an area and whether there is a snake den before they do. Afterward, it's too late: the house is there, the snakes are there and people are there. It's a great set up for a wonderful time." For the snakes, that is.

We were told the snake story was made up

An interesting wrinkle to story about the house infested with

"It's likely no amount of mongooses or poison will do the trick, as the house was probably built on top of snake den."

thousands of snakes: when the previous owners bought it, they were told the owners before them "made up a story that there were snakes" in there to get out of paying their mortgage. The real estate agent also told them "every precaution" had been taken to make sure there was no snake problem. Unfortunately, the snakes turned out to be very real indeed.

Listings for the house don't seem to mention the slithering friends you'd be housemates with either:

This great 5 bed, 2 baths home has recently been remodeled, is on almost 1 & 3/4 acres with a double car attached garage! The main level has a large family room with propane fireplace, a large kitchen with a center island, a full main bath, 3 large bedrooms, and a large laundry room. The upper level has 2 large bedrooms, a 3/4 bath, and a spacious family room. Call us today to come take a look!"

They also forgot to mention that the well water tastes like how the snakes smell. When frightened, garters emit a nasty-smelling juice from their anal glands. And the pheromones they secrete can attract other garters from miles away. These subjects came up when the house was the subject of an episode of *Infested* on Animal Planet.

Oversssssssight....

With stories about discovering your new house has a sordid past, be it snake house or meth house, it seems like it's a good idea to Google the address of any house you're thinking about to check and see if it's the subject of any horrific news stories before putting down a down payment.



Expanding your many talents!

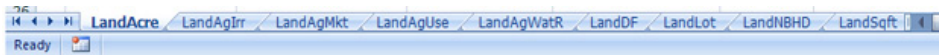
By Lisa Ree, RMA, Ellis County

Worksheet Navigation

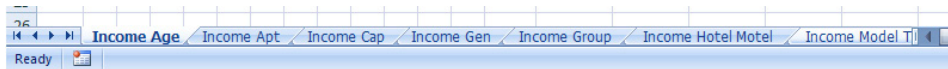
There are different ways to toggle between worksheets in an Excel workbook. One way is to simply click on the worksheet with your mouse.

A second method uses the **CTRL + PAGEUP** or **CTRL + PAGEDOWN** keys.

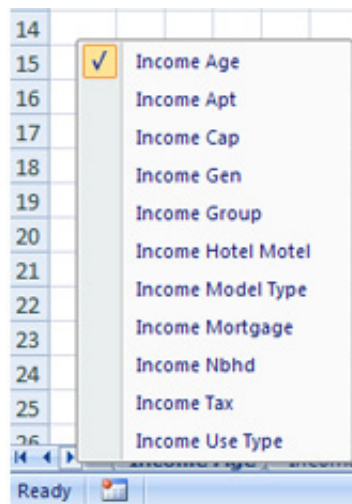
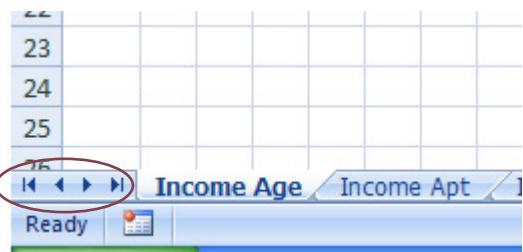
- Holding down the CTRL + PAGEUP keys at the same time will move through the worksheets to the right. In the example below, CTRL + PAGEUP will move from LandAcre to LandAgIrr. Continue to hold down the keys and worksheets will just fly by until you reach the end. If you want to navigate a bit slower: hold down the CTRL key and then press and release the PAGEUP key. This will move through the worksheets to the right one at a time.
- Using the CTRL + PAGEDOWN keys works the same way as CTRL + PAGEUP, but moves to the left



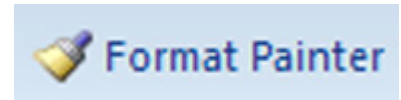
A third method produces a list of the worksheets in your Excel workbook. In this example (below), there are 11 worksheets in the file, but you can only see 7 of them.



To see a listing of all worksheets, right click on the navigation buttons located in the lower left corner of the workbook. A list of all the worksheets in the workbook appears. Just click the worksheet you want and you'll jump right to it.



Excel offers a number of ways to navigate your worksheets.



Format Painter can be used to copy the formatting of cells, text, shapes or objects. In this example (below), Column B data is formatted to five (5) decimal places, font of Calibri 11, and brown text. Column C is formatted with red text, Forte 11 font, and the decimal placement is inconsistent. One easy way to make Column C formatting mirror Column B formatting is to use Excel's Format Painter.

- Highlight Column B: left click on the B of Column B to highlight it.
- Select Format Painter (located on the Home Tab in Excel 2007). Moving dashes will appear to indicate the column has been selected. Also a little paint brush appears next to your cursor.
- Left click on the C of Column C. The two columns will now be formatted the same.

To end format painter, press **ESC**
 Note: To format multiple columns, double-click Format Painter and click each column.

	A	B	C	D
1		Ratio	absdev	
2		0.91264	0.059	
3		0.96400	0.0078750	
4		0.92667	0.045208333	
5		0.86125	0.11	
6		0.97188	0	
7		1.03267	0.060792	
8		1.11533	0.143458	
9		1.07407	0.10220	
10		1.31778	0.3459027778	
11		0.79733	0.175	
12		1.00000	0.0281250	
13				

NCRAAO '11/KCAA Conference

"Calm Cool & Collected in Kansas"

Topeka, KS • June 12-15, 2011



**Kansas County
Appraiser's Association**
P.O. Box 988 • Meade, KS • 67864
620-873-7449 phone • 620-873-2237 fax
kcaa@shcglobal.net



CONFERENCE REGISTRATION FEE: \$260 up to May 11; \$280 after May 11

Registration includes:

- Sunday: Fun Night at Westridge Lanes Family Fun Center—BBQ dinner, bowling, mini-golf, go-karts
- Monday: Presidents Reception and Silent Auction followed by a Flashlight Tour of the Kansas State Capital
- Tuesday: Lunch, Opening Session, Education Sessions, Dinner and Entertainment at the Great Overland Station
- Wednesday: Education Sessions, Lunch, Dinner and Entertainment

REGISTER FOR CONFERENCE ONLINE

Online Payment:

<https://www.accesskansas.org/ssrv-kanpayxpr/services/KCAA/NCRAAO11WB/additionalInformation.html>

Mail in Payment:

<https://www.accesskansas.org/ssrv-kanpayxpr/services/KCAA/NCRAAO11CK/additionalInformation.html>

Golf Tournament (register for golf on conference registration form)

Monday, June 13, Firekeeper Golf Course www.firekeeper.com

12524 150 Road, Mayetta, KS 66509

\$75.00 fee will include 18 holes of golf and lunch

Pairing requests should be sent to Mark Low, Tournament Coordinator, mlo@finneycounty.org

Spouse Program (register for spouse program on conference registration form)

Tuesday, June 14 & Wednesday, June 15

— Tuesday, 11:15 a.m. to 1:45 p.m. Chef Allie for cooking class, which will include light appetizer and light lunch. Then off to Cedar Crest, Governor's Mansion, for a tour from 2:00 p.m. to 3:00 p.m.

— Wednesday, 11:30 a.m. to 1:00 p.m. Home tour of Woodward Inns on Fillmore Bed & Breakfast with lunch included in the tour. Followed by shopping at West Ridge Mall until 3:00 p.m. West Ridge Mall promises a successful and fun shopping experience! Anchored by Dillard's, JCPenney, Macy's, Sears and Burlington Coat Factory. West Ridge Mall features more than 115 specialty stores.

HOTEL INFORMATION

Topeka Ramada Inn (<http://www.topekaramada.com/>)

420 SE 6th Ave., Topeka, KS 66607

(785) 234-5400 • 800-432-2424

\$82.00 room rate includes full hot breakfast buffet. Hotel reservations should be made directly with the hotel

EDUCATION SESSIONS SUMMARY: <http://www.kansas.gov/kcaa/11edudescrip.pdf>



NCRAAO SHIRTS \$20

Shirts are Egyptian Diamond Knit Sport Shirt. 6.0 oz, 100% Egyptian cotton diamond pique knit, black with white trim & NCRAAO logo embroidered on the chest & available in men sizes s-3XL. No shirt orders will be taken after May 11. Shirt order form: <http://www.kansas.gov/kcaa/11shirtorder.pdf>

Opening Speaker: Gail Hermesch

Gail has been entertaining a wide range of audiences—from blue collar workers to corporate america—with humor and compelling stories of determination. Her leadership skills, along with over 20 years' experience in sales and marketing, contribute to her desire to help others. Journey with Gail as she takes real-life issues and inspires and motivates her audience to achieve lifetime goals, both personal and professional. Walk away with a renewed desire and determination to bridge the gap between dreams and reality!