

APPRAISING THE PLAINS *of Kansas*

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VISIT TO BIG BRUTUS AMONG HIGHLIGHTS AT KCAA CONFERENCE

A side excursion to West Mineral during the 2026 KCAA conference led participants to Big Brutus, a southeast Kansas landmark used for strip mining in the 1960s and '70s.

This year's conference was held from June 8-11 at the Kansas Crossing Casino and Hotel in Pittsburg. This newsletter includes a report from the first-ever legislative panel discussion and recaps of presentations on Open Records for Kansas, the use of AI and property tax exemptions in neighboring states, as well as the photos from the annual golf tournament and trivia night.

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Around the State starts on page 16 and includes recent retirements, job openings and obituaries.



DELINDA'S DESK

DELINDA WHITE, RMA, CHEROKEE COUNTY, KCAA PRESIDENT

Greetings fellow appraisers! Hoping everyone has had a great summer making memories with family and

friends. Personally, in my life we are adding two more grandbabies to our family this fall. Extremely excited about the new additions coming!

Thank you to everyone that made our KCAA 2026 conference a success. Special thank you to Cindy Brenner! She makes the president's life so much easier during conference time. I really enjoyed seeing and visiting with everyone at the conference.

Now it is time to gear up for the new appraisal year 2027. It seems so strange to say "2027." Wow,

time has flown by! We should be hot and heavy with our analysis work and get ready for market modeling then final review.

If anyone has any questions about their analysis, please reach out to any of our KCAA board members. If they cannot figure out something for you, I am sure we can find someone who can help. Another useful resource is the Property Valuation Division for support. I genuinely appreciate all the help they provide for the counties whenever we need it.

I would like to say a big THANK YOU to all of you personally for allowing me to be your 2026 KCAA president. I have absolutely loved this past year. I have learned so much over the years of being on the board and now as president. It has been an honor for me that I will treasure in my appraisal life. ■

Save the Date

KANSAS ASSOCIATION OF COUNTIES CONFERENCE

Dec. 7-10, 2026
Hyatt Regency
Wichita

KANSAS COUNTY APPRAISER ASSOCIATION CONFERENCE

June 7-10, 2027
Hutchinson

NORTH CENTRAL REGIONAL ASSOCIATION OF ASSESSING OFFICERS CONFERENCE

July 18-22, 2027
Radisson Hotel
LaCrosse, Wisconsin



KCAA EDUCATION OPPORTUNITIES

COURSE	DATE	LOCATION	INSTRUCTOR	COST
RMA Residential Review	Oct. 6-8	Topeka	Kara Endicott	\$350
RMA Commercial Review	Nov. 3-5	Topeka	Brad Eldridge	\$350
IAAO Course 402, Tax Policy	Feb. 22-26	Lawrence	Brad Eldridge	\$575

Location: PVD, 300 SW 29th, Topeka
Flory Building, 2120 Harper St. Lawrence

Register: kscaa.net/education



2026 DIRECTOR'S UPDATE

BOB KENT, RMA, DIRECTOR, PROPERTY VALUATION DIVISION, KANSAS DEPARTMENT OF REVENUE

Registered Mass Appraiser Designations

The 2026 director's update held at the Kansas County Appraisers Association's annual meeting in Pittsburg ushered in four new registered mass appraisers (RMAs). This is a great accomplishment, and congratulations are certainly in order for the following individuals:

- Carolyn Logan – Johnson County
- Kara Jones – Edwards County
- Luke Warren – Ellis County
- Whitney Tien – Phillips County

This year's four recipients represent the lowest number of RMAs presented, going back to 2015. There were 238 RMAs at the end of the 2022-2025 appointment period, but there are now 175 with the addition of the four from this year. That is a 36% decline in the total number of RMAs from the prior period. The KCAA and Property Valuation Division have been strong supporters of the RMA designation and need to continue to support and encourage attaining the designation to bridge the retirement gap.

Legislative Division of Post Audit

PVD participated in two audits performed by the Kansas Legislative Division of Post Audit (LPA) this past year, both dealing with exemptions. The 2025

audit reviewed tax exempt real property and property donated to universities, while the 2026 audit reviewed the reporting accuracy and fiscal effects of industrial revenue bonds.

The 2025 audit recommended PVD include values for the new industrial revenue bond and economic development property tax exemption codes (2017 - SB19 legislation) in the totals reported in the Statistical Report of Property Assessment and Taxation. This was addressed in the 2025 publication.

Something that caught the attention of the LPA team and PVD was the inconsistent or missing exemption data reported from the local databases.

It was mentioned at the update about PVDs recommendations to improve data reliability by adding new language to the Appraisal Maintenance Specifications

and the Procedural Compliance Guide to ensure all exemptions are documented. This will improve data integrity and enhance transparency. The PVD compliance team is currently in the process of implementing the revised compliance review.

2026 Property Valuation Legislation

The 2026 legislative season ended relatively quiet. Four bills were passed relating to property valuation/tax and a more detailed legislative summary of the bills can be found on the PVD website.

HB 2440: Low-production oil leases are no longer required to apply to Board of Tax Appeals for exemption since this bill became law July 1. K.S.A. 79-213(l) now includes the low-production exemption as one that can be determined and processed at the local level by the appraiser. PVD

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Congrats to the small but mighty 2026 class of Registered Mass Appraiser recipients: Whitney Tien, Phillips County; Luke Warren, Ellis County; and Carolyn Logan, Johnson County. Not pictured: Kara Jones, Edwards County.

2026 Director's Update



Director's update continued from page 3

does not believe this legislation is retroactive, thus, the appraiser's exemption authority is effective with production periods July 1, 2026, and after. Any request for an exemption period prior to this date would require a BOTA order.

HB 2596 (Reno County only): Bars tax exemption on nonprofit-owned homes from the Hutchinson prison pilot manufacturing program. This goes into effect after publication in the Kansas Register.

HB 2644: Extends the appeal-triggered valuation review window from two to five years and expands it to residential and personal property manufactured homes. This bill became law after July 1, with specific actions required prior to and after Jan. 1, 2026. PVD is finalizing the Computer-Assisted Mass Appraisal (CAMA) implementation requirements to assist appraisers with appeal tracking. Statutory language for how to handle retroactive changes is lacking and PVD continues to work on a guidance document and should have something available to county appraisers soon.

HB 2737: Creates the Taxpayer Agreement Act, a new bond-financing option for TIF

redevelopment projects. This became law after July 1.

Kansas Board of Tax Appeals (BOTA)

Information was conveyed on behalf of BOTA Chair Kristen Wheeler. BOTA reported they have a new website, kansas.gov/bota, and indicates it provides a lot of the same content but feels it is more easily accessible. BOTA would like to expand the self-help resources on the website and would welcome any suggestions.

BOTA is also working on a content management system aimed at allowing taxpayers to submit and pay for appeals online. Additionally, BOTA is exploring portal access for county appraisers, attorneys and tax reps. PVD has committed to assist BOTA in any way possible and will encourage county appraisers to have uniform appeal forms to assist with this effort. When the time is right, BOTA would like to provide a demonstration to the KCAA organization to show what the system can and cannot do.

Miscellaneous Quick Notes

- The annual interest rate memo was sent out June 16 and there were no changes to the rate from the prior year. The K.S.A. 79-2968 rate for calendar year 2027 is 8%.
- Although there has been a lot of discussion about the residential school levy exemption in recent years, the exemption remains at \$75,000.
- PVD has received several inquiries concerning data centers. Data centers can be extraordinarily large buildings, often resembling massive industrial warehouse facilities or sprawling multi-building campuses frequently exceeding one million square feet used to house computing infrastructure, storage and

networking systems. They may also be smaller projects with multiple container-like housing structures. The substantial amount of equipment included in these projects may generate questions about real or personal property classification. PVD's general guidance would be to view the land, permanent structures and those items or components that support the building infrastructure as real property. The county appraiser should rely on real and personal property statutory definitions in K.S.A. 79-102, the three-part fixture law test in K.S.A. 79-261 and the PVD personal property guide when classifying these properties. Any qualifying equipment classified as personal will likely be exempt under K.S.A. 79-223.

- PVD has also received several questions about renewable energy "repower" projects. Renewable energy repowers and maintenance are addressed in a PVD memo dated Nov. 21, 2024, and can be found on the PVD website.
- Real property residential and commercial appeal guides have been updated to reflect recent legislation and can be found on PVD's website. Corresponding appeal flowcharts were updated as well and made ADA compliant to accompany the appeal guides on the website.
- As referenced in HB 2644 above, Tyler Technologies and the CAMA team are building system functionality for HB 2644. The CAMA team also rolled out 2027 MVP values and new water tank/tower component codes. They are testing Tyler Patch 2026.1.6, which includes the neighborhood profile report and improvements to the final value review program among others. ■

2026 KCAA Conference



From left to right: Virgil Peck, Dale Helwig, DeLinda White and Caryn Tyson after the legislative panel session.

BRAD ELDRIDGE, MAI, CAE, DOUGLAS COUNTY, EDITOR

The 2026 KCAA Conference was held in Pittsburg this year. It was great to be back in SEK! Thank you to KCAA President DeLinda White, KCAA Executive Director Cindy Brenner and the KCAA volunteers for helping make it a great event!

LEGISLATIVE PANEL SESSION



The opening session began with a legislative panel attended by local Southeast Kansas legislators Senate Tax Committee member Virgil Peck and Representative Dale Helwig, as well as Senate Tax Committee Chair Caryn Tyson. The session was moderated by DeLinda White and addressed a variety of property tax issues.

Solutions such as capping budgets and assessed values were discussed — both of which had bills that failed to pass in the 2026 legislative session. The issue of a wide range of property tax exemptions was also brought up by the panel. Both the panel and appraiser groups are passionate about this topic and enjoyed a spirited discussion.

Tyson agreed to having future conversations with the KCAA board members and legislative committee in 2026 to discuss solutions in the property tax arena. ■



Big Brutus waits for his next digging assignment.

EVENING RECEPTION AT BIG BRUTUS

During the school bus trip to West Mineral, the inner child awoke, reminiscing about visits to Big Brutus back in the day. Upon arrival, attendees strolled around the on-site museum that contained local artifacts going back nearly 125 years.

Culinary dreams came true as attendees enjoyed a spread catered by Chicken Annie's, a legendary local eatery. After dinner, guests were able to explore the grounds and walk through Mr. Brutus.

This beast of engineering helped SEK produce coal from 1963 to 1974, operating 24 hours a day and seven days a week. Even though Brutus' massive 16-story height casts a big shadow, it only took a three-man crew to operate. ■

BIG BRUTUS FUN FACTS

- Weighs 11 million pounds
- 16 stories tall
- 100% electric powered
- Bucket holds three railroad cars of coal
- Max speed of 0.22 mph

Open Record for Kansas Appraisers

BY ROBIN KNOBLAUCH, RMA,
POTTAWATOMIE COUNTY APPRAISER

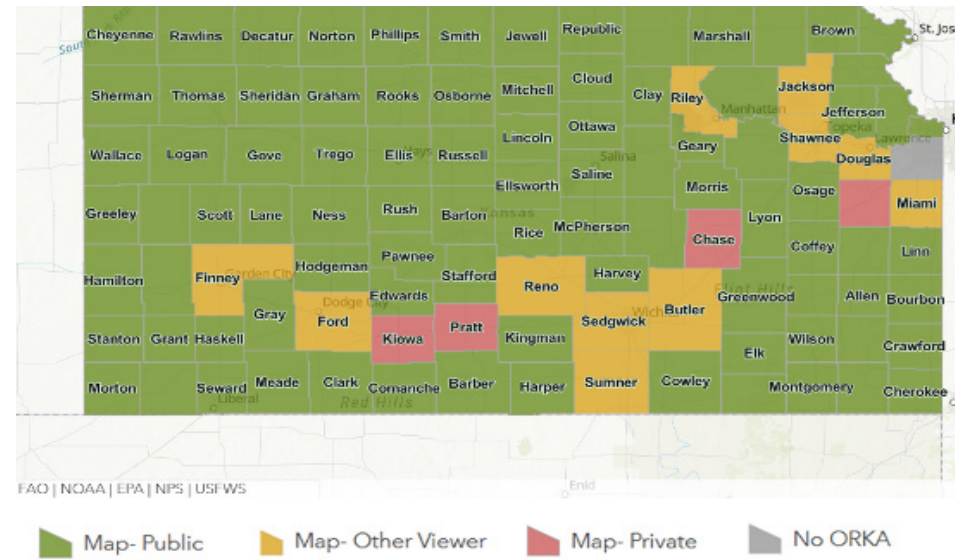
Eileen Battles presented a session on “The Open Record for Kansas Appraisers (ORKA),” which is a statewide property information portal designed to improve public access to appraisal records maintained by Kansas county appraisers. ORKA was developed and is maintained by Data Access & Support Center (DASC) in cooperation with Kansas Department of Revenue.

Without DASC, the ORKA system would not be possible. DASC was established by the GIS policy board in 1991 and headquartered at the University of Kansas in Lawrence. It is the central repository of GIS databases of statewide and regional importance. It houses public-shared geospatial content from many different organizations. The use of collaborative technology makes it easier for county data stewards to share and update content. County data stewards might be from the clerk, GIS and/or appraiser offices.

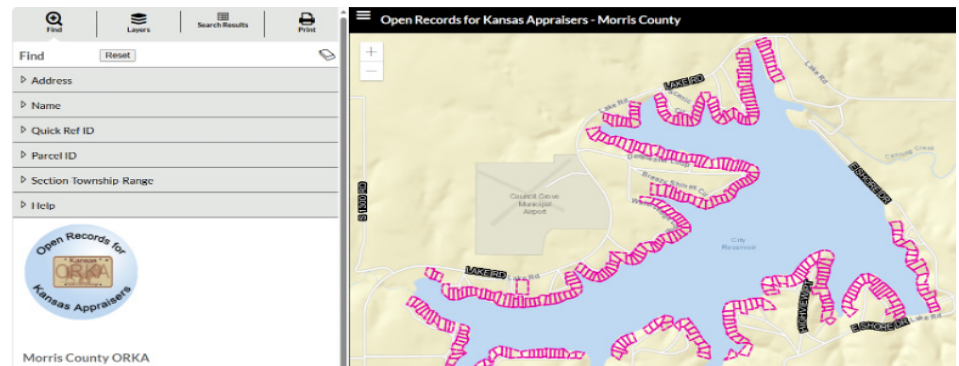
ORKA was formed in 2011 with Jefferson, Dickinson and Reno counties being pilots. It pairs county property data with county GIS parcel boundary data. It supports transparency goals of the Kansas Open Records Act (KORA) by providing centralized access to many property records that previously required contacting individual counties. Most of the 105 counties in Kansas have opted to allow full access to their county information housed on the ORKA site, making it easily accessible.

Key features include searching for property records by ownership, address, parcel number or legal description.

COUNTIES THAT HAVE ORKA



SAMPLE ORKA SITE – MORRIS COUNTY



Property characteristics are also accessible, such as land and building details, assessment classification, square footage, construction data and/or appraised and assessed values. Mapping data is also available.

ORKA does not include every appraisal-related record. Some records remain confidential or are exempt from disclosure under Kansas law. Those might include financial information, some appraisal files and sale information that have access restricted to folks with certain credentials.

ORKA creates better transparency in the property tax system while providing taxpayers with access to information with endeavors they might have. Overall, ORKA serves as a central hub for accessing public appraisal information, reducing the need to submit individual open record requests while improving consistency and accessibility across Kansas. ■

RESOURCES: [ORKA Portal](#)

CONTACT: Dave Grolling, GIS Developer, at dgrolling@ku.edu.



AI: The Good, The Bad, and the Ugly

MATT WILLARD, RMA, AAS,
WYANDOTTE COUNTY

Ryan Janzen explained the role of artificial intelligence in property appraisal and local government operations in one KCAA Conference session. The presentation emphasized something that we already know — that AI is no longer a future consideration. The time is now — ready or not. Staff, property owners, tax representatives and other stakeholders are already using AI tools in ways that affect our work.

Janzen shared that AI is particularly effective as a tool for drafting, summarizing, rewriting, organizing information, brainstorming and helping staff begin complex tasks more efficiently. Examples included preparing taxpayer

communications, creating checklists and standard operating procedures, developing training materials, summarizing lengthy documents, reviewing property and appeal files, supporting hearing preparation, analyzing data and assisting with Excel formulas, Power BI, Python, R and other technical work.

Janzen suggested starting with low-risk, high-value applications such as drafting correspondence, converting technical information into plain language, preparing templates, organizing notes and creating document summaries. More advanced uses can include market trend summaries, quality-control reviews, mock hearing preparation, policy drafting and appeal-packet review. The idea being to use AI as a productivity multiplier to assist employees rather than replacing professional judgment.

As with any new technology, the benefits need to be weighed against downside risk. AI systems can generate inaccurate information, invent citations, produce incorrect calculations, rely on outdated information and deliver unsupported conclusions with considerable confidence. Because AI does not reliably recognize when it is wrong, its output must be carefully reviewed and verified before being incorporated into appraisal decisions, reports or taxpayer communications.

Confidentiality presents an additional concern. Taxpayer information, personal identifiers, income and expense data, sales notes, internal records, system screenshots, passwords and other sensitive information may be inappropriate for entry into unapproved AI systems. It is also important to understand how AI outputs interact with records-retention requirements, work-file documentation, local policies and



public expectations regarding the use of artificial intelligence.

Perhaps the most concerning development related to the adoption of AI is the ability to make misleading evidence easier and more convincing to produce. Janzen demonstrated how artificial intelligence can alter property photographs (as seen above), add or remove apparent property characteristics, fabricate market narratives, create professional-looking appraisal-style reports, generate false comparable sales or contractor documentation, and produce other material that appears credible at first glance.

This creates a new challenge for our work. We increasingly need to confirm authorship, compare submitted evidence against county records and inspection histories, verify dates and sources, request original documentation and examine inconsistencies in photographs or supporting materials. Questionable AI-generated information should not automatically be treated as intentional deception as some taxpayers may simply rely on AI-generated material without understanding its limitations, making professional evaluation and public education around what we do increasingly important going forward.

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This presentation sparked a good deal of conversation around the use and review of AI-generated-content in our work. I have had conversations with peers around the issue of AI modification of photographic documentation and it is safe to say that the future is now for that bit of tech — that is to say there are confirmed incidents of it occurring. If you have not received an AI analysis of Kansas property valuation statutes or value analysis, consider yourself lucky. What I have reviewed really reveals the technology's bias toward supporting the case of whomever is making the query.

As a result of Janzen's presentation, I have been attempting to work AI into my workflows where appropriate and have found it to be especially

helpful at summarizing and comparing documents. I am slightly ashamed to share that this article relied on AI to summarize and outline the slide deck from the conference presentation as a starting point.

For all the hype, AI is best viewed as a force multiplier, not an authority. The design of current large-language models prevents it from being authoritative now or in the near future. The foundational design of these models creates a bias toward supporting any position they are requested to back, and these models will provide that support without consideration to ethics. Its greatest value comes from helping us work faster and communicate more effectively, while our expertise remains responsible for determining what is accurate, appropriate and defensible. ■

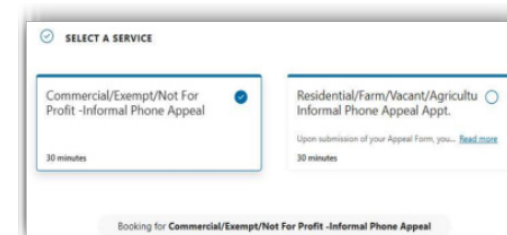
Let's Get You Scheduled

MATT WILLARD, RMA, AAS, WYANDOTTE COUNTY

Miami County Appraiser Sandy Lucas, RMA, AAS, has modernized the county's informal property appeal process by using technology the county already had — or could access at little to no additional cost. The goal was to be efficient and offer convenience while reducing staff time and making the appeal process easier for property owners.

Using CivicPlus forms and Microsoft Bookings, the Miami County appraiser's office created an online workflow that allows taxpayers to submit an appeal form and then immediately schedule an appointment with the appropriate staff member. The online form mirrors the traditional paper appeal form, provides guidance throughout the process, emails copies to the applicant and the appraiser's office and redirects the taxpayer to the scheduling system upon completion. Microsoft Bookings then manages appointment selection, confirmation, rescheduling and notifications. Dropbox was also incorporated to handle large evidence files that could not easily be submitted by email.

A key lesson from Miami County's experience is that process improvement does not always require a major technology investment. Lucas encouraged everyone to first look at applications already included in existing software subscriptions, as well as resources available through other departments. She also encouraged frontline staff involvement because employees who perform the work every day are often best positioned to identify bottlenecks and suggest practical improvements. The project



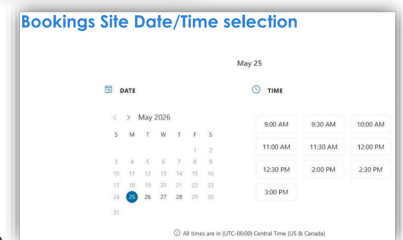
followed a simple approach consisting of several defined steps:

- Identify the problem and desired outcome.
- Determine available resources.
- Map the process.
- Test it thoroughly.
- Document the workflow.
- Implement and refine it.

Lucas emphasized that testing links, reviewing outputs and running realistic scenarios before launch are essential to creating a reliable process.

These steps and processes are applicable well beyond property appeals. Using what you already have — including any existing platforms such as Microsoft 365, ArcGIS Survey123, dashboards, website applications and scheduling tools — can provide opportunities to automate routine work and improve public service without placing significant pressure on county budgets.

Miami County's experience demonstrates that meaningful innovation can be accomplished with a clear objective, creative use of existing resources, thoughtful testing and a willingness to improve established workflows. ■





Comparative Study on Property Tax Exemptions with Nearby States

MATT WILLARD, RMA, AAS,
WYANDOTTE COUNTY

Ted Smith, chief counsel of the Kansas Department of Revenue (KDOR), presented recent cases and policy developments that offer practical lessons for Kansas appraisers.

Recent Kansas Board of Tax Appeals decisions reinforce a consistent theme: exemption claims depend heavily on whether the facts fit the precise statutory requirements. Cases involving nonprofit ownership, charitable use, agricultural use and retirement communities illustrate the importance of establishing who owns the property, who operates it, how it is actually used and whether the record supports the claimed exemption. In many instances, exemption litigation is as much about the factual record as it is about the legal theory.

The experiences of other states reveal similar issues while highlighting important differences in constitutional and statutory frameworks. In Iowa, the Supreme Court

determined that large propane storage tanks resting on concrete saddles were movable business equipment rather than taxable real property, emphasizing physical attachment, removability, economic practicality and whether an asset serves the land or the business operation. The case provides a useful comparison to Kansas fixture analysis, where annexation, adaptation, intent and permanency remain central considerations.

Cases from Idaho, Michigan and Nebraska demonstrate the challenges created by mixed and shared uses. Idaho preserved full religious exemption status where church property was also used for a YMCA daycare because the outside use remained connected to the church's exempt purpose. Michigan, by contrast, upheld only partial agricultural exemptions for an orchard property containing restaurants, retail operations, event facilities and other agritourism uses. Nebraska allowed a religious owner and an educational user

to combine qualifying exempt uses. These cases reveal an upside to the Kansas Constitution and statutes requiring exclusive exempt use allowing for one less layer of complexity in these cases. I cannot begin to imagine the extra workload the granting of partial exemptions would create in Kansas.

Next, Smith presented some cases outlining the distinction between taxable property and economically valuable rights. Oklahoma's treatment of federal production tax credits associated with a wind farm demonstrates that an economic benefit may influence project value without itself becoming taxable tangible property. For Kansas appraisers, the practical lesson is to distinguish taxable assets from intangible rights, contracts, credits and financing benefits while clearly documenting the value that remains in the taxable property.

An Alabama court denied owner-occupied residential treatment to a condominium

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KCAA CONFERENCE

Tax Exceptions continued from page 9

legally owned by an LLC, illustrating the difference between a use-based property classification and a benefit tied specifically to the identity of the owner. Indiana rejected an effort to extend favorable homestead treatment beyond one acre because the taxpayers failed to establish that the additional acreage qualified as residential curtilage. Both decisions emphasize that exemption and preferential-treatment claims

must be supported by the specific statutory criteria and by a sufficient factual record. These cases and the ideas surrounding them will become more important in Kansas if the legislature ever meaningfully expands our current homestead program for seniors and other low-income residents.

Finally, Smith discussed a 2026 proposal that would substantially increase Florida's homestead exemption for non-school property taxes, illustrating

how exemption policy can shift tax burdens among taxing jurisdictions even when market-value appraisal practices remain unchanged. One interesting note on this legislation and subsequent election — some of the backers of placing it on the ballot have pulled support and are not campaigning for passage once the full scope of the impact was better understood. This bit of legislation may end up as a case study showing the dangers of allowing polls to make policy. ■

KCAA Conference Snapshots



A group of Kansas appraisers gather at the KCAA Conference.



President Delinda White, Past-President Ryan Michaelis, NEK President Robin Knoblauch and Johnson County Appraiser Tracy Weaver smile for the camera.



Nikki and Kim enjoy the evening at Big Brutus.

Decoding the MRA Report: A Guide to Reading and Utilizing Its Insights

BY ROBIN KNOBLAUCH, RMA, POTTAWATOMIE COUNTY APPRAISER

Shawn Showman and August Dettbarn of the Douglas County Appraiser's Office gave a presentation on the multiple regression analysis (MRA) report, which is a statistical analysis method used to predict the value of a dependent value based on the values of two or more independent variables.

Multiple regression was developed in the early 20th century. It evolved from linear regression, which considers the relationship between two variables. The four rules of regression are linearity, independence, normality and equity of variance. Only under the condition that these four assumptions are satisfied can the estimated linear line successfully represent the expected mean value of Y variables corresponding to the X values.

This MRA report helps county appraisers with valuing property for taxation. Rather than valuing each property individually, it uses statistical modeling to help estimate the market value of real property for mass appraisal purposes. The model analyzes sales to determine how different property characteristics affect value. It produces fair, uniform and market-based valuations and supports county appraisers in meeting Kansas statutory requirements and improves consistency across similar properties.

The report most generally evaluates the model using statistics such as the following:

- **R² (Coefficient of Determination)** – Indicates how well the model explains differences in sale prices (higher values generally indicate a better fit).
- **Coefficient of Dispersion** – Measures appraisal uniformity.
- **Price-Related Differential** – Evaluates whether high and low value properties are treated equitably.
- **Median Assessment Ratio** – Compares appraised values with actual sale prices.

If the performance statistics fall within the acceptable standards established by the International Association of Assessing Officers, the model is determined to be reliable for mass appraisal. If standards are not met, additional calibration or neighborhood adjustments need to be re-evaluated.

SAMPLE MRA COEFFICIENTS REPORT: DOUGLAS COUNTY

Correlation Matrix									
LowTentH14									
	LV	Bed	CDUSF	Deck	OpenPorch	EncPorch	UFLAQF	AgeSF	
LV	1.0000	0.34704	0.48764	0.00000	0.37411	0.02584	0.00000	0.00000	
Bed		1.0000	0.07993	0.09366	0.08364	0.00000	0.29672	0.17405	
CDUSF			1.0000	0.00000	0.41584	0.20998	0.00000	0.00000	
Deck				1.0000	0.00000	0.08030	0.07034	0.23533	
OpenPorch					1.0000	0.00000	0.00000	0.00000	
EncPorch						1.0000	0.00000	0.06424	
UFLAQF							1.0000	0.00000	
AgeSF								1.0000	
	AttGarQF	Bsmt_FinHigh	Fixtures	MFLAQF	PhysCondSF	BsmtArea	FPyesno	BsmtGarN	
LV	0.57241	0.18631	0.51457	0.53048	0.00000	0.17341	0.00000	0.00000	
Bed	0.19285	0.34601	0.57418	0.17742	0.00000	0.27333	0.00000	0.00000	
CDUSF	0.54015	0.34900	0.41247	0.53543	0.37421	0.29505	0.00000	0.00000	
Deck	0.00000	0.18953	0.05220	0.00000	0.04009	0.08186	0.07687	0.04866	
OpenPorch	0.32913	0.20349	0.38481	0.48302	0.02502	0.25042	0.00000	0.00000	
EncPorch	0.10915	0.04589	0.01792	0.20172	0.00421	0.07352	0.05703	0.00000	
UFLAQF	0.05735	0.00000	0.26499	0.00000	0.00000	0.00000	0.06803	0.00000	
AgeSF	0.00000	0.00000	0.00000	0.02772	0.00000	0.00000	0.00000	0.01838	
AttGarQF	1.00000	0.10911	0.45218	0.58539	0.01480	0.00457	0.06123	0.00000	
Bsmt_FinHighQF		1.0000	0.45194	0.36212	0.01569	0.83077	0.00000	0.19329	
Fixtures			1.0000	0.00460	0.40816	0.03022	0.04765		
MFLAQF				1.0000	0.03231	0.40710	0.00413	0.00000	
PhysCondSF					1.0000	0.02254	0.05178	0.00641	
BsmtArea						1.0000	0.08576	0.36049	
FPyesno							1.0000	0.00000	
BsmtGarN								1.0000	
	Slab_QF	DetGar152	SP						
LV	0.23442	0.00000	0.68891						
Bed	0.00000	0.00000	0.46851						
CDUSF	0.08161	0.00000	0.75088						
Deck	0.00000	0.07298	0.00887						
OpenPorch	0.11088	0.00000	0.50992						
EncPorch	0.11213	0.12629	0.14733						
UFLAQF	0.00000	0.01885	0.02013						
AgeSF	0.06243	0.06557	0.00000						
AttGarQF	0.36852	0.00000	0.67177						
Bsmt_FinHighQF	0.00000	0.00000	0.53412						
Fixtures	0.00000	0.00000	0.71338						
MFLAQF	0.27615	0.00000	0.74677						
PhysCondSF	0.04071	0.11421	0.12288						
BsmtArea	0.00000	0.00000	0.51319						

County appraisers can view the MRA coefficients report easily when working the market modeling steps of the valuation cycle. Each section of the report tells different important information.

- The **Statistical Summary** provides a list of all variables that have at least one occurrence in the current population of sales available for the model. (C or D flagged sales will not show as an occurrence.) It also tells the total number of variables in the list with the number of occurrences of each one.
- The **Correlation Matrix** shows the pairwise correlation between all variables in the model including the dependent ones. Variables highly correlated with sale price are the most important. Values closer to 1.00 indicate higher correlation.
- The **Regression Action Report** shows the work of the model as it adds and removes variables during the constrained, stepwise regression process.

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KCAA CONFERENCE

MRA Report continued from page 11

- You can also view the F-Test and F-Limit.
 - The **F-Test** is a measure of variable importance. The higher the value, the more significant the variable.
 - The **F-Limit** is used to help set a threshold for variables. If a variable does not meet the limit, it drops out of the regression action unless it has been constrained.
- The **Analysis of Variance** section has a simple goal: find the equation that produces the smallest number of errors when working with the observed data.
- The **Coefficients List** shows various statistical data outputs, including the coefficient value for the current iteration of the regression model. It also shows results to appraisers if they have “tested” the importance of a variable within the model. It also gives three different “**Measures of Goodness:**”
 - **R-Squared (Coefficient of Determination)** is the percentage of variation in the dependent variable explained by the independent variable.
 - **Standard Error of the Estimate** (Standard

Error) gives a rough interpretation of the average difference between the predicated value and the actual sale price.

- **Coefficient of Variation** is the standard error divided by the average of the dependent variable (sale price).

Also within this report, constraints and flags that were applied are listed. All of this data and some other outputs given are used to determine the final numbers of the model before it is closed and the next steps in the valuation process take place.

The overall takeaway is that the MRA report is complex and often takes time to thoroughly understand. But it is a good tool for appraisers because it is based on verified sales from the market. The primary goal of the report is to show values are accurate, equitable and compliant with Kansas appraisal standards.

Should you find yourself with any questions concerning any of this report’s data, I am sure Shawn and/or August would be more than willing to discuss them with you since they have provided a strong foundation of knowledge in their well-put-together presentation. ■

TRIVIA NIGHT

TRIVIA NIGHT STUMPED A FEW, BUT
THESE APPRAISERS KNOW THEIR STUFF!



Golfers Fend Off Rain at Tournament

Thank you to the Woodland Hills Golf Course in Fort Scott for hosting the KCAA golf tournament this year. After a little rain delay, 32 golfers in eight teams competed in a high-stakes battle for glory. Some experienced glory, while others inspired a winning spirit with their coordinated apparel.



1ST PLACE TEAM AWARD — Ryan Michaelis and Delinda White, along with (not pictured) Aaron White, Andy Brennon and Fred White.



2ND PLACE TEAM AWARD — Ryan Smith, Ryan Poots, Porter Sartor and Stephen Ross.

3RD PLACE was a tie between team seven and team eight.



Team 7 — Matt Sorensen, Mike Plank, Zach Edwards and Bruce Hardesty.



Team 8 — Ryan Schieber, Matt Quick, Danny Grant and Christopher Felder.



LAST PLACE — Team 2 — Ryan Janzen, Brad Eldridge, Steve Schurle and Shawn Showman.



MEN'S LONGEST DRIVE — Stephen Ross



WOMEN'S LONGEST DRIVE — Delinda White

Data Centers and the Future of Mass Appraisal in Rural Kansas



BY DACYA DOMAN, RMA, BARBER COUNTY

Artificial intelligence (AI) and digital technologies are driving an unprecedented demand for data centers across the United States. As companies search for locations with available land, reliable power and favorable business climates, Kansas has emerged as an attractive destination. While these developments bring opportunities for economic growth, they also present new challenges for county governments — and particularly for the mass appraisal profession.

Today, Kansas is home to approximately 38 operational data centers operated by nearly 18 different companies. In addition, two large hyperscale facilities are currently under construction, and more than a dozen additional projects have been proposed throughout the state. Many of these proposals target rural counties where large tracts of land, electrical infrastructure and transportation access are readily available.

For county appraisers, this represents much more than another commercial development. Data centers are among the most complex property types to value and assess, requiring careful consideration of construction costs, specialized equipment, property classification and long-term market influences.

A NEW CHALLENGE FOR COUNTY APPRAISERS

Unlike traditional commercial buildings, data centers are highly specialized facilities designed to house servers, cooling systems, backup generators and sophisticated electrical infrastructure. Their

construction costs often reach hundreds of millions— or even billions — of dollars.

Because relatively few data centers sell on the open market, comparable sales data is extremely limited. This often makes the cost approach the primary valuation method during the early years of operation, while income information may be limited or unavailable. Appraisers must also distinguish between taxable real property improvements and personal property, an issue that becomes increasingly important as technology evolves and equipment is replaced.

As more projects are proposed across Kansas, county appraisers will need to become familiar with this emerging property type while maintaining equitable assessments throughout their jurisdictions.

THE CHALLENGES OF GATHERING KEY INFORMATION

One of the main challenges appraisers are met with is gathering vital data characteristics and construction information, which varies greatly depending on the type of data center being built. Ideally, the company would share this information, but that is not always the case. The Marshall and Swift Valuation guide does provide some valuable cost estimators. Another great source of information is Data Center Map.

This site uses a map to show all the current and proposed data centers in the U.S. It can then be narrowed down by state and even a general area. Once the location is identified, the page provides a detailed listing link, which is full of valuable information. Under the “Specs” tab, it lists power

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DATA CENTERS IN RURAL KANSAS

Data Centers continued from page 14

capacity, whitespace square feet, service types, minimal building information and much more. Another tool is Google Earth.

ENVIRONMENTAL AND INFRASTRUCTURE CONSIDERATIONS

Data centers can significantly influence the communities in which they are built. Many facilities require hundreds to even thousands of acres of land, resulting in the conversion of agricultural property to industrial use. This shift can affect surrounding land values, zoning decisions and future development patterns. In some of the more rural areas, this may lead to commercial zoning rules being established and more work for the appraiser's office to manage those rules.

Water usage has become one of the most discussed issues surrounding data center development. Depending on the cooling technology employed, a large facility may consume substantial amounts of water. In areas where groundwater resources and the Ogallala Aquifer are already under pressure, county officials must carefully evaluate how industrial water demands may affect long-term sustainability. Other considerations to this would be how much water is already being used by other industries such as manufacturing, agricultural irrigation and dairy/cheese plants.

Likewise, the electrical demands of modern data centers are enormous. Utility providers frequently have to construct new substations, transmission lines and distribution infrastructure to support these facilities. These improvements not only serve the data center but may also increase development potential for surrounding properties.

County appraisers must recognize how new infrastructure can influence land values and future assessment patterns. It is worth noting that some tax incentives require that electrical power be purchased from a local public utility for a set number of years before they can transition to using their own solar grid or wind-generated power.

ECONOMIC GROWTH AND EXPANDING TAX BASES

Despite these challenges, data centers offer significant economic opportunities for rural Kansas counties. Construction projects generate substantial short-term employment and create demand for local contractors, suppliers, hotels, restaurants and service businesses. This increase then can assist with the possibility of using income approach to valuation in areas where typically only cost approach is used.

Once operational, facilities provide permanent technical, maintenance, security and administrative positions that often pay well above average local wages. While the number of permanent jobs is far less than the construction crews, these skilled positions draw in new members to the local communities.

Beyond employment, one of the most significant benefits is the potential expansion of the local property tax base. Increased valuations can generate additional revenue to support schools, roads, emergency services and other essential public infrastructure. However, county appraisers must also understand any tax abatements or economic development incentives that may affect taxable value during the early years of a project. In addition, secondary development often follows major industrial

investments. New housing, retail businesses, warehouses and service industries may emerge to support the growing workforce, creating additional appraisal responsibilities throughout the county.

PREPARING FOR THE FUTURE

As data center development continues, county appraisers will play a critical role in helping local governments make informed decisions. Accurate property valuation supports fair taxation while ensuring communities receive the revenue needed to provide essential public services. Preparation will require ongoing education, collaboration with industry experts and the development of consistent appraisal practices for this unique property type through the state. Counties may also benefit from working together to share valuation methodologies and experiences as more projects are completed across Kansas.

Data centers are likely to become one of the defining commercial property types of the next decade. While they bring new challenges in valuation and assessment, they also present an opportunity for the mass appraisal profession to demonstrate its ability to adapt to changing markets and emerging technologies.

For Kansas county appraisers, understanding the complexities of these facilities today will help ensure fair, equitable and accurate assessments well into the future. As rural communities balance economic development with environmental stewardship and responsible growth, the expertise of the mass appraisal profession will remain essential in shaping that future. ■

Image Source: Office 365 Stock Images

Around the State



Hot Dog! Christina Doyle and Wendy Prosser, each from Barton County, ventured to Lawrence in July to obtain continuing education hours and stumbled upon the famous Weiner-Mobile. We hope it brought you good luck on your exam!

RETIREMENTS

CONNIE LAWRENCE



Please join us in celebrating Connie Lawrence after she bids farewell to a phenomenal 34-year career. Growing up, Lawrence had every intention of becoming a lab technician, but in 1992 she began her career in Woodson County as a field appraiser for Jerry Mentzer. In 2001, she spent two years with the Property Valuation Division before being appointed as Coffey County Appraiser on July 1, 2005.

Looking back, Lawrence treasures the time spent together and insightful conversations she shared with her fellow appraisers. Her advice to all

of us is, especially in today's world: never take things personally. With a laugh, Lawrence said if she could change one thing associated with her career, it would be that the commission and legislature would know what we do.

Lawrence deeply values her mother's strength and guidance, along with the Mentzer's mentorship, both of whom have greatly shaped her personal and professional journey.

Lawrence has moved to Yates Center to enjoy well-deserved time with her three children, Nicole, Cody and Chelsea, her daughter-in-law Kayla and three grandchildren, Carly, Aiden and Liam.

She is incredibly excited to trade early mornings for sleeping in and relaxing on her deck with a fresh cup of coffee.

Congratulations, Connie! We all wish you the best in your retirement.

MARILYN GRIZZEL

Marilyn Grizzell, Stafford County, is retiring after 34 years in the appraiser's office. She started work in the Stafford County Appraiser's office in October 1992. Her last day is Oct. 30.

Prior to working in the appraiser's office, she worked at the newspaper for 11 years. She saw an ad in the newspaper and applied to work in the appraiser's office and the rest is history.

Grizzell's plans for retirement are to work around the house, keep up with her flowers and just enjoy time with her husband Todd.

Our best wishes go out to Marilyn on her retirement. Thirty-four years is quite an accomplishment!

JOB POSTINGS

- [Pratt County Appraiser](#), Pratt County.
- [Real Estate/Personal Property Clerk](#), Stafford County (Aug. 26).
- Appraiser I, Ellsworth County (Aug. 26).

RECENT OBITUARIES

- [Theresa Waite](#), former Cowley County Appraiser.
- [Kyle Radenberg](#), former Barton and Butler County Appraiser.
- [Monte Bean](#), father of Melinda Latham, Mitchell County Appraiser.

SHARE YOUR NEWS

Appraising the Plains wants to spread the word on major milestones. Email editor Brad Eldridge at eldridge.brad@gmail.com.

REAL ESTATE NOTES OF INTEREST



BY BRAD ELDRIDGE, MAI, CAE, DOUGLAS COUNTY, EDITOR

margins, prompting firms to rely primarily on selective price increases and investments in cost-saving technologies while closely monitoring consumer responsiveness to pricing decisions. Consumer spending remained flat, as modest declines in auto sales and general retail were offset by continued strength in travel, tourism, restaurants, and drinking establishments, with bankers noting early signs of increasing household financial stress."

GDP (Second Estimate) and Corporate Profits, 2nd Quarter 2026, U.S. Bureau of Economic Analysis, Aug. 26.

"Real gross domestic product (GDP) increased at an annual rate of 1.5% in the second quarter of 2026 (April, May, and June), according to the second estimate released today by the U.S. Bureau of Economic Analysis. In the first quarter of 2026, real GDP increased 2.1%. The price index for gross domestic purchases increased 5.8% in the second quarter. Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased \$400.9 billion in the second quarter, compared with an increase of \$74.4 billion in the first quarter."

Beige Book Report – July 2026, Federal Reserve Bank of Kansas City, July 2026. "Manufacturing activity continued to improve, supported by higher shipments and production, while firms reported ongoing competition for skilled labor, particularly machine operators and welders. Inflationary pressures continued to compress profit

Review and Analysis for July

2026, Kansas Department of Labor, Aug. 21. "The Kansas unemployment rate was 3.8% in July, unchanged from 3.8% in June. The U.S. unemployment rate decreased to 4.1% in July. Average nominal hourly earnings for the private sector in Kansas increased 2.7% over the year to \$32.78. The Midwest CPI increased by 3.5%, so real hourly earnings decreased by 0.8%."

Editor's Note: *The following four articles contain information on Kansas and the national residential housing market. Note that from June to July 2025, the year-to-date sale price in Kansas increased 5.4% from the same time frame last year, while the national data indicates year-to-date price increases of 1% to 2%, depending upon the source. Sale volume (not prices) rose in Kansas by 2.2%, while the sale volume decreased nationwide by 2.3%, which is a 4.5% spread. Both datapoints indicate that the housing market in Kansas is outperforming the overall U.S. housing market.*

Kansas Housing Market Stats – July 2026, by Heather Gray, Kansas Association of Realtors,

Aug. 10. "Total home sales in the state of Kansas rose by 2.2% last month to 3,727 units, compared to 3,646 units in July 2025. Total sales volume was \$1,360.7 million, up 4.3% from a year earlier. The median sale price in July was \$304,500, up from \$295,000 a year earlier. Homes that sold in July were typically on the market for 10 days and sold for 100.0% of their list prices."

State of Kansas Summary Statistics

July MLS Statistics Three-year History	2026	Current Month 2025	2024	2026	Year-to-Date 2025	2024
Home Sales	3,727	3,646	3,569	22,190	21,360	20,839
Change from prior year	2.2%	2.2%	5.8%	3.9%	2.5%	-1.4%
Active Listings	8,232	7,591	6,571	N/A	N/A	N/A
Change from prior year	8.6%	15.0%	25.2%			
Months' Supply	2.6	2.5	2.2	N/A	N/A	N/A
Change from prior year	4.0%	13.6%	29.4%			
New Listings	4,326	4,575	4,278	29,486	29,505	27,785
Change from prior year	-5.4%	6.9%	8.2%	0.1%	6.2%	5.7%
Contracts Written	3,053	3,370	3,139	25,393	22,938	22,324
Change from prior year	9.4%	7.4%	-4.8%	3.0%	2.8%	-4.4%
Pending Contracts	4,207	4,495	3,954	N/A	N/A	N/A
Change from prior year	-6.4%	13.7%	-3.0%			
Sales Volume (1,000s)	1,360,653	1,305,040	1,159,784	7,859,369	7,141,852	6,532,604
Change from prior year	-4.3%	12.0%	10.9%	10.0%	3.3%	3.8%

Average	Sale Price	365,080	357,937	324,960	354,185	334,356	313,510
	Change from prior year	2.0%	10.1%	4.3%	5.9%	6.6%	5.3%
	List Price of Actives	415,941	404,881	415,347	N/A	N/A	N/A
	Change from prior year	2.7%	-2.3%	-1.2%			
	Days on Market	36	35	35	43	41	40
Median	Change from prior year	2.9%	0.0%	16.7%	4.9%	2.5%	14.3%
	Percent of List	99.2%	99.1%	99.2%	99.1%	99.0%	99.3%
	Change from prior year	0.1%	-0.1%	-0.9%	0.1%	-0.3%	-0.5%
	Percent of Original	97.6%	97.6%	97.8%	97.4%	97.6%	97.8%
	Change from prior year	0.0%	0.0%	0.1%	-0.2%	0.2%	-0.8%
Median	Sale Price	304,500	295,000	274,900	289,500	275,000	259,000
	Change from prior year	3.2%	7.5%	7.4%	5.4%	6.2%	5.8%
	List Price of Actives	305,000	299,000	322,500	N/A	N/A	N/A
	Change from prior year	2.0%	-1.3%	-0.8%			
	Days on Market	10	11	11	13	12	11
Median	Change from prior year	-9.1%	0.0%	57.3%	8.3%	9.3%	57.3%
	Percent of List	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Change from prior year	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Percent of Original	100.0%	100.0%	100.0%	99.9%	100.0%	100.0%
	Change from prior year	0.0%	0.0%	0.0%	-0.1%	0.0%	0.0%

NAR Pending Home Sales Report Shows 2.3% Decrease in July

in July, National Association of Realtors, Aug. 18. "Pending home sales in July decreased by 2.3% month-over-month and 2.2% year-over-year, according to the National Association of REALTORS® Pending Home Sales report."

U.S. House Prices Rise 2.1% Year over Year; Up 0.3% Quarter over Quarter

Year over Year; Up 0.3% Quarter over Quarter, Federal Housing Finance Agency, Aug. 25. "U.S. house prices rose 2.1% between the second quarter of 2025 and the second quarter of 2026, according to the U.S. Federal Housing (FHFA) House Price Index

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REAL ESTATE NOTES OF INTEREST

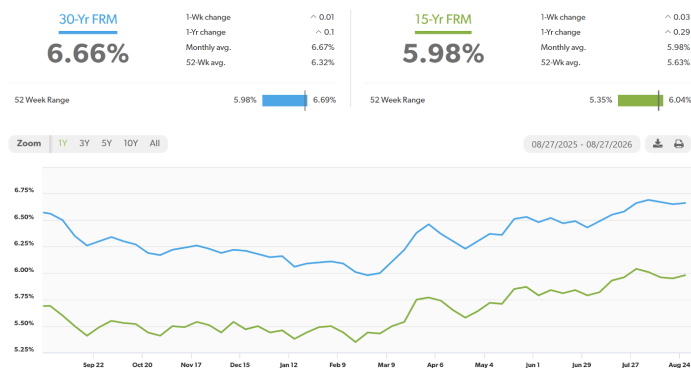
Real Estate Notes continued from page 17

(FHFA HPI®). House prices for the second quarter of 2026 rose 0.3% compared to the first quarter of 2026. FHFA's seasonally adjusted monthly index for June remained unchanged from May."

U.S. home price insights — August 2026, Cotality, Aug. 10. "National home price growth remains modest but accelerating, edging up 0.3% month-over-month and 1.2% year-over-year in June 2026. The Midwest and Northeast are now carrying much of the upside: Illinois (+6.4% YoY), Connecticut (+6.0%), Nebraska (+5.8%), and Indiana (+5.8%) led the state rankings."

Mortgage Rates Hold Steady, Freddie Mac, Aug. 27. "The economy remains resilient, demonstrated by steady consumer spending and rising household incomes. More homes coming on the market and slower price growth in many areas are giving buyers better options and helping create a more balanced housing market."

Primary Mortgage Market Survey®
U.S. weekly averages as of 08/27/2026



Housing Cost Statistics: Most Homebuyers Underestimate the True Costs of Owning a Home, by Meredith Mangan, Credible, June 18. "High mortgage rates and rising home prices are two of the primary factors making it more difficult for Americans to afford a home. At the same time, housing expenses comprise more than just a monthly mortgage payment, and prospective buyers don't always know what to expect when budgeting for homeownership."

Economic Uncertainty, Affordability Challenges Weigh on New Home Sales, National Association of Home Builders, Aug. 25. "Elevated borrowing costs, rising inflation and broad economic uncertainty continue to curb buyer demand and hold back new home sales."

New Listings Hit 4-Month High While Demand Slips, Giving Serious Buyers Chance to Get a Deal Done, by Dana Anderson, Redfin, Aug. 27. "More homes are hitting the market, but fewer buyers are purchasing them, giving house hunters an opportunity to negotiate prices and ask for concessions."

Manufactured Housing Industry Trends & Statistics, by Patrick Revere, MH Insider, May 22. "Manufactured homes continue to be a crucial solution to the affordable housing crisis, filling the gap in the middle housing market for many customer segments. Based on the numbers in our 2026 "State of the Industry" report on manufactured housing trends and statistics, the industry continues to show positive signs of growth."

Manufactured Housing, Coming To a Suburb Near You, by Amy Scott and Mika Ellison, Marketplace, Aug. 24. "Changes to legislation in several states have made once-stigmatized manufactured homes — also known as factory-built homes — easier to build. Developers are starting to expand their operations from rural areas and trailer parks to suburbs, where traditional starter homes can be prohibitively expensive."

Commercial Real Estate Demand Index, National Association of Realtors, Aug. 18. "Commercial real estate demand often starts before it shows up in vacancy rates, rents, or leasing activity. It starts in the local economy with businesses hiring, industries expanding, and people moving into an area. The Commercial Real Estate Demand Index tracks those underlying economic drivers across 306 metropolitan areas and shows where demand for commercial space may be building."

Current Multifamily and Commercial Mortgage Rates & Spreads, Northmarq. See link for details and report downloads.

IRR 2026 Mid-Year Viewpoint Summary, IRR, August 2026. "Commercial real estate is moving through an uneven and increasingly localized recovery, with performance diverging sharply by property type, market and asset quality. Capital, tenants and investors are concentrating on properties where realistic pricing, durable income and strong local demand support the investment case." **Editor's Note:** This report contains regional cap rate data to help with your 2027 cap rate study

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REAL ESTATE NOTES OF INTEREST

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— see *Midwest information by commercial property type*.

U.S. Capital Markets Snapshot Report | Q2

2026, *Colliers International*, July 29. “Confidence continued to build across the commercial real estate sector as investors grew more willing to transact despite ongoing interest rate volatility. This snapshot examines the major asset classes, providing a clear read on investment activity, pricing, and capital flows.

2026 Mid-Year Outlook: U.S. Commercial Real

Estate, by Chad Tredway, Luigi Cerreta, Sean Kane, J.P. Morgan Asset Management, Aug. 17. “The U.S. economy enters the second half of 2026 on solid footing, and commercial real estate fundamentals are improving as capital flows back into the sector. With values still well below prior peaks and real estate trading at a relative discount, we believe the current entry point is among the most compelling we’ve seen in years.”

U.S. Real Estate Market Outlook Midyear Review

2026, *CBRE*, Aug. 4. “Investment activity remains on track for a 16% year-over-year increase to approximately \$605 billion, in line with our January forecast. Capitalization rates, which we originally expected to compress modestly, are now projected to hold largely stable for the remainder of the year. Although incremental compression is expected in 2027, persistently higher benchmark rates will mean that income will be the primary driver of total returns.”

Midyear Multifamily Outlook, *Marcus & Millichap*, July 2026. “Regional demand and development trends continued to produce differing outcomes for operations and rent growth across the major apartment markets. Economic uncertainty may influence near-term performance, but long-term demand drivers continue to support the multifamily sector.”

2Q26 U.S. Multifamily Capital Markets Conditions

& Trends, *Newmark*, Aug. 12. “U.S. multifamily absorption reached 279,000+ units in the first half of 2026, the second-highest first half total on record, while investment sales volume climbed to \$72.1 billion, capturing 28.1% of all U.S. investment sales.”

Net Lease Market Report | Q2 2026

, *Boulder Group*, July 2026. “Cap rates in the single tenant net lease sector increased modestly in the second

quarter of 2026, with overall cap rates rising two basis points to 6.82%. Retail cap rates increased to 6.60% (+5 bps) and industrial cap rates increased to 7.25% (+10 bps), while office cap rates remained unchanged at 7.90%. The slight movement in cap rates kept overall pricing relatively stagnant, a dynamic that has characterized the sector over the past two years.”

U.S. Office Market Outlook Report | Q2 2026

, *Colliers International*, August 2026. “The U.S. office market gained meaningful momentum in Q2 2026, with 16.9 million square feet of net absorption, the strongest quarterly performance in seven years, helping reduce the national vacancy rate to 18% and extending the streak of positive occupancy growth to eight consecutive quarters.”

Data Center Demand Exceeds Expectations as H1 2026 Absorption Hits Record 25 GW

, by Kimberly Steele, *JLL*, Aug. 11. “North America data center demand doubled year-over-year in H1 2026 as hyperscalers, neoclouds and AI companies compete for scarce capacity amid sustained 1% vacancy.”

Retail Market Statistics | Q2 2026

, *Colliers International*, August 2026. “The U.S. retail market continued to demonstrate resilience during the second quarter of 2026. Net absorption rebounded to 10.2 million square feet as strong tenant demand and rapid backfilling more than offset first quarter softness. Vacancy remained historically low at 4.4%, while construction activity stayed well below historical norms, helping preserve a disciplined supply environment.”

Research Brief: Retail Sales

, *Marcus & Millichap*, August 2026. “Core retail spending rose 4.8% year-over-year in July despite falling 0.2% on a monthly basis, the first drop this year. While gains across multiple categories may quell some concerns about consumers’ resiliency, additional headwinds will test households’ purchasing power in the coming months. The personal savings rate hovers near a four-year low, leaving households with less capacity to absorb price or income shocks going forward.”

2026 Industrial Net Lease Sales Volumes and Cap Rates

, by John Tagg, *Commercial Property Executive*, Aug. 27. “Industrial remains the most active single-tenant sector, with \$7.7 billion in first quarter transactions. The Midwest region led transaction activity in the first quarter, recording over \$1.6 billion in volume and accounting for 21.3 percent of total.”

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REAL ESTATE NOTES OF INTEREST

Real Estate Notes continued from page 19

U.S. Industrial Outlook Market Report | Q2

2026, *Colliers International*, August 2026. "The U.S. industrial market began to tighten in Q2 2026 as net absorption reached 59M SF and exceeded new supply for the first time since 2022. Vacancy declined to 7.3%, while completions fell to their lowest level since 2016. With the construction pipeline gradually rebuilding, improving fundamentals are laying the groundwork for the next industrial cycle."

HVS U.S. Market Pulse: August 2026, *HVS*, Aug. 27. "This summer has been strong for the U.S. hotel sector, with weekly RevPAR gains averaging near 8.0% in June and early July, cooling slightly into 6.0% to 7.0% in August. The industry's average cap rate fell to 7.7% in the second quarter of 2026. Although fewer properties are trading, the hotels

that are selling tend to be more upscale assets that command premium pricing, helping push the trailing-twelve-month (T12) cap rate to 8.2%."

Self-Storage Outlook: Compounding Returns in the New Real Estate Cycle

by Feerooz Racoobi, Buchanan Street, Aug. 20. "Stabilized Class A properties in core West Coast markets remain highly competitive, frequently trading at cap rates between 4.75% and 5.0%. At these valuations, they are generally not compelling to us as a levered investor. We target a 7.0% to 7.5%+ untrended development yield on cost, approximately 200 to 250+ basis points above current cap rates for stabilized proper additional core markets." ■

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