

Appraisal Newsletter

January 1, 2007

Volume 11, Number 4

PERSONAL PROPERTY RENDITIONS

The 2007 personal property renditions were mailed to Douglas County personal property owners on Friday, December 29. Any property owner who had a personal property rendition in 2006 was mailed a rendition this year. Approximately 10,000 renditions were mailed this year which included 3,900 commercial renditions and 6,100 regular renditions. The yellow renditions are for commercial property owners while the white renditions are for individuals who have personal property. Sometime during January the office will mail out the 2007 oil and gas renditions to approximately 100 working interest owners.

Any Douglas County resident who owns tangible personal property is required to annually file a list of the property with the county appraiser's office. The form must be signed by the owner of the property or by the person who is filling out the return on behalf of the owner. The filing deadline for personal property renditions is Thursday, March 15. Late filings are subject to a penalty. Penalties for late filings are five (5) percent per month up to a maximum of 25 percent. The penalty for failing to file a personal property rendition is 50 percent.

2006 ANNEXATIONS REPORTED

According to the mapping section a total of nine (9) annexations were filed in 2006 compared to four (4) in 2005, 15 in 2004, 14 in 2003, 11 in 2002, 40 in 2001 and 20 annexations filed in 2000. The annexations covered 414.6 acres compared to 54 acres in 2005, 261 in 2004, 280 in 2003, 259 in 2002, 844 acres in 2001 and 542 acres in 2000.

The City of Lawrence during 2006 had three (3) annexations involving 155 acres. City of Lawrence has added 2,387 acres in the last seven (7) years. That is an average of 341 acres per year. In the 1990s the average was 329 acres per year. The city of Lawrence now covers 20,319 acres up from 5,156 acres in 1960.

Baldwin City had one (1) annexation which covered 63.6 acres and the City of Eudora had five (5) annexations which added 196 acres inside its city boundaries. There were no new annexations in the City of Leocompton in 2006.

2007 FINAL REVIEW CONTINUES

The 2007 final review process continues on schedule. As of December 29 a total of 16,507 parcels had been reviewed and valued by the appraisal staff. This represents 42 percent of the total parcel count of approximately 38,860. To date 41 percent or 16,090 residential/agricultural/vacant/exempt

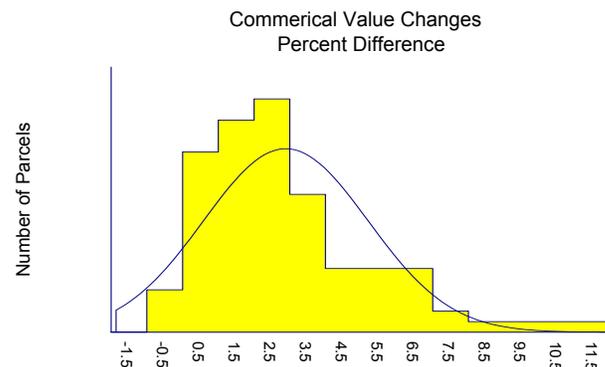
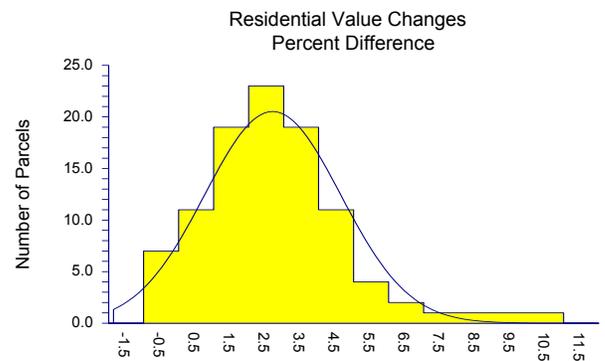
parcels have been completed while 28 percent or 417 of the commercial parcels are done.

Based on the 41 percent of the residential parcels completed at this time, residential values are projected to increase in 2007 between two (2) to four (4) on the average. The median increase for the residential parcels completed to date is 2.7 percent. For the commercial properties completed the average increase is between two (2) to four (4) percent, however some commercial properties will see significantly larger increases.

The median commercial increase so far is 2.4 percent. The increases are pretty much in alignment with the national trend.

Standard & Poor' recently released a report that indicated that home prices nationwide grew only 2.9 percent in October. The graphs below give a breakdown of the value changes to date for 2007.

The final review process is scheduled to be completed by February 9, 2007. Change of value notices will be mailed to



property owners on Wednesday, February 28. Property owners will have until Saturday, March 31, to schedule an informal hearing with the appraiser's office.

MAPPING SECTION BUSY IN 2006

The year 2006 was another busy year for the mapping section. A total of 1,055 new lots were added in 2006 compared to 817 in 2005, 1,536 in 2004, 637 in 2003, 823 in 2002, 1,181 in 2001, 872 in 2000, 946 in 1999 and 1,067 in 1998.

In 2006 there were 377 property splits and combinations. There were also 49 new plats filed compared to 46, in 2005, 62 in 2004, 49 in 2003, 54 in 2002, 53 in 2001, 76 in 2000 and 62 in 1999. The 49 new plats accounted for 732 new parcels.

2006 PUP HEARINGS SCHEDULED

As of December 29 a total of 166 real estate payments under protest had been filed with the appraiser's office compared to 82 in 2005, 141 in 2004, 158 in 2003, 128 in 2002, 199 in 2001, 139 in 2000, 98 in 1999 and 65 in 1998. The 2006 number includes 40 commercial and 126 residential parcels.

A total of six (6) personal property payments under protest were filed as of December 29 compared to one (1) in 2005, six (6) in 2004, 12 in 2003, five (5) in 2002, 14 in 2001, six (6) in 2000 and 13 in 1999.

2006 SALE INFORMATION RECAPPED

As of December 22 the appraiser's office worked 2,475 sales questionnaires in 2006 compared to 3,132 in 2005; 3,214 in 2004; 3,210 in 2003; 2,869 in 2002; 2,957 in 2001; 2,835 sales questionnaires in 2000; 2,984 in 1999; 3,046 in 1998 and 2,833 in 1997. The 2,475 sales questionnaires involved 3,363 parcels.

For the month of December as of the 22 the office worked 165 sales questionnaires involving 248 parcels.

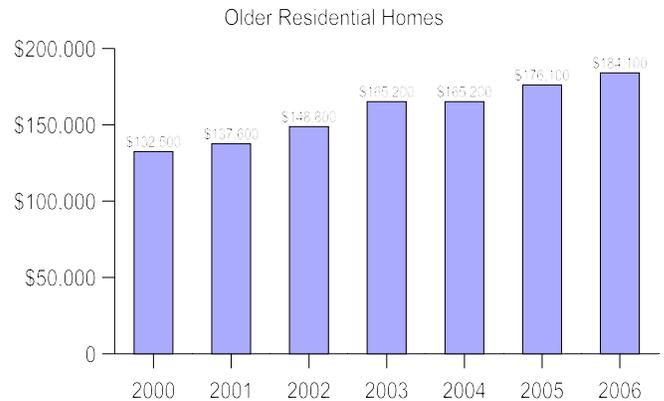
Included in 2006 sale numbers were 1,542 valid residential sales. This compares to 1,739 in 2005, 1,721 in 2004, 1,690 in 2003, 1,535 in 2002, 1,536 in 2001, 1,218 in 2000; 1,404 in 1999 and 1,706 in 1998. The average sale price for these sales was \$184,100 compared to \$176,100 in 2005, \$165,200 in 2004 and 2003, \$148,800 in 2002, \$137,600 in 2001, \$132,500 in 2000; \$125,903 in 1999; \$116,963 in 1998 and \$110,762 in 1997. This represents an increase of 4.3 percent.

The average sale ratio for residential property in 2006 is 98 percent compared to 97 percent in 2005, 2004, 2003, 2002 and 2001; 94 percent in 2000; 95 percent in 1999; 96 percent in 1998 and 97 percent in 1997.

The average selling price for residential property since July 1, 2006 is \$184,950 which represents less than a one (1) percent increase over the 2005 amount of \$183,400. The sale ratio since July 1 is 98 percent. The average selling price for the same time frame in 2004 was \$168,200.

The average selling price on 216 new home sales in 2006 was \$245,700 compared to \$218,800 in 2005, \$233,300 in 2004, \$190,800 in 2003, \$197,007 in 2002 compared to \$184,930 in 2001, \$175,324 in 2000, \$154,509 in 1999 and \$150,355 in 1998. This represents an decrease of 10.4 percent. The average selling price for new construction on residential

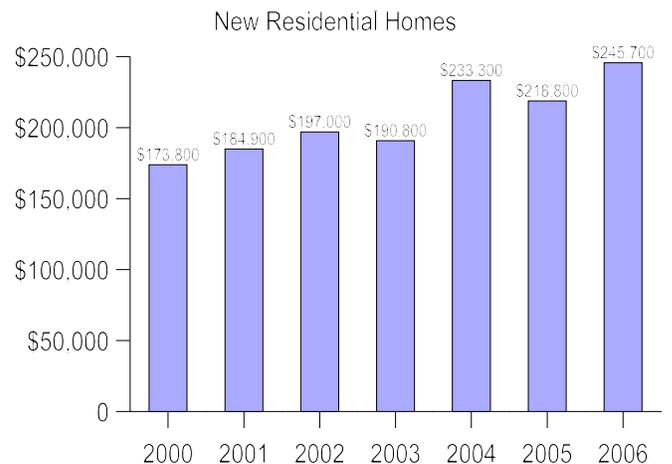
Average Sale Price



properties built since July 1, 2006 is \$252,400.

The average commercial sale ratio in 2006 was 89 percent. There were 61 valid commercial sales recorded in 2006 compared to 41 in 2005.

Average Sale Price



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February 1, 2007

Volume 11, Number 5

2006 BUILDING PERMIT NUMBERS

Each of the three cities in Douglas County recently reported their annual building permit numbers for the year 2006. A total of 247 single family building permits were issued in the City of Lawrence. In Baldwin City the number of single family building permits in 2006 was only 17 and in the City of Eudora the number of single family permits was 25. Following is a breakdown of the numbers for each city.

City	Single Family	Duplex Units	Other Permits	Total
Lawrence	247	28	2,363	2,638
Baldwin City	17	4	1,382	1,403
Eudora	25	2	157	184

The number of multi-family permits issued in the City of Lawrence was 13. There were no multi-family permits issued in Baldwin City or the City of Eudora. The number of commercial building permits issued in Lawrence last year was 20. There were three (3) issued in Baldwin and four (4) in Eudora.

2007 FINAL REVIEW COMPLETED

The final review process for estimating 2007 values will be completed by Friday, February 9. A total of 38,967 properties will be reviewed and valued by county staff. This compares to 38,109 in 2006, 37,557 in 2005, 35,911 in 2004, 35,322, in 2003, 34,637 in 2002, 33,768 in 2001, 32,939 in 2000 and 32,077 parcels in 1999. The county added 858 parcels this past year which represents a growth of approximately 2.2 percent. Following is a current breakdown of the parcels by property classification:

Type	Urban	Rural	Total
Residential	25,312	3,253	28,565
Farm with home site	22	1,540	1,562
Agricultural	331	2,456	2,787
Vacant lots	2,628	787	3,415
Commercial/Industrial	1,337	125	1,462
Exempt	766	331	1,093
Not for profit	7	0	7
	3	2	5
Utility	22	18	39
Totals	30,455	8,512	38,967

Change of value notices will be mailed on Wednesday, February 28. The county will be using the same notice as last year which will feature the valuation method used to arrive at the fair market value for the property. Also if the sales

comparison method was used to find the fair market value the list of the comparable sales used will be shown on the notice.

Typically values for residential properties in 2007 will increase between two (2) to four (4) percent depending on the neighborhood. The average residential increase in value is 2.6 percent. Following summarizes the valuation range increases for residential parcels that have been final valued to date:

value decline	2,724
0 to 3% increase	13,766
3 to 5% increase	4,289
5% or greater increase	2,966

Commercial values will go up on the average one (1) to four (4) percent in 2007 depending on the neighborhood. The average increase for commercial properties is around two (2) percent.

The deadline to request an informal hearing will be Thursday, March 30 at 5 p.m. Informal hearings are set to begin the week of March 13. The annual market study analysis for 2006 will be published the week of February 13. This publication is required by state statutes. After the study has been published a copy of the study will be available for review in the appraiser's office.

2006 REAL ESTATE SALES INCREASE

The number of sales in Douglas County were down in 2006. The total number of sales worked in the office were 2,766 involving 3,262 parcels. This compares to 3,183 sales involving 3,726 parcels in 2005. This represents a decline of almost 13 percent. In 2004 there were 3,254 sales involving 3,722 parcels; 3,240 sales involving 3,609 parcels in 2003; 2,910 sales involving 3,190 parcels in 2002; 2,998 sales involving 3,450 parcels in 2001 and 2,860 sales involving 3,267 parcels in 2000.

The total number of home sales worked during the year was 1,597 which does not include sales of newly constructed homes. This compares to 1,783 in 2005, 1,762, in 2004; 1,728 in 2003; 1,535 in 2002; 1,536 in 2001; 1,218 in 2000; 1,404 in 1999 and 1,706 in 1998. The average home sale in the county in 2006 was \$184,619 compared to \$176,100 in 2004, \$165,700 in 2004; \$165,600 in 2003; \$148,800 in 2002; \$139,160 in 2001; \$132,500 in 2000 and \$125,900 in 1999. This represents an increase from last year of 4.8 percent.

Since July 1, 2006 there were 674 home sales in the county with an average selling price of \$183,900, a slight decline from the entire year figure. The average sales ratio for the year for

home sales was 97 percent which is the same as the last four years.

In 2006 there were 224 new homes(including homes started in 2005 and finished in 2006) which sold at an average selling price of \$244,319 compared to \$218,800 in 2005, \$233,200 in 2004; \$190,829 in 2003; \$197,100 in 2002; \$184,930 in 2001 and \$176,975 in 2000. Since July 1, the average selling price on a new home has been \$248,900.

Following is a breakdown of total valid single family residential sales (including new homes) in the county for the year 2006:

Location	2006 Number	2006 Sale Price	2005 Sale Price
Lawrence	1,367	\$199,590	\$190,590
North Lawrence	82	\$119,800	\$118,835
Baldwin City	75	\$165,725	\$165,562
Eudora	142	\$160,031	\$159,398
Lecompton	3	\$123,833	\$154,000
Rural	140	\$252,412	\$236,364

The only area that saw an increase in the number of home sales was the rural area which went from 111 sales in 2005 to 140 in 2006. The City of Lawrence declined from 1,581 sales in 2005 to 1,367 in 2006. Baldwin City sales fell from 124 in 2005 to 75 in 2006 while the City of Eudora recorded 188 home sales in 2005 compared to 142 in 2006.

PERSONAL PROPERTY RENDITIONS

The personal property staff has been busy in January working the 2007 personal property renditions. Approximately 10,600 renditions were mailed at the end of December. As of January 30 a total of 1,713 individual renditions and 579 commercial renditions had been returned to the appraiser's office. This represents 23 percent of the mailed renditions.

During January the office mailed approximately 100 oil and gas renditions. The office has not yet received the 2007 per barrel prices for oil from the Division of Property Valuation, Department of Revenue.

The filing deadline for the personal property renditions is Thursday, March 15 at 5 p.m.. The filing deadline for oil and gas renditions is Monday, April 2. Late filings are subject to a penalty as prescribed in the Kansas statutes. Penalties for late filings are five (5) percent per month up to a maximum of

25 percent. The penalty for failing to file a personal property rendition is 50 percent.

NEW 2007 AG USE VALUES POSTED

The Kansas Constitution requires agricultural land to be valued based on its income or productivity. The new agricultural use values for 2006 have been received by the appraiser's office this week. The values are developed by the Division of Property Valuation of the Department of Revenue and Kansas State University. Dry land values are generally down in 2007 while the values for tame grass and native grass held steady or declined slightly in most soil types.

KANSAS LEGISLATIVE UPDATE

Again this year the number of appraisal issues before the Kansas Legislature is fairly small. Following are some of the bills that affect appraisal activities and the county appraiser's office:

House Resolution 5005 - This constitutional amendment would limit valuation increases on real or personal property used for residential purposes owned by persons 65 years of age or older.

House Resolution 5006 - This constitutional amendment would limit appraised valuation increases of all classes of real property to the consumer price index-urban for property tax purposes.

House Bill 2018 - This bill would increase the membership on the State Board of Tax Appeals to five members from the current three members.

House Bill 2045 - This bill would provide a property tax exemption for real and personal property of certain fraternal societies, orders or associations.

House Bill 2153 - This bill would provide for the office of county appraiser to be an elected position instead of the current appointed position.

Senate Resolution 1602 - This resolution would prohibit valuation increases for property tax purposes for certain residential property owned by a person 65 years of age or older.

EMPLOYEE SPOTLIGHT !!!!!

For the past three months the appraisal staff has been busy setting values for the 2007 valuation year. Field appraisers involved in the value setting process are *Cindy Spriggs, Shelly Borland, Steve Miles, Jim Regan, John Chaney, August Dettbarn and Sharon Dominik*. We were using a new CAMA system this year for the first time which made the process of final review a learning process for all the appraisers. Despite

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this we still were able to finish on schedule. Job well done to all.

Appraisal Newsletter

March 1, 2007

Volume 11, Number 6

CHANGE OF VALUE NOTICES

The 2007 change of value notices were mailed to Douglas County real property owners on Wednesday, February 28. Property owners wanting to appeal their value have until Friday, March 30 at 5 p.m. to request an informal hearing with the appraiser's office. Again this year persons wanting to appeal will need to fill out the appeal request form on the back of the change of value notice. Informal hearings will begin the week of March 19. All the hearings again this year will be held in the basement of the county courthouse at 1100 Massachusetts. The number of informal hearings held in 2006 was 1,059 compared to 1,204 in 2005; 1,012 in 2004; 1,376 in 2003; 1,135 in 2002; 1,872 in 2001; 1,607 in 2000; 1,417 in 1999; 1,882 in 1998; 1,560 in 1997; 1,770 in 1996 and 3,400 in 1995.

OVERALL VALUATION SUMMARY

The 2007 preliminary assessed valuation for real estate shows an increase over the 2006 total. The total real estate assessed valuation for 2007 as of February 28 was \$987,945,225 compared to \$943,941,290 in 2006. This represents an increase of \$44,003,935 approximately 4.7 percent. The assessed value in 2005 was \$880,538,982; \$810,348,940 in 2004; \$749,339,690 in 2003; \$693,011,825 in 2002; \$644,097,660 in 2001; \$585,509,265 in 2000; \$530,113,055 in 1999; \$499,009,715 in 1998; \$451,600,00 in 1997 and \$409,500,000 in 1996. Following is a breakdown of the property values by class:

Property Class	2007 Value	2006 Value
Residential Urban	\$600,379,890	\$568,714,055
Residential Rural	\$ 79,407,525	\$ 75,447,185
Farmstead Rural	\$ 28,337,805	\$ 26,737,360
Farmstead Urban \$	411,430	\$ 377,195
Vacant Urban	\$ 18,126,025	\$ 18,078,550
Vacant Rural	\$ 4,309,300	\$ 4,122,685
Agricultural Rural	\$ 14,679,325	\$ 15,301,660
Agricultural Urban	\$ 133,190	\$ 115,125
Commercial Urban	\$234,589,910	\$228,093,925
Commercial Rural	\$ 7,034,870	\$ 6,476,280
Not for Profit	\$ 466,520	\$ 417,745
Other Rural	\$ 46,455	\$ 43,605
Other Urban	\$ 22,980	\$ 15,920
Total	\$987,945,225	\$943,941,290

Based on past experience the county can expect to see this valuation drop approximately one percent during the informal and formal hearing processes. The informal hearings are those held with staff members from the county appraiser's office. The formal hearing process includes the hearings that are filed with the small claims and regular division of the State Board of Tax Appeals in Topeka.

PERSONAL PROPERTY DEADLINE

The deadline to file 2007 personal property renditions is Thursday, March 15 at 5 p.m. Oil and gas renditions must be filed by Monday, April 2 at 5 p.m. To date approximately 3,193 or 32 percent of the 10,000 renditions mailed by the county have been returned to the appraiser's office. The number of returned renditions is running slightly behind this date a year ago. At the end of February in 2006 approximately 36 percent of the renditions had been returned to the office.

Late filings are subject to a penalty. Penalties for late filings are five (5) percent per month up to a maximum of 25 percent. The penalty for failing to file a personal property rendition is 50 percent.

2007 SALE INFORMATION REPORTED

The appraiser's office has already begun tracking the new 2007 sales in the county. The number of sales questionnaires worked by the sales department since January 1 is 172 which involved 190 parcels. This number is down from 2006 when 285 sale questionnaires involving 382 parcels were worked during the same time frame.

During the first part of 2007 the sales department has worked 64 valid residential sales. The average sale price for the residential sales was \$177,800 compared to \$184,620 in 2006; \$176,900 in 2005; \$165,200 in 2004 and 2003; \$148,800 in 2002; \$139,160 in 2001 and \$132,500 in 2000. The average selling price for 1999 was \$125,900. The current average sales ratio for residential property is 101percent.

There has been no commercial sales to date in 2007.

2007 RESIDENTIAL VALUES

The appraiser's office recently developed a report showing the breakdown of residential house values in the county by value range. Following is a breakdown of the residential values in dollar increments along with the percent that number represents of the total. The final column is the percent of the properties that were in those value breakdowns in 2006.

Value \$ range	Number	2007 % of total	2006 % of total
0 to 39,999	80	0.3	1.4
40,000 to 59,999	277	0.9	2.5
60,000 to 79,999	929	3.1	4.8
80,000 to 99,999	1,637	5.5	7.3
100,000 to 119,999	2,527	8.5	11.9
120,000 to 149,999	6,182	20.8	22.5

150,000 to 199,999	8,745	29.4	25.1
200,000 to 299,999	6,255	21.0	17.2
300,000 to 399,999	1,960	6.6	4.7
400,000 to 499,999	607	2.0	1.3
500,000 to 699,999	351	1.2	0.8
700,000 to 999,999	142	0.5	0.3
1,000,000 and up	57	0.2	0.2

SINGLE FAMILY VS MULTI-FAMILY

According to numbers compiled by members of the appraiser’s office approximately seven (7) percent of the residential properties in the county are multi-family units. A multi-family unit is one that has more than one living unit. Following is a breakdown of the residential properties:

Location	Single Family	Multi-Family
Baldwin	1,169	78
Eudora	1,645	117
Lecompton	169	5
Lawrence	19,972	1,788
Rural	4,481	4
Total	27,436	1,992

MEDIAN RESIDENTIAL VALUES

A study recently conducted by the county appraiser’s office indicates that the median market value for all residential property, four living units or less, in the county for the 2007 valuation year is approximately \$164,900 compared to \$160,000 in 2006; \$150,000 in 2005; \$145,000 in 2004, \$133,000 in 2003, \$121,000 in 2002; \$117,500 in 2001 and \$105,720 in 2000. The median market value for all residential parcels in the City of Lawrence in 2007 is \$164,900 compared to \$160,000 in 2006; \$151,000 in 2005; \$145,200 in 2004, \$133,600 in 2003, \$127,000 in 2002 and \$119,740 in 2001. The median market value for the cities in Douglas County are listed below:

Cities	Median market value
Baldwin	\$150,000
Eudora	\$146,800
Lecompton	\$101,800
Lawrence	\$164,900
Rural	\$188,700

The median market value for residential properties in the following school districts are:

School district	Median market value
U.S.D 497 (Lawrence)	\$166,600
U.S.D. 491 (Eudora)	\$153,900
U.S.D. 348 (Baldwin)	\$162,900
U.S.D. 343 (Lecompton)	\$163,300

The study also looked at the median market value for residential property by style of house. The most common house style is a

ranch style (8,505) followed by a conventional style (6,314), townhouses (3,768) and old styles (3,286). Following are the results of the study:

House style	Count	Median value
Bi-level	1,253	\$169,700
Bungalow	932	127,300
Colonial	12	396,500
Condominium	688	82,900
Conventional	6,314	237,300
Converted House	451	168,700
Earth Contact	170	173,100
Earth Shelter	3	154,000
Modern	130	252,600
Modular	337	139,700
Old Style	3,286	123,300
Other	235	142,200
Ranch	8,505	154,300
Ranchett	683	96,800
Split Level	1,218	186,200
Townhouse	3,768	147,900
Traditional	62	303,800
Victorian	22	420,000
Walkout basement	1,703	216,900

SENATE RESOLUTION 1602 UPDATE

Senate Concurrent Resolution 1602 has advanced out of the Senate Assessment and Taxation Committee on a voice vote. The resolution would give the legislature the authority to, by law, limit valuation increases on single-family residential real property which is owned by and the principle place of residence of a Kansas resident who is 65 years of age or older as of January 2 of the tax year. Since this a constitutional amendment, it would require 37 votes in the Senate to advance the resolution to the House.

In other legislative news, House Bill 2153 which would have provided for the election of the county appraiser remains in the House Elections and Governmental Organization committee. Two other bills, House Bill 2322 which deals with the termination procedures for county appraisers and House Bill 2045 which deals with a possible tax exemption for certain fraternal societies, orders and associations, remain in the House Taxation committee.

New SBOTA MEMBER APPOINTED

Governor Sebelius has appointed former state representative Bruce Larkin to the Kansas State Board of Tax Appeals. He replaces Tom Slack who resigned at the end of 2006. Larkin has previously been working the Kansas Department of Revenue and is a resident of Baileyville.

Appraisal Newsletter

April 1, 2007

Volume 11, Number 7

2006 PRELIMINARY SALE RATIO NUMBERS RELEASED BY THE STATE

The Division of Property Valuation, Department of Revenue, in March released the 2006 preliminary sales ratio study. The final report will be released in July or August of this year. The sales ratio study is an annual analysis of the relationship between appraised values established by the appraiser's office and the property's sale price.

According to the report, Douglas County's median ratio for residential property in 2006 was 99 percent with a COD of 5.4. A total of 295 sales were used in the study. The 2005 median ratio was 96 with a COD of 5.6. The 2004 median ratio was 98 with a COD of 5.6. The 2003 median ratio was 97 percent with a COD of 5.6. The 2002 median ratio was 97 percent with a COD of 4.9.

The median ratio is the middle ratio after all the ratios are arrayed in order from the lowest to the highest. The statistic measures the appraisal level in the county. The appraisal level is an indication of how close the county's values are to the fair market value or the 100 percent level (the sale price). State statutes require that the county's appraisal level be between 90 and 110.

The COD (coefficient of dispersion) measures the amount of variation in the county valuations around the appraisal level (median). The smaller the COD the less variation in the ratios about the median ratio, which translates into better equity in the county values. State statutes require that the county's COD be less than 20 for all classes of property.

The PRD (price-related differential) for residential property in 2006 was 1.00, which was the same as 2005 and 2004. The PRD measures the vertical equity or the relationship of low-value and high value properties. A PRD of more than 1.00 suggests that high value properties are under appraised compared to low value properties and a PRD of less than 1.00 suggests that high value properties are over appraised compared to low value properties.

The 2006 median ratio for commercial property was also 96 with a COD of 19.8. A total of 28 sales were used in the commercial study. The 2005 commercial median ratio was 96 with a COD of 13.3. The 2004 commercial median ratio was 94 with a COD of 16.4. The 2003 commercial median ratio was 95.2 with a COD of 13.1. The 2002 commercial median ratio was 96.2 with a COD of 10.1.

REAL ESTATE ASSESSED VALUES REPORTED BY PROPERTY CLASS

Following is a breakdown comparing the real estate values by property class between the tax years 1996 to 2007 (the numbers do not include other and not-for-profit totals which are reflected in total assessed value). The 2007 valuation numbers are not final and are through March 26th.

Year	Agricultural	Residential/Urban
1996	\$10,596,900	\$231,352,975
1997	\$10,719,790	\$252,057,725
1998	\$11,146,095	\$275,318,245
1999	\$11,535,300	\$299,410,640
2000	\$12,192,340	\$333,450,750
2001	\$13,524,925	\$370,817,350
2002	\$14,126,940	\$401,591,680
2003	\$14,156,440	\$442,299,450
2004	\$14,860,160	\$481,018,095
2005	\$15,056,080	\$527,733,290
2006	\$15,180,280	\$568,540,745
2007	\$15,029,905	\$600,613,010
% difference 1996-2007	+42%	+160%

Year	Residential/Rural	Com./Industrial
1996	\$31,343,010	\$111,009,990
1997	\$34,492,670	\$122,437,105
1998	\$38,057,545	\$135,522,555
1999	\$41,632,525	\$145,335,810
2000	\$46,115,445	\$159,721,245
2001	\$51,244,115	\$176,995,905
2002	\$55,453,135	\$187,306,305
2003	\$60,668,060	\$201,927,700
2004	\$65,274,960	\$211,252,005
2005	\$70,469,515	\$224,868,165
2006	\$75,359,220	\$234,017,145
2007	\$80,162,420	\$244,276,195
% difference 1996-2007	+156%	+120%

Year	Farmstead	Vacant
1996	\$11,942,905	\$10,645,960
1997	\$12,966,425	\$11,528,530
1998	\$13,865,880	\$12,359,540
1999	\$14,930,325	\$13,393,255
2000	\$16,461,220	\$13,908,408
2001	\$17,998,840	\$17,061,705
2002	\$20,075,575	\$17,849,730

2003	\$21,754,390	\$18,003,635
2004	\$23,260,940	\$18,147,340
2005	\$25,175,830	\$21,901,180
2006	\$27,181,955	\$22,181,710
2007	\$28,720,085	\$22,139,575
% difference		
1996-2007	+140%	+108%

CITY/TOWNSHIP VALUATION DATA

Following is the current breakdown of the real estate assessed valuation by cities and townships for 2007 compared to the 2006 values at this same time a year ago. The final numbers will not be available until after the values are certified to the County Clerk in June.

Location	2007	2006	% Diff.
Cities:			
Baldwin	\$ 29,390,855	\$ 27,703,305	+ 6.9
Eudora	\$ 38,462,845	\$ 35,614,430	+ 8.0
Lawrence	\$786,301,300	\$749,354,150	+ 4.9
Lecompton	\$ 2,674,490	\$ 2,530,700	+ 5.7
Townships:			
Clinton	\$ 7,609,155	\$ 7,270,655	+ 4.7
Eudora	\$13,963,210	\$ 13,281,280	+ 4.7
Grant	\$ 6,822,830	\$ 6,548,380	+ 4.2
Kanwaka	\$18,452,355	\$ 17,375,305	+ 6.2
Lecompton	\$10,191,200	\$ 9,730,660	+ 4.7
Marion	\$ 9,456,515	\$ 9,137,025	+ 3.5
Palmyra	\$26,748,635	\$ 24,651,375	+ 8.5
Wakarusa	\$25,884,675	\$ 24,929,385	+ 3.8
Willow Springs	\$15,519,080	\$ 14,811,675	+ 4.8
Total:	\$991,477,145	\$942,938,325	+ 5.1

New construction county wide accounts for \$18,040,270 of the 2007 amount which is 1.8 percent of the total increase. The remaining seven percent of the increase is due to market appreciation. More specifically, in Baldwin City new construction amounted to 3.5 percent of the 6.9 percent increase in value. In Eudora new construction amounted to 3.4 percent of the total eight (8) percent increase in value. In the City of Lawrence, new construction totaled 1.5 percent of the total 4.9 percent increase in value.

INFORMAL HEARINGS UNDERWAY

Informal hearings began on Monday, March 26. Only a hand full of informal hearings have been held as of Friday, March 30. A total of 25 hearings have received an adjustment in value. A total of 13 hearings have received no change in value.

The last day to request an informal hearing was Friday, March 30. As of Thursday, March 29, 879 hearings were scheduled compared to 1,196 in 2006. A few more hearings will probably be scheduled based on the mail during the first part of April.

The total hearings in 2005 were 1,180. The total hearings in 2004 were 1,012 with 1,376 hearings in 2003; 1,135 in 2002; 1,872 in 2001; 1,607 in 2000; 1,417 in 1999 and 1,874 in 1998.

PERSONAL PROPERTY RENDITIONS

As of March 28, approximately 2,686 commercial renditions had been returned to the appraiser's office. Staff estimates that approximately 1,114 commercial renditions have not yet been returned. A total of 3,732 regular renditions have been returned with approximately 2,343 yet to be returned. Approximately 180 businesses have received a filing extension until April 15. Sixty (60) oil and gas renditions have been filed with approximately 20 yet to be filed. The filing deadline for oil and gas renditions is April 2 at 5 p.m.

For those properties that file late, a five (5) percent penalty per month will be assessed with a maximum penalty of 25 percent. The penalty for failing to file a personal property rendition is 50 percent.

As a side, approximately 300 commercial personal property accounts have been closed because of the legislation passed last year by the Kansas Legislature that raised the exemption on equipment to \$1,500 per item. Most other commercial accounts have declined in value because of the legislation.

The personal property valuation notices will be mailed on Monday, April 30. Approximately 7,200 notices will be mailed. Property owners have until Tuesday, May 15 at 5 p.m. to request an informal hearing with the appraiser's office personal property section.

2007 KANSAS LEGISLATIVE UPDATE

Senate Concurrent Resolution 1602 - This is a constitutional amendment prohibiting valuation increases for certain residential property owned by a person 65 years of age or older for property tax purposes. The bill remains in the Senate Tax Committee and has been recommended for passage by the committee.

House Bill 2018 - This bill would increase the size of the State Board of Tax Appeals to five members. The bill has passed the House and is now in the Senate Tax Committee. .

House Bill 2516 - This bill would require that property tax appraisals conform to the uniform standards of professional practice as authorized by federal law. The bill is still in the House Tax Committee.

Appraisal Newsletter

May 1, 2007

Volume 11, Number 8

PERSONAL PROPERTY CVNS MAILED

The 2007 personal property change of value notices were mailed Monday, April 30. Approximately 7,000 notices were mailed. Property owners have until 5 p.m. on Tuesday, May 15th to request an informal hearing with a member of the personal property section. A total of 19 personal property informal hearings were held in 2006 compared to six (6) in 2005, 12 in 2004 and 2003, 11 in 2002, nine (9) in 2001, 12 in 2000 and 21 in 1999.

The preliminary assessed value for personal property in 2007 is estimated at \$56,419,507 compared to \$69,344,085 in 2006, \$69,619,337 in 2005, \$62,069,500 in 2004, \$63,285,362 in 2003, \$67,635,290 in 2002, \$68,685,098 in 2001 and \$73,274,170 on this same date in 2000. This value does not include the penalty amount for the late filing of personal property renditions.

The total personal property assessed value for 2007 should increase as the staff works the failure to file renditions and those renditions that were granted filing extensions. As of April 12 there were approximately 3,154 personal property owners who have not filed their 2007 renditions compared to 2,567 in 2006, 2,592 in 2005, 2,354 in 2004, 2,451 in 2003, 2,126 in 2002 and 2,151 for the same time period in 2001.

INFORMAL HEARINGS ENDING

The final day for informal real estate hearings will be Friday, May 11th. A total of 1,370 informal hearings have been scheduled which represents approximately three (3) percent of the county's total parcel count. Following is a graph showing a breakdown of hearings compared to the total parcels:

The total number of hearings includes 100 commercial

properties and 1,270 residential, agricultural and vacant properties. The 2007 hearing total is up 33 percent from the 2006 total of 1,029. Following is a breakdown of the 2007 hearings by property class:

Property Class	Hearing Total	% of Total
Agricultural	8	.6 %
Commercial	100	7.3 %
Farmstead	43	3.1 %
Residential	721	52.7 %
Vacant	498	36.3 %
Total	1,370	100.0 %

Following is a breakdown by area of the 2007 informal hearing count:

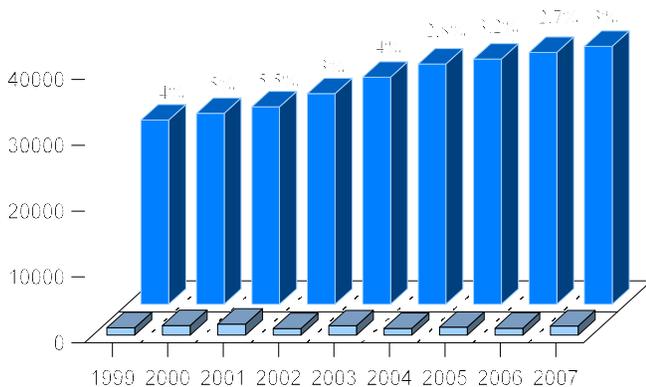
Commercial/Exempt:

Area	Total Parcels	Hearings	Percent
Baldwin	179	6	3.4%
Eudora	120	5	4.2%
Lecompton	21	1	4.8%
North Lawrence	229	1	0.4%
Lawrence	1,569	84	5.4%
Rural	461	3	0.7%
Total	2,579	100	3.9%

Residential:

Area	Total Parcels	Hearings	Percent
Baldwin	1,479	44	3.0%
Eudora	2,263	71	3.1%
Lecompton	263	2	0.8%
North Lawrence	1,030	6	0.6%
Lawrence	23,473	998	4.2%
Rural	8,097	151	1.9%
Total	36,605	1,270	3.5%

Hearings Vs Parcels 2007



INFORMAL HEARING RESULTS

Through Monday, April 23rd, a total of 347 informal hearing cases had been closed by members of the appraisal staff. Of the hearings held 193 or 56 percent had received a change in value while 154 or 44 percent had received no change in value. The assessed valuation as of April 23rd stands at \$990,777,495 compared to \$991,477,145, the total from March 26 of this year.

So far value has dropped less than one (1) percent. The overall assessed value on real estate is up approximately 8.3 percent from the 2006 total of \$943,941,290, \$875,465,397 in 2005, \$810,348,900 in 2004 and \$749,339,135 in 2003. The 2002 total was \$693,011,825. The 2001 total assessed value was \$644,067,060 and \$585,509,265 in 2000.

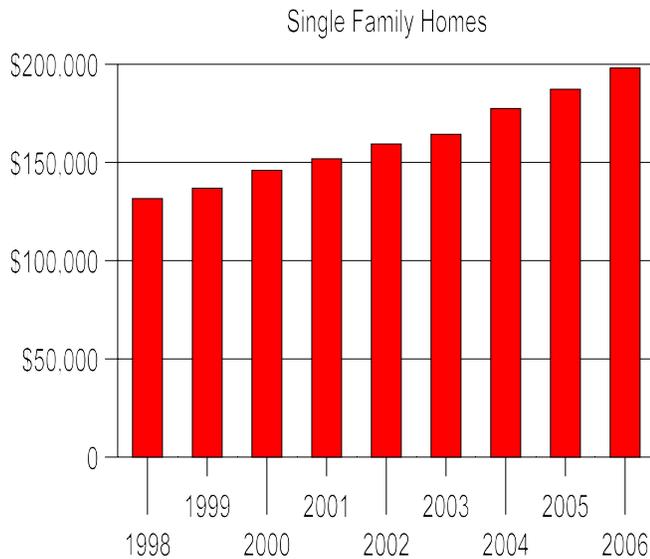
2007 SALES CONTINUE UPWARD

To date in 2007 a total of 491 sales questionnaires involving 529 parcels have been worked by the appraiser's sales department. During the first four (4) months of 2006 the office worked 688 sales questionnaires involving 888 parcels.

To date in 2007 the sales department has worked 305 valid residential sales. The average sale price for the residential sales was \$182,600 compared to \$184,600 in 2006, \$176,900 in 2005, \$165,200 in 2004 and 2003, \$148,800 in 2002, \$139,160 in 2001 and \$132,500 in 2000. This represents a decrease of one (1) percent. The current average sales ratio for residential property is 100 percent compared to 97 percent in 2005, 2004, 2003, 2002 and 2001, 94 percent in 2000 and 95 percent in 1999. Following is a graph of average sale price since 1998.

So far in 2007 the county has worked 17 new home sales. The average selling price on the new homes is \$272,300 compared

Average Sale Price

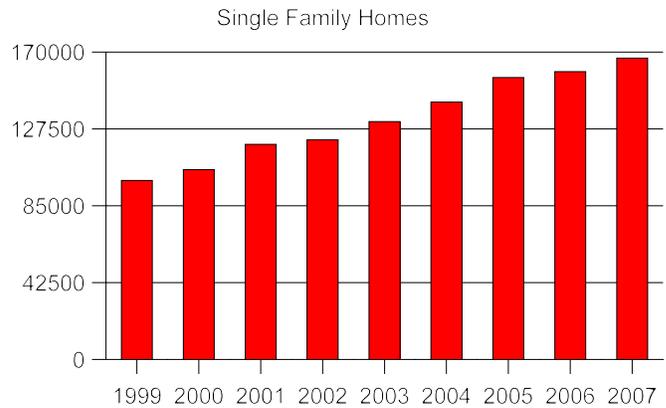


to \$244,300 in 2006, \$222,400 in 2005, \$233,275 in 2004, \$190,800 in 2003, \$197,100 in 2002, \$187,820 in 2001, \$176,975 in 2000 and \$154,288 in 1999.

In conjunction with the average sale price rise over recent years the median residential values in the county have also increased at basically the same rate. Following is a graph showing the median residential value since 1998.

FIRST QUARTER MAPPING REPORT

Median Residential Value



During the first quarter of 2007 the mapping section added a total of 132 new parcels to the real estate parcel count. The parcel count as of April 3 was 38,978 compared to 38,846 as January 1. These numbers include 11 new plats involving 52 new parcels, 14 combinations and 81 splits. The staff has also worked 396 straight ownership transfers during the first three months.

CITY BUILDING PERMIT REPORT

During the first three months of 2007 a total of 456 building permits have been worked by the City of Lawrence building permit department. Included in those numbers were 32 single family permits, two duplex permits and one four plex permit. There has been three (3) permits for apartments issued and 73 remodeling permits.

AG USE LETTERS MAILED IN APRIL

Approximately 1,000 agricultural use letters were mailed to county property owners in April. The mailers were mailed to rural property owners in parts of the following townships: Kanwaka, Clinton, Marion and Willow Springs. Field staff will begin reviewing and working the returned letters after the informal hearings have been completed.

EMPLOYEE SPOTLIGHT !!!!!

Recently received the following letter commending one of the staff appraisers (*Jim Regan*): "Just a quick note to thank you for helping me out with the assessment for my home. I received the ammended notice and am very pleased that the new assessment figure seems more reflective of what I expected. It is really gratifying to live in a community that has such responsive people working for government agencies." **Good job Jim !!!!**

Appraisal Newsletter

June 1, 2007

Volume 11, Number 9

PERSONAL PROPERTY HEARINGS

The deadline to request an informal hearing for 2007 personal property values was Tuesday, May 15. A total of 10 informal hearings were scheduled compared to 19 in 2006, six (6) in 2005, 12 in 2004 and 2003, 11 in 2002, nine (9) in 2001, 12 in 2000, 21 in 1999 and seven (7) in 1998. The informal hearings were scheduled to be held on Friday, June 1. A total of 7,200 notices were mailed to personal property owners in 2007.

The preliminary 2007 assessed value for personal property is an estimated \$62,984,635 excluding penalties for late filings. This compares to \$70,030,785 in 2006, \$70,808,370 for the same time in 2005, \$63,985,365 in 2004, \$69,103,080 in 2003, \$72,892,745 in 2002, \$74,629,970 in 2001, \$74,553,744 in 2000, \$70,452,807 in 1999, \$62,457,747 in 1998 and \$55,063,325 in 1997. This represents a decrease of approximately 10 percent at this time. The office will still be picking up some failure to file renditions between now and the time personal property values are certified to the County Clerk. The values must be certified by June 15.

The 2007 penalty value to date is \$2,427,130 compared to \$1,897,520 in 2006, \$1,736,520 in 2005, \$1,492,265 in 2004, \$1,648,695 in 2003, \$1,613,585 in 2002, \$2,347,335 in 2001, \$1,713,555 in 2000 and \$1,540,645 in 1999. The penalty value is assessed to property owners who file their personal property renditions after the filing deadline or fail to file at all. As of this newsletter there are approximately 2,755 property owners who filed a rendition in 2006 and failed to file this year. The personal property staff will be sending letters to these property owners in June.

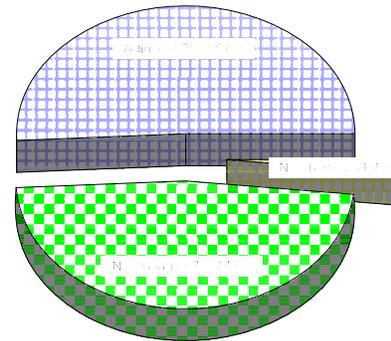
REAL ESTATE INFORMAL HEARINGS

The final day for informal real estate hearings was Friday, May 11. A total of 1,368 informal hearings were held which represents approximately 3.5 percent of the county's total parcel count. This number included 141 commercial properties and 1,227 residential/agricultural properties. The 2007 hearing total is approximately 33 percent more than the 2006 total of 1,029. Over 400 of the residential hearings were vacant residential building lots.

In the commercial area a total of 72 hearings or 51 percent received a change in value, while 67 hearings or 48 percent received no change in value. There were two (2) no shows. Below is a graph depicting the commercial hearing results.

On the residential/agricultural side 722 hearings or 59 percent received a change in value, while 496 hearings or 40 percent

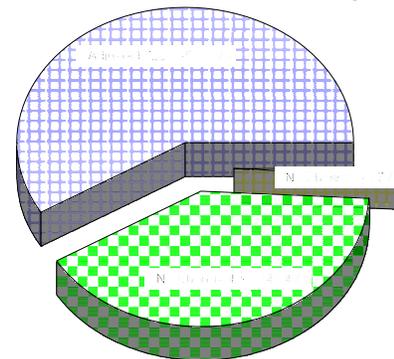
Commercial



received no change in value and there were nine (9) or one (1) percent no show residential hearings. Below is a graph depicting the residential hearing results.

The assessed valuation as of May 25 stands at \$986,979,470

Residential / Ag



compared to \$991,477,145 as of February 28, the date the change of value notices were mailed. The value declined \$4,497,675 or less than one (1) percent as the result of the informal hearing process and State Board of Tax Appeals orders. The overall assessed value on real estate is up approximately 4.5 percent from the 2006 total of \$944,446,295. The 2007 total value will probably still change slightly prior to the certification of the 2007 values to the county clerk the week of June 11.

The 2005 total was \$880,538,982 compared to \$810,348,940 in 2004, \$749,339,690 in 2003 and \$693,011,825 in 2002. The 2001 total was \$644,097,060 and the 2000 total was \$585,509,265.

New construction for 2007 totaled \$18,040,270 in assessed value compared to \$20,381,305 in 2006, \$18,544,769 in 2005, \$21,116,747 in 2004, \$25,134,615 in 2003, \$19,296,640 in 2002, \$20,526,670 in 2001, \$20,086,350 in 2000 and \$18,451,625 in 1999. The new construction value represents approximately 1.8 percent of the 2007 assessed value. This means the increase in value due to market appreciation in 2007 was 2.7 percent (4.5 percent minus 1.8 percent) compared to 5.2 percent in 2006, 6.2 percent in 2005 and 6.6 percent in 2004.

VALUE COMPARISON BY COUNTIES

The Johnson County Appraiser's Office recently conducted a survey of the five largest counties in Kansas to see what the average appraised residential values were in 2007 for each county. Following is a summary of that survey:

County	2007 Value	2006 Value
Douglas	\$164,900	\$160,000
Johnson	\$249,000	\$238,000
Sedgwick	\$115,516	\$109,743
Shawnee	\$114,200	\$ 96,400
Wyandotte	\$ 96,332	\$ 87,392

The survey also asked what the average selling price for residential properties was during the time frame used to establish the 2007 appraised values. Following is a summary of those results:

County	2006 Sale Price	2005 Sale Price
Douglas	\$184,600	\$176,900
Johnson	\$265,000	\$258,000
Sedgwick	\$138,588	\$132,775
Shawnee	\$139,100	\$122,100
Wyandotte	\$120,709	\$109,065

NEW PVD DIRECTIVE ISSUED

The Department of Revenue, Division of Property Valuation in Topeka has recently issued a new directive concerning the use of digital technology tools (oblique photography) as a substitute for on site inspections during the county's annual maintenance program. The directive became effective this month.

Douglas County's new oblique photography was delivered this week by Multivision and is now available for the appraisal staff to use. A letter has been sent to the Director of Property Valuation asking that Douglas County be allowed to use the new digital imagery in our annual property maintenance.

The directive says that any county wanting to utilize digital images has to have imagery that is a minimum of 6" pixel resolution in urban/suburban areas and 12" resolution in rural areas. The county's digital imagery is 3.5 " pixel resolution. The directive also states that the digital imagery has to be no more than two years old. The imagery being used by the county was flown in November of 2006 so we should be able to use it for the next two years.

LAWRENCE BUILDING ACTIVITY ...

During the first four months of 2007 a total 657 building permits were issued by the City of Lawrence. During the same time period in 2006 a total of 851 permits were issued. Of that number for 2007, there were 59 permits issued for single family homes compared to 78 in 2006. Three (3) permits were issued for duplex units compared to 13 in 2006. Other permits issued so far this year include one (1) four-plex permit, three (3) apartment permits involving 30 apartment units and 111 remodeling permits.

EMPLOYEE SPOTLIGHT !!!!!

Interviews for a new field appraiser were conducted in May. The position became open with the resignation of *John Chaney*. John's last day with the county was May 18.

The office also received this month a couple of notes from the public. The one note from a gentleman who had a hearing stated *"I complement your staff at all levels for the information assistance they provided prior to and during my hearing held on 04/09/07. As a new, but currently absentee property owner, I am impressed with Douglas County government."*

Another letter received by the office state, *"Several months ago you helped me with a tax appeal. Thank you so much for your assistance and guidance in filing an appeal to change from agricultural to tax exempt. I was unsure how to do this and you explained the process thoroughly and in a way that was very easy to understand. I really appreciate the time you took to make sure that I was able to fill out the forms accurately and completely. You even followed up with me later to make sure I understood everything. During my employment with the church I have frequently worked with State, County and City offices. You have been one of the most helpful and friendly government employees I have ever worked with and I wanted you to know that I truly appreciate it! By the way, our tax appeal was approved."*

Good job to you all.

Appraisal Newsletter

July 1, 2007

Volume 11, Number 10

VALUATION NUMBERS REPORTED

The appraiser's office certified both the 2007 real estate and personal property values to the County Clerk on Tuesday, June 12. The county's total 2007 assessed value, including state assessed property, is \$1,133,460,752 compared to \$1,094,474,719 in 2006, \$1,039,504,315 in 2005; \$958,505,252 in 2004; \$896,601,365 in 2003; \$837,677,700 in 2002; \$794,278,091 in 2001; \$733,191,536 in 2000, \$670,785,835 in 1999 and \$618,334,943 in 1998. This represents an increase of approximately 3.6 percent compared to 5.3 percent in 2006 and eight (8) percent increase in 2005. The increase in 2004 and 2003 was seven (7) per cent and 5.5 percent in 2002. In 2001 there was an 8.3 percent increase and a 9.3 percent increase in 2000. Following is a breakdown of the 2007 numbers at certification compared to the same time frame in 2006:

Category	2007 value	2006 value	%Diff.
Real Estate	\$988,065,440	\$944,672,645	+ 4.6%
Personal Property	\$ 62,771,165	\$ 69,344,085	- 9.5%
State assessed	\$ 82,624,147	\$ 80,457,989	+2.7%
Total	\$1,133,460,752	\$1,094,474,719	+ 3.6%

The personal property numbers will continue to increase as the appraiser's office continues to work the "failure to file" renditions. These are county property owners who filed a personal property return in 2006 but have not filed one in 2007. More detailed information on this process can be found later in this newsletter.

The bulk of the county's 2007 value is found in the urban areas. Of the total assessed value for 2007, 82 percent is located in the cities with the city of Lawrence representing 75 percent of the total assessed value. In 2006, urban areas accounted for 82 percent of the value compared to 81 percent of the total in 2005.

The percentage in 2004, 2003 and 2002 was 81 percent. In 2001, 80 percent was located in the cities with the city of Lawrence representing 75 percent of the total assessed value. In 2000 the breakdown was 80 and 74 percent.

2006 SALES RATIO STUDY RESULTS

The 2006 official real estate appraisal ratio study was released during June by the Division of Property Valuation, Department of Revenue in Topeka. Again this year Douglas County is in compliance in all categories. A sales ratio compares the county's appraised value on property to its actual sale price. The sales ratio is calculated by dividing the appraised value by the sale price. The goal is a ratio of 100 percent. To be in compliance with the state guidelines a county's median sales ratio has to fall between 90 and 110. The median sales ratio

is the middle ratio after all the ratios are arrayed in order from the lowest to the highest. The median measures the appraisal level in the county.

Another measure of compliance is the coefficient of dispersion (COD). The COD measures the amount of variation in the county's valuations or appraisal uniformity. To be in compliance with the state guidelines the COD should be below 20 percent.

Douglas County's 2006 median ratio for residential property was 99.0 with a COD of 5.4. A total of 295 valid residential sales were used in the study. In 2005 the median ratio was 96.1 with a COD of 5.6. In 2004 the median ration was 97.7 with a COD of 5.5. The 2003 the median sale ratio was 96.8 with a COD of 5.6 and in 2002 the median sale ratio was 97 percent with a COD of 4.9 which compares to a median ratio of 97.2 in 2001 with a COD of 5.5.

The 2006 sales ratio in Douglas County for commercial property was 94.8 with a COD of 18.4. A total of 27 valid commercial sales were used in the study. In 2005 the commercial sales ratio was 95.8 with a COD of 13.3. In 2004 the commercial sales ratio was 94.1 with a COD of 16.4. The 2003 the commercial sales ratio was 95.2 with a COD of 13.1 In 2002 the commercial sales ratio was 96.2 with a COD of 9.1. The 2001 sales ratio was 88.6 with a COD of 16.9.

The 2006 sales ratio on vacant residential land in the county was 97.2 with a COD of 10.6 The county's overall sales ratio, for all type of properties, was 98.3 with a COD of 6.6. This compares to an overall ratio of 94.7 in 2005, 96.0 in 2004, 95.8 in 2003, 96.4 in 2002, 94.7 in 2001, 94.5 in 2000 and 93.9 in 1999.

2007 SALES INFORMATION UPDATED

During June a total of 330 sales questionnaires involving 343 parcels were worked by the appraiser's office. This compares to 435 questionnaires involving 443 parcels in June of 2006. For 2007, through the end of June the office has worked 1,193 questionnaires involving 1,327 parcels compared to 1,301 questionnaires involving 1,449 parcels in 2006.

During the first six (6) months of 2007 the office has worked 745 valid existing residential house sales. The average sale price for the existing residential house sales is \$186,900 compared to \$184,600 in 2006, \$176,900 in 2005, \$165,700 in 2004, \$165,600 in 2003, \$148,800 in 2002, \$139,160 in 2001 and \$132,500 in 2000. This represents an increase of

approximately 1.2 percent. The current average sales ratio is 99 percent.

To date the staff has worked 49 new home sales. The average sales price of the new homes is \$319,200 compared to \$244,300 in 2006, \$222,400 in 2005, \$233,275 in 2004, \$190,800 in 2003, \$197,100 in 2002, \$187,820 in 2001 and \$176,975 in 2000. On the commercial side there have been 22 valid sales and the average sales ratio is 86 percent.

EXEMPT PROPERTY SUMMARY

The total number of exempt real estate properties in Douglas County currently stands at 1,163 or approximately three (3) percent of the total county parcels. The total amount of exempt market value is \$1,268,124,040 which represents about 15 percent of the county's total real estate market value. The breakdown of the exempt value is land, \$382,690,210 and improvements, \$885,433,830.

PERSONAL PROPERTY ACTIVITY

The personal property staff is continuing to work on this year's failure to file renditions. A total of 2,755 renditions were not filed by the filing deadline compared to 2,391 in 2006, 2,590 in 2005, 2,250 in 2004 and 2,300 in 2003. The staff prepares a rendition based off last year's information and mails it to the property owner for their review. To date a total of 803 failure to file notices have been mailed. Of that number 623 have been returned by the property owner. The remaining 1,952 failure to file notices will be mailed out in July.

The penalty value for late filing of personal property renditions in 2007 now stands at \$2,543,330 compared to \$2,193,665 in 2006, \$2,213,555 in 2005, \$1,859,110 in 2004; \$2,239,025 in 2003; \$1,525,070 in 2002; \$2,347,335 in 2001 and \$1,713,555 in 2000.

A total of 10 personal property informal hearings were held in June. As a result of the hearings the 2007 personal property assessed value was reduced \$119,105.

SMALL CLAIMS HEARING RESULTS

To date in 2007 a total of 63 cases have been filed with the Small Claims division of the State Board of Tax Appeals from the 2007 informal hearings. Of that number 44 hearings have been held. Four (4) cases resulted in value changes, 38 had no change in value and two (2) were dismissed for lack of prosecution. Four cases are still awaiting results from the hearings and 17 cases have not been heard to date. A total of 45 cases have been filed with the regular division at BOTA including eight (8) commercial cases and 37 residential cases.

MID YEAR MAP MAINTENANCE

During the first six months of 2007 a total of 23 plats have been worked by the GIS department involving 206 lots. There have been 141 splits/combinations involving 117 parcels. The total of new lots added this year to date is 323 which brings the county's parcel count to 39,169. A total of 842 straight transfers have been worked during the first six months.

EUDORA BUILDING PERMITS

Through June the City of Eudora has issued a total of 69 building permits which include six (6) single family permits. Also included are 17 residential remodeling permits and 28 permits for residential additions.

2007 LEGISLATIVE HIGHLIGHTS

Following is a summary of 2007 legislative action that affects the county appraiser's office:

House Bill 2038: This bill creates energy related industry property tax exemptions for the following industry categories: nuclear generation facilities, waste heat utilization systems, biomass-to-energy plants and biofuel storage and blending equipment.

House Bill 2039: This bill states that thermal resources or technologies no longer qualify as a renewable energy resource or technology for property tax exemption.

House Bill 2044: This was an economic development initiative that included a couple of add on items that affected the appraiser's office. First, the bill renewed the 20 mill school exemption for the 2007-2008 and 2008-2009 school years.

Secondly, the bill deals with the pro-ration of boat valuation. The bill states that on and after July 1, 2007, the requirement that notice of the acquisition or sale of a boat be provided to the county appraiser within 30 days of such acquisition or sale in order for the owner to have the valuation prorated is removed and replaced with the requirement that such notification be made by December 20th of the year of acquisition or sale. The amendment applies to sales or purchases of boats that occur in 2007, even if the sale or purchase occurred prior to July 1, 2007.

House Bill 2476: Amends the homestead property tax refund act. It increases the maximum homestead refund to \$700. It also provides that if a homestead filer owes delinquent taxes on the homestead, the refund is sent to the county treasurer.

Appraisal Newsletter

August 1, 2007

Volume 11, Number 11

LEGISLATIVE INTERIM STUDIES

Several legislative interim studies are scheduled for this summer and fall, many of them could have an impact on appraisal and tax activities. A summary of some of the proposed studies are listed below:

1. Property Tax Payment Date - This legislation would consider allowing taxpayers the option of paying their entire property tax bill in January of the following year (as an alternative to the current law, which requires the first half payment be made by December 20 and the second half payment by May 10). Authorizing the "bunching" of property tax payments for federal and state income tax planning purposes has been suggested by tax preparers.

2. Property Tax Deferral - This proposed legislation would allow certain taxpayers to enter into a property tax deferral program such as the one proposed in HB 2298 which was introduced in 2007. The interim study group is to make recommendations as to whether any such proposal should be an alternative to or supplemental to the current Homestead Program.

3. Tax Relief for Storm Damaged Property - This study will look at potential legislation that would authorize the Director of Property Valuation, upon a declaration of a weather related disaster by the Governor and President that has destroyed more than 50 percent of any taxing subdivision's assessed valuation prior to June 1, a valuation adjustment for all affected real estate. Also, the committee will study a potential provision that would authorize special payments from the statewide maintenance and disaster relief fund be made to hold harmless all affected taxing units for the given tax year plus an additional year to prevent mill levies from being driven up during the rebuilding process. Review whether such property tax relief might more easily be administered as a form of refundable income tax credits or some other methodology. Finally, consider whether any such legislation should be made retroactive to tax year 2007 to help the citizens of Greensburg and surrounding areas.

4. Property Taxes on Newly Constructed Residential Property - The committee will conduct a comprehensive review of the process by which property taxes on newly-constructed residential property are assessed. Study 2007 House Bill 2543 which provides that assessed valuation for newly constructed residential property should not be imposed until the first day of the month following the date of occupancy. This is a request of the Home Builders of the Greater Kansas City area.

RESIDENTIAL TIME TREND STUDY

The 2007 residential time trend study is being conducted by the appraiser's office. The study is done by comparing the sale prices of a residential property that has sold twice since the year 2001. For example, if a property sold in March of 2003 for \$230,000 and again in January of 2007 for \$264,000, the time trend would be calculated as follows:

$\$264,000 / \$230,000 = 1.147826$ or an increase of 14.78%
Time between the two sale dates = 46 months.
Monthly time trend = $.1478 / 46$ or $.0032$
Annual time trend = $.0032 \times 12$ or 3.8%

The information from this study will be used in the 2008 valuation process. For 2008, time trends will be developed for each residential neighborhood and will be used to adjust sales in the residential modeling process. Based on the current study results the typical time trend adjustments in 2008 will range from one (1) to three (3) percent in most neighborhoods, which is in the same range as the time trend numbers used in 2007.

DEPRECIATION STUDY UNDERWAY

Also underway is the annual depreciation study for residential property. Depreciation is the loss in value to property over time. The study compares the value of the improvement indicated by the sale of the property to the cost of constructing the improvement today.

For example, if a property built in 1968 sells today, the cost of the improvement is determined by taking the sale price and subtracting land value plus any other accessory building value such as a detached garage and then comparing it to the replacement cost new of the structure. Following is an example:

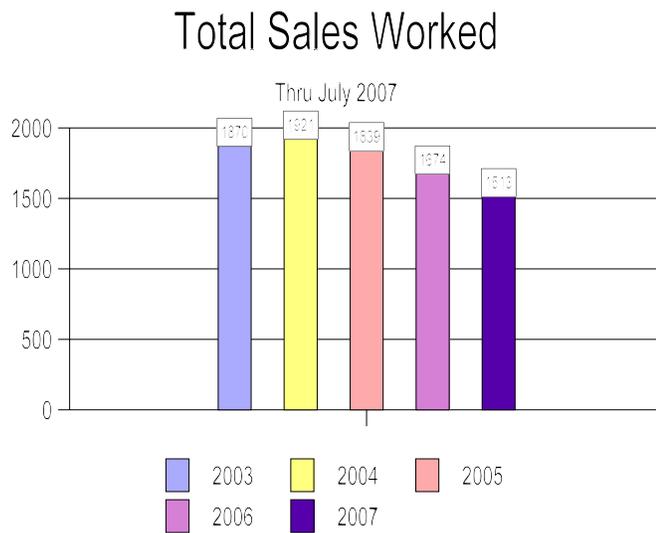
1968 house:
 $\$259,900$ (sale price) - $\$47,500$ (land value) - $\$750$ (other building value) = $\$212,100$ (improvement value from sale)
 $\$212,100 / \$262,900$ (replacement cost new) = 81 percent good or 19 percent depreciated (1 - .81).

The study uses residential sales that occurred in 2006 and 2007. The study should be complete by the end of August.

2007 SALES DOWN FROM LAST YEAR

During July a total of 320 sales questionnaires involving 326 parcels were worked by the appraiser's sales staff. That compares to 374 sales questionnaires in July of 2006 involving 440 parcels. For the year the office has worked 1,513 questionnaires involving 1,653 parcels compared to 1,674 questionnaires and 2,073 parcels for the same time period in 2006. Following is a graph showing the number of sales for the first six months of each year since 2003:

At the end of July the appraiser's staff had reviewed 1,005



valid existing residential property sales. The average sale price for the residential sales is \$181,920 compared to \$184,600 in 2006, \$176,900 in 2005, \$165,700 in 2004, \$165,600 in 2003, \$148,800 in 2002, \$139,160 in 2001, \$132,500 in 2000, \$125,903 in 1999 and \$116,963 in 1998. This represents a decrease of 1.5 percent. The average sale price in 1997 was \$110,700; 1996, \$105,000 and \$96,500 in 1995.

The median selling prices of homes nationwide thru July according to an article in the USA Today was \$223,000 which is down 2.4 percent from a year ago at this time.

The current average sales ratio for residential property in 2007 is 99 percent compared to 97 percent in 2006, 2005, 2004, 2003 and 2002 of 97 percent, 96 percent in 2001, 94 percent in 2000 and 95 percent in 1999. The sales ratio in 1998 was 96 percent and 97 percent in 1997.

The average selling price on only 61 new home sales worked so far in 2007 is \$301,400 compared to \$228,500 in 2006, \$222,400 in 2005, \$233,275 in 2004, \$190,800 in 2003, \$197,100 in 2002, \$188,527 in 2001, \$176,975 in 2000 and \$154,288 in 1999. The large increase from a year ago may

be attributed to the fact that staff has not picked up as many new homes so far this year. We will begin working the new home building permits in the latter part of August and in September.

On the commercial side a total of 26 sales have been recorded as valid open market transactions. The average sales ratio for the commercial sales thru the end of July is 90 percent compared to 90 percent in 2006, 91 percent in 2005, 94 percent in 2004, 96 percent in 2003 and 2002, 89 percent in 2001, 97 percent in 2000 and 91 percent in both 1999 and 1998.

AG USE MAILERS WORKED BY STAFF

Approximately 930 agricultural use letters were mailed to county property owners in April of this year. The letters were mailed to property owners in parts of the following townships: Kanwaka, Clinton, Marion and Willow Springs. To date only 63 or 6.8 percent of those mailers have been returned to the office. That compares to a return rate of approximately 7.6 percent in 2006. Of the returned mailers this year 57 percent have required some type of data change compared to 65 percent in 2006.

LOCAL BUILDING PERMITS ISSUED

Through the end of June a total of 1,113 building permits had been issued in the City of Lawrence and 88 had been issued in the City of Eudora. Those numbers include 95 single family permits in the City of Lawrence and six (6) in the City of Eudora. There were 165 remodeling permits issued in Lawrence and 60 in Eudora. Also included in the Lawrence numbers were five (5) duplex permits, two four-plex permits and three (3) apartment permits involving 30 units. Eudora has had one (1) duplex permit issued during the first six months of the year.

PERSONAL PROPERTY UPDATE

The personal property staff has mailed out 1,874 of the failure to file renditions. A total of 2,755 renditions were not filed by the filing deadline this year. Of the number mailed so far 961 or 35 percent have been returned to the personal property office.

2007 FIELD MAINTENANCE REPORT

This is the second year of the six year reinspection cycle for the appraiser's office. To date this year staff has reinspected 1,875 properties. This year for the first time we are using the oblique photography in the field inspection process for the City of Lawrence.

Appraisal Newsletter

August 1, 2007

Volume 11, Number 11

LEGISLATIVE INTERIM STUDIES

Several legislative interim studies are scheduled for this summer and fall, many of them could have an impact on appraisal and tax activities. A summary of some of the proposed studies are listed below:

1. Property Tax Payment Date - This legislation would consider allowing taxpayers the option of paying their entire property tax bill in January of the following year (as an alternative to the current law, which requires the first half payment be made by December 20 and the second half payment by May 10). Authorizing the "bunching" of property tax payments for federal and state income tax planning purposes has been suggested by tax preparers.

2. Property Tax Deferral - This proposed legislation would allow certain taxpayers to enter into a property tax deferral program such as the one proposed in HB 2298 which was introduced in 2007. The interim study group is to make recommendations as to whether any such proposal should be an alternative to or supplemental to the current Homestead Program.

3. Tax Relief for Storm Damaged Property - This study will look at potential legislation that would authorize the Director of Property Valuation, upon a declaration of a weather related disaster by the Governor and President that has destroyed more than 50 percent of any taxing subdivision's assessed valuation prior to June 1, a valuation adjustment for all affected real estate. Also, the committee will study a potential provision that would authorize special payments from the statewide maintenance and disaster relief fund be made to hold harmless all affected taxing units for the given tax year plus an additional year to prevent mill levies from being driven up during the rebuilding process. Review whether such property tax relief might more easily be administered as a form of refundable income tax credits or some other methodology. Finally, consider whether any such legislation should be made retroactive to tax year 2007 to help the citizens of Greensburg and surrounding areas.

4. Property Taxes on Newly Constructed Residential Property - The committee will conduct a comprehensive review of the process by which property taxes on newly-constructed residential property are assessed. Study 2007 House Bill 2543 which provides that assessed valuation for newly constructed residential property should not be imposed until the first day of the month following the date of occupancy. This is a request of the Home Builders of the Greater Kansas City area.

RESIDENTIAL TIME TREND STUDY

The 2007 residential time trend study is being conducted by the appraiser's office. The study is done by comparing the sale prices of a residential property that has sold twice since the year 2001. For example, if a property sold in March of 2003 for \$230,000 and again in January of 2007 for \$264,000, the time trend would be calculated as follows:

$\$264,000 / \$230,000 = 1.147826$ or an increase of 14.78%
Time between the two sale dates = 46 months.
Monthly time trend = $.1478 / 46$ or $.0032$
Annual time trend = $.0032 \times 12$ or 3.8%

The information from this study will be used in the 2008 valuation process. For 2008, time trends will be developed for each residential neighborhood and will be used to adjust sales in the residential modeling process. Based on the current study results the typical time trend adjustments in 2008 will range from one (1) to three (3) percent in most neighborhoods, which is in the same range as the time trend numbers used in 2007.

DEPRECIATION STUDY UNDERWAY

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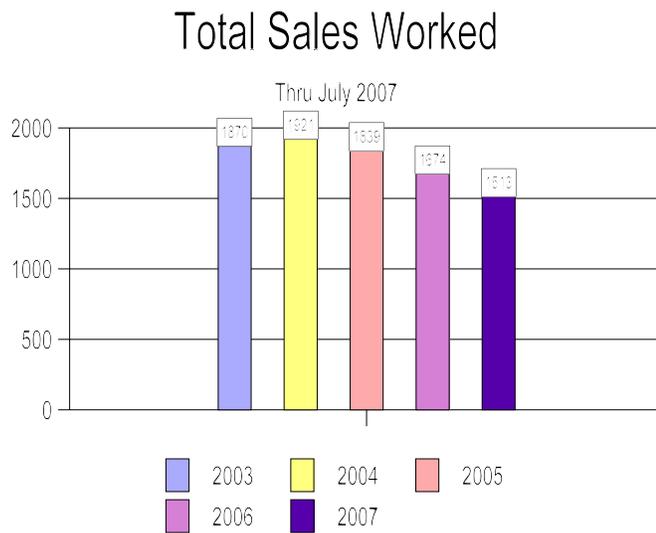
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Appraisal Newsletter

September 1, 2007

Volume 11, Number 12

DOMINIK TO RETIRE IN SEPTEMBER

Sharon Dominik, commercial supervisor/appraiser, in the Douglas County Appraiser's Office has announced her retirement effective Monday, September 24. Sharon has been employed in the county appraiser's office since July of 1987. She has served as commercial supervisor since September 15, 1991. Thank you Sharon for a job well done !!!

GETTYS TO JOIN APPRAISAL STAFF

Laura Gettys will be joining the Douglas County appraisal staff on Monday, September 10. Laura will be a rural/residential field appraiser and is filling the position that was vacated when John Chaney left the appraiser's office in May of this year. Welcome Laura !!!

In related personnel matter *Ronda Weber*, a manpower employee, who has been working in the office for the past three months as a field appraiser will be leaving at the end of September. Thanks Ronda for a job well done !!!

2007 MID-YEAR RATIO STUDY

The Douglas County Appraiser's Office recently received the 2007 mid-year ratio study report from the Division of Property Valuation, Department of Revenue in Topeka. The final 2007 ratio study will be issued by the state in the Spring of 2008.

The sales ratio study is an analysis of the relationship between appraised value (market value) established by the appraiser's office on January 1 of each year and the property's actual selling price. How close the county comes to the market value is measured by the statistical term called the median ratio. For residential property in Douglas County the 2007 mid-year median ratio was 100 compared to 99.4 in 2006, 97.5 in 2005, 99.1 in 2004, 99.2 in 2003, 99.1 in 2002, 98.7 in 2001 and 98.8 in 2000. The total number of residential sales used in the study was 155.

Another statistical term used in the ratio study is the coefficient of dispersion (COD). The COD measures the amount of variation or equity in the county's valuation. The smaller the COD means there is less variation about the median which means there is more uniformity and equity in the county appraised values. The COD for residential property in the 2007 mid-year ratio study for Douglas County was 2.5 compared to 4.0 in 2006, 4.5 in 2005, 3.2 in both 2004 and 2003 and 2.6 in 2002.

To be in statistical compliance for the state, the county's median ratio for both residential and commercial property must

fall between 90 and 110. The COD for both types of properties must be below 20.

On the commercial side the 2007 mid-year median ratio was 89.0 compared to 96.7 in 2006, 93.6 in 2005, 97.7 in 2004, 98.6 in 2003 and 94.7 in 2002. The commercial COD in 2007 was 22.0 compared to 20.1 in 2006, 11.3 in 2005, 10.2 in 2004 and 2.1 in 2003. The COD in 2002 was 6.8. A total of 17 commercial sales were used in the 2007 mid-year ratio study.

2007 SALES DATA REPORTED

During August of 2007 the staff in the appraiser's office who work with real estate sales were busy. For the month staff handled 323 sales validation questionnaires involving 343 parcels. During August of 2006, which was a record year, a total of 333 sales questionnaires involving 339 parcels were worked by the appraiser's office.

For the year the number of sales are running behind the number for the same time last year. So far this year in 2007 the staff has worked 1,513 sales questionnaires involving 1,996 parcels compared to 2,006 questionnaires involving 2,420 parcels in 2006.

At the end of August the appraiser's staff had reviewed 1,219 valid existing home residential sales. The average sale price for the residential sales is \$181,600 compared to \$184,600 in 2006, \$176,500 in 2005, \$165,700 in 2004, \$165,200 in 2003, \$148,800 in 2002, \$137,600 in 2001, \$132,500 in 2000, \$125,900 in 1999 and \$116,963 in 1998. This represents a decrease of 1.5 percent which compares to a market appreciation of 4.1 a year ago at this time. The current average sales ratio for residential property in 2007 is 99 percent compared to a sales ratio percent in 2006, 2005, 2004, 2003 and 2002 of 97percent, 96 percent in 2001, 94 percent in 2000 and 95 percent in 1999.

The average selling price on 89 new home sales so far in 2007 is \$303,500 compared to \$236,800 in 2006, \$222,400 in 2005, \$233,300 in 2004, \$190,800 in 2003, \$197,100 in 2002, \$188,527 in 2001, \$176,975 in 2000 and \$154,288 in 1999. This represents an increase of approximately 28.2 percent. A year ago at this time we had worked 153 new home sales.

On the commercial side a total of 31 valid sales have been recorded. The average sales ratio for the commercial sales is 90 percent compared to 90 in 2006, 91 percent in 2005, 94 percent in 2004, 96 percent in 2003 and 2002, 89 percent in 2001, 97 percent in 2000 and 91 percent in 1999.

BUILDING PERMIT DATA REPORTED

Through July of 2007 the City of Lawrence has issued a total of 101 building permits for single family residential property which compared to 162 for the same time in 2006. A total of five permits for duplex units have been issued along with two permits for 4-plex living units and three permits for apartments totaling 30 living units.

In the City of Eudora only six (6) building permits for single family residences have been issued in 2007. There has only been one duplex building permit issued.

PROPERTY TAX INTEREST RATES

The Kansas Legislature in 1997 adopted legislation that requires counties to pay interest on certain types of property tax refunds.

The refunds are paid from the county general fund. The interest rate paid on refunds is established by the State of Kansas. In 2008 the interest rate that the county will pay on these funds will be:

Payment under protest and equalization appeals - 7%
Tax grievance/clerical errors ordered by BOTA - 7%
Clerical error refunds ordered by the county - 9%

The interest rate that taxpayers will be charged for late payment of taxes will be 11%.

To date in 2007 the county treasurer's office has returned \$4,561 in interest on tax refunds to county taxpayers. Last year at this time a total of \$7,936 in interest had paid out. In 2005 the county paid out \$2,050 and in 2004 the amount of interest paid out was \$3,100. The largest pay out year since this program was put in place by the legislature in 1998 was 2002 when a total of \$11,165 in interest was paid on tax refunds.

COUNTY IN COMPLIANCE FOR 2007

The appraiser's office was notified in August by the Division of Property Valuation in Topeka that the office has been determined to be in substantial compliance for the year 2007. PVD conducted the statistical and procedural compliance review during the first six (6) months of 2007.

The compliance review consists of two parts. The first part is the state sales ratio study that is conducted annually by PVD. As noted in a previous newsletter the county was in compliance in this area for both residential and commercial property. The county's residential COD was 5.4. The county's commercial COD was 18.4. To be in compliance both the residential and commercial COD must be under 20. The median ratio for residential sales was 99 percent and 95 percent for commercial sales.

The second part is the procedural review which is designed to see if the county's appraisal procedures follow state guidelines and PVD directives. Items that are reviewed include:

- The county's maintenance plan.
- The county's sales file.
- Land valuation procedures.
- Cost index analysis.
- Depreciation documentation.
- Income approach data.
- Comparable sales approach procedures.
- Maintenance and quality control numbers.
- Final review process.
- Agricultural use valuation.
- Mapping procedures.
- Statutory compliance.
- Hearing procedures.
- Personal property.
- Certification of values to the county clerk.
- Preservation of county records.

PERSONAL PROPERTY PENALTIES

The penalty value, to date for 2007, for late filing of personal property renditions is \$2,067,055 compared to \$1,897,520 in 2006, \$1,848,155 in 2005, \$1,484,105 in 2004, \$1,648,695 in 2003, \$1,560,280 in 2002, \$2,401,370 for the same time in 2001 and \$1,589,215 in 2000. A penalty percentage is assessed against any personal property renditions that are filed after the statutory deadlines. The penalties are prescribed in state statutes. The penalty value in 1999 was \$1,886,490.

To date, the total personal property assessed value, excluding penalties, for 2007 is \$63,992,582 compared to \$70,509,209 in 2006, \$71,883,643 in 2005, \$66,184,876 in 2004, \$71,305,550 in 2003 and \$72,288,724 in 2002, \$75,317,115 in 2001, and \$74,508,179 in 2000. This represents a decrease of \$6,516,627 or approximately 9.2 percent.

The personal property staff to date has mailed 2,755 failure to file notices. Of that number a total of 1,165 have been returned to the office or 42 percent. Douglas County has approximately 9,237 personal property accounts. Of that number 6,004 are regular individual renditions and 3,233 are commercial accounts.

APPRAISAL TIBITS !!!

Through August 30 the appraisal staff has reinspected 2,834 parcels as part of the county's six year reinspection program. Included in that number are 1,212 reinspections that were done using the new oblique photography acquired by the county in the spring of this year. Staff has also worked 432 building permits and 1,057 sales verifications.

Appraisal Newsletter

October 1, 2007

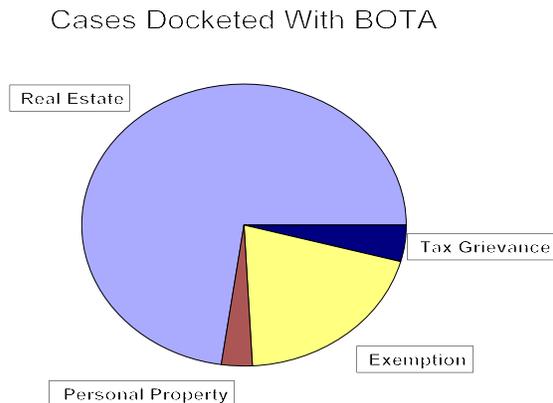
Volume 12, Number 1

NEWSLETTER STARTS 12TH YEAR

With this issue the county appraiser's *Appraisal Newsletter* is beginning its 12th year of publication. The newsletter is designed to keep the county commission, administration, staff and the public informed on what is taking place in the Douglas County Appraiser's office.

UPDATE ON 2007 SBOTA CASES

This year the number of filings from Douglas County, for all types of properties, to the State Board of Tax Appeals is down. To date a total of 274 cases have been docketed by the board compared to 445 for this time a year ago. Real estate cases represent 73 percent of the cases docketed. Other types of filings include personal property appeals, exemption requests and tax grievances. Following is a pie chart showing the percentage of each type of case:



To date this year there have been a total of 201 real estate cases filed with the State Board of Tax Appeals in Topeka compared to 328 for the same timeframe in 2006. That number includes 164 cases filed with the small claims division and 37 filed with the regular division. The regular division cases breakdown into 18 for the 2006 tax year and 19 for the 2007 tax year.

In the small claim cases, there have been 55 properties that received a no change in value and 13 properties that received a value change. Six (6) cases were dismissed at the request of the taxpayer. Four (4) other cases have had a hearing and the county is still waiting on the results while 86 cases have yet to be scheduled. All the 2006 small claim cases have been heard and decisions rendered.

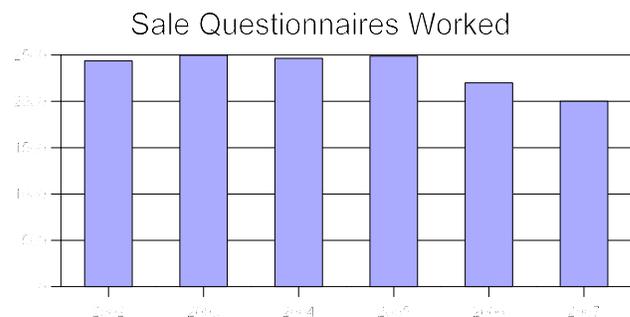
In the regular division there were 18 commercial cases filed so far in 2007 and only nine (9) residential cases filed. To date there has been very little action taken on these cases. Two cases were settled by a stipulation between the taxpayer and the county. Five (5) case were dismissed at the request of the taxpayer. One (1) case has had a hearing which resulted in a no change in value. So far all the cases handled by the board have been the appeals involving the 2006 tax year. Thirty (30) cases have yet to be scheduled by the board.

In the area of tax grievances 10 cases have been filed in 2007. Four (4) of the cases have been settled and the other six (6) have had a hearing and are awaiting a board decision. A total of 55 exemption applications have been filed with the board and of that number two (2) were denied, 11 were granted an exemption, 20 have had a hearing and are awaiting a board decision while 22 are yet to be heard by the board. A total of eight (8) personal property appeals have been filed with the state board in 2007. All have had a hearing before the board. Six (6) received reduction in values while two (2) are still awaiting a board decision.

2007 SALES CONTINUE STRONG

Thru September 28th the appraiser's office worked 168 sales questionnaires during the month involving 225 parcels. To date in 2007 the office has worked 2,006 questionnaires involving 2,221 parcels which compares to 2,199 questionnaires involving 2,694 parcels for the this same time period in 2006.

Following is a graph showing the number of questionnaires handled by the appraiser's office during this time frame since 2002:



Included in the totals for the year were 1319 valid residential sales of existing homes. The average selling price is \$184,945 compared to \$184,600 in 2006, \$176,500 in 2005, \$165,200 in

2004 and \$165,200 in 2003. This represents a zero percent increase. The current average sales ratio for residential property is 99 percent compared to 97 percent in 2006, 2005, 2004 and 2003.

Since July 1 of this year there have been 398 sales of existing residential properties. The average sale price is \$182,800 and the sales ratio was 99 percent. This represents a three (3) percent decrease in the average selling price (\$188,400) for the same time frame in 2006 and a one (1) percent decrease compared to the average selling price (\$184,945) for the entire year of 2007 to date.

*The median sale price for existing homes nationwide is \$230,100 according to the September 2007 issue of **Builder** magazine. This number is up from a January median sale price of \$210,000.*

A total of 92 sales of new residential properties have been worked with an average selling price of \$304,300. This compares to \$236,600 in 2006, \$222,400 in 2005, \$233,300 in 2004 and \$190,800 in 2003. This represents an increase of 28.6 percent in the selling prices of new single family residential property so far in 2007. At this time a year ago the office had worked 166 new residential properties that had sold.

Compared to last year the number of sales of newly constructed residential properties is down approximately 45 percent.

*The median sale price for new homes nationwide is \$240,000 according to the **Builder** publication compared to a January median price of \$255,000.*

The average sales ratio on 34 commercial sales in 2007 stands at 89 percent compared to 85 percent for the same time period 2006.

LAWRENCE BUILDING PERMITS

Thru the end of August a total of 1,591 building permits had been issued by the City of Lawrence compared to 1,882 in 2006 and 1,854 for the same time frame in 2005. Of that number 118 were for single family homes (176 in 2006), five (5) for duplex properties, no triplex units, two (2) four-plex units and three (3) apartment buildings involving 30 units. A total of five (5) other building permits for commercial properties had been issued.

The total amount of value reported for the permits during 2007 to date is \$51,232,697.

In the City of Eudora a total of 112 building permits have been issued. That number includes nine (9) new single family permits. All the other permits are for building additions and remodeling. The total amount of value reported for the permits during the period is \$1,813,750.

*Again, according to the September issue of **Builder** magazine the number of building permits pulled for new single family residential units is down 1.6 percent nationwide. The only area in the country to see an increase in new home starts was the Midwest with a slight increase of 2.6 percent.*

PERSONNEL CHANGES ANNOUNCED

With the retirement of commercial supervisor *Sharon Dominik*, RMA during September there have been several shifts in personnel duties within the appraiser's office. *Steve Miles*, RMA has been promoted to commercial supervisor and *Cindy Spriggs*, RMA has been promoted to supervisor of the residential field staff. Congratulations Steve and Cindy !!!

A new addition to the staff this month is *Justin Hodge*. Justin is working as a field appraiser in the residential section. Welcome Justin!!!

NEW MANUFACTURED HOME RATES

The county appraiser's office recently received from the Division of Property Valuation, the Department of Revenue in Topeka, the new rates that will be used to value manufactured homes in Douglas County for the tax year 2008. The rates for 2007 will be \$33.00 per square foot for C grade singlewide manufactured homes and \$36.00 per square foot for doublewide C grade manufactured homes. The rates in 2006 and 2005 were \$31.00 per square foot for singlewide homes and \$34.00 per square foot for doublewide homes.

2007 MAPPING ACTIVITY REPORTED

To date in 2007 the mapping section has worked 36 new plats which have accounted for 242 new parcels. Staff has worked 158 divisions and 22 combinations. The total number of new parcels added so far this year is 400 compared to 929 at this same time a year ago. To date the staff has worked 1,320 straight property transfers compared to 2,073 at this time last year. The total county parcel count now stands at 39,246.

APPRAISAL TIDBITS

- * As part of the annual field maintenance the field staff has reviewed 3,474 commercial, residential and agricultural parcels. This is the second year in the six year reinspection cycle.
- * Staff has worked 486 building permits to date this year along with 631 split and combination, new plats, etc.
- * Staff has reviewed and verified 1,618 sales questionnaires so far this year.

Appraisal Newsletter

November 1, 2007

Volume 12, Number 2

2007 FINAL REVIEW PROCESS BEGINS

The final review process to establish values as of January 1, 2008 begins this month. Five (5) staff appraisers will be working on the residential and agricultural properties. One (1) staff member will begin the final review process on the commercial properties. The final review process is scheduled to be completed by January 31, 2008. The purpose of the final review process is to establish the fair market value for each real estate parcel in the county as of January 1, 2008.

The county, as of October 24, has 39,332 parcels that will be reviewed and valued for 2008. In 2007, the county had 38,860 parcels to review. The breakdown of the 2008 parcels includes:

Type	Urban	Rural	Total
Residential	25,599	3,252	28,851
Farm with home site	20	1,561	1,581
Agricultural	404	2,494	2,898
Vacant lots	2,598	763	3,361
Commercial/Industrial	1,347	119	1,466
Exempt	781	342	1,123
Not-for-profit	7	0	7
Other	3	1	4
Utility	22	19	41
Total	30,781	8,551	39,332

Change of value notices will be mailed to all Douglas County property owners by March 1, 2008. Property owners will have until March 30, 2008 to appeal the 2008 values.

2007 SALES DATA REPORTED

Thru October 26 the appraiser's office worked 114 sale questionnaires involving 122 parcels compared to 145 questionnaires in October of 2006. To date in 2007 the office has worked 2,120 sale questionnaires involving 2,344 parcels compared to 2,344 questionnaires and 2,914 parcels for the same time period in 2006.

Included in the totals were 1,379 valid sales on older residential properties. The average sale price for the older residential sales in 2007 is \$186,100 compared to \$184,600 in 2006, \$176,500 in 2005, \$165,200 in 2004, \$165,200 in 2003, \$148,800 in 2002, \$137,600 in 2001, \$132,500 in 2000; \$125,900 in 1999 and \$116,963 in 1998. This represents an increase of less than one (1) percent. The current average sales ratio is 99 percent compared to 97 in 2006, 2005, 2004, 2003, 2002 and 2001. The sales ratio was 94 percent in 2000. The average selling price for older residential properties since July 1, 2007 is \$186,600 compared to \$187,600 a year ago at this time. Again, a slight decrease of less than one (1) percent.

The average selling price on 99 newly constructed homes so far in 2007 is \$306,900 compared to \$235,600 in 2006, \$222,400 in 2005, \$233,300 in 2004, \$190,800 in 2003, \$197,000 in 2002, \$184,930 in 2001, \$173,800 in 2000 and \$145,355 in 1999. This represents an increase of 30.2 percent.

Since July 1, 2007 the average selling price on 40 newly constructed homes is \$296,000 compared to \$250,800 in 2006.

On the commercial side a total of 40 sales have been recorded as valid open market transactions. The average sales ratio for these 40 commercial sales is 88 percent. This compares to a commercial sales ratio of 90 percent in 2006, 87 percent in 2005, 94% in 2004, 96 % in 2003 & 2002, 89 % in 2001, 96 % in 2000 and 91 % in both 1999 and 1998.

2007 MILL LEVIES ESTABLISHED

Following is a list of some of the mill levies for 2007. The individual mill levies are used to establish the individual tax bills. The formula is: mill levy x the assessed value = taxes.

	2007	2006	2005	
Lawrence:				
Tax unit 041:	115.844	115.675	110.057	Tax
unit 042:	116.659	116.507	110.894	unit
043:	115.844	115.675	110.057	Tax unit
044:	111.311	110.661	114.733	
Tax unit 048:	116.682	116.516	110.864	Tax
unit 051:	117.741	117.675	112.058	Tax unit
054:	117.869	117.525	111.944	
Eudora:				
Tax unit 020:	124.877	121.729	119.815	
Baldwin:				
Tax unit 001:	125.249	132.506	126.099	
Lecompton:				
Tax unit 080:	111.777	111.459	113.072	

2007 EFFECTIVE TAX RATES SET

The effective tax rates for 2007 have been established by the appraiser's office. The effective tax rate is one of the components of the capitalization rate which is used in the income approach to value. The county uses the income approach to value some commercial properties and some

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residential income producing properties such as apartments.

The effective tax rate expresses the relationship between the property value (market value) and the tax bill. For example, if the effective tax rate is three (3) percent the taxes on an individual property would be approximately three (3) percent of the property's market value. One way to calculate the effective tax rate is to multiply the tax rate (the mill levy) times the level of assessment (classification rate). For example, the effective tax rate for commercial property is calculated by multiplying the classification rate (25 percent) by the mill levy for each taxing district.

The 2007 effective tax rates to be used in the 2008 valuation process have changed slightly in most areas of the county. Following is a list of the effective tax rates that will be used in the 2008 valuation process:

Tax Unit	Commercial		Residential	
	2007	2006	2007	2006
001 (Baldwin)	3.13	3.31	1.44	1.52
020 (Eudora)	3.12	3.07	1.44	1.41
041 (Lawrence)	2.90	2.89	1.33	1.33
048 (North Lawrence)	2.92	2.91	1.34	1.34
051 (Lawrence)	2.94	2.94	1.35	1.35
054 (Lawrence)	2.94	2.94	1.35	1.35
080 (Lecompton)	2.79	2.79	1.29	1.29

\$20,000 RESIDENTIAL EXEMPTION

The 2007 tax bills are scheduled to be mailed in mid November. Again this year residential property owners in Douglas County will receive a tax exemption from the state-wide school tax on the first \$20,000 of market value on residential property. The total tax dollar amount of the exemption in Douglas County for the year 2007 will be approximately \$1,391,992 which is approximately two (2) percent higher than in 2006. The tax in 2006 was \$1,362,356 compared to \$1,327,174 in 2005, \$1,298,809 in 2004, \$1,263,035 in 2003, \$1,240,265 in 2002, \$1,206,740 in 2001, \$1,178,674.70 in 2000 and \$1,143,426.70 in 1999.

The total amount of assessed value affected in 2007 is \$69,599,580 compared to \$68,122,390 in 2006, \$66,358,680 in 2005, \$64,940,455 in 2004, \$63,151,790 in 2003, \$62,013,275 in 2002, \$60,337,035 in 2001, \$58,933,735 in 2000 and \$57,171,335 in 1999. The total number of residential parcels receiving the exemption in 2007 is 30,298 compared to 29,659 in 2006, 28,890 in 2005, 28,430 in 2004, 27,506 in 2003, 27,048 in 2002, 26,324 in 2001, 25,732 in 2000 and 25,011 in 1999.

The maximum tax reduction for any one property in 2007 will be \$46.00. The tax savings is calculated as follows: \$20,000 (market value) x .115 (classification rate) = \$2,300 (assessed value) x .020 (statewide school mill levy) = \$46.00 (tax

reduction).

2007 PENALTY TAX DOLLARS

Each year a late filing penalty is assessed against personal property owners who fail to file their personal property renditions by the deadlines established in the Kansas statutes. The amount of the penalty is specified in the statutes based on how late the rendition is filed with the county appraiser's office. For the year 2007, the late filing penalty is \$2,040,915 in assessed value. The tax dollar amount has not been calculated at this time. That compares to a late filing penalty in 2006 of \$1,968,220 in assessed value and \$227,674 in tax dollars, \$1,848,155 in assessed value in 2005 and \$203,402 in actual dollars. In 2004 late filing assessed value was \$1,484,105 with actual tax dollars of \$157,200.

The total personal property value for 2007 stands at \$66,371,070 with penalties included and \$64,330,155 without penalties compared to \$73,019,730 with penalties a year ago at this time and \$71,051,510 without the late filing penalties. This represents a decrease of approximately 11 percent in personal property value.

2008 MAINTENANCE PLAN OKAYED

The Douglas County Appraiser's office has been notified by the Division of Property Valuation Department of Revenue in Topeka that the county's 2008 appraisal maintenance plan has been approved. Each year the county has to submit a plan to PVD detailing what work will be done in the upcoming year.

BLDG PERMIT DATA REPORTED

Thru the end of September a total of 1,800 building permits had been issued by the City of Lawrence compared to 2,068 in 2006. Included in that number were 123 single family home permits (196 in 2006), five (5) duplex permits, no triplex units, 16 four-plex units and 15 apartment permits involving 118 units.

The total amount of value reported for the permits during 2007 to date is \$62,030,069 compared to \$120,360,653 for the same time period in 2006.

In the City of Eudora there were no new single family permits issued in September and only nine (9) in all of 2007

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FINAL REVIEW PROCESS UNDERWAY

The final review process for establishing 2008 property values began in November. To date, 9,277 which is 24 percent of the total residential, exempt and agricultural parcel count of 37,866 have been completed. The average increase in value from market appreciation for the residential properties is one (1) percent. A total of 152 commercial parcels have been completed which represents 10 percent of the total commercial parcel count of 1,466. The average increase in value from market appreciation for the commercial properties is 4.2 percent

The final review process is scheduled to be completed by January 31 of 2008. Change of value notices will be mailed to all county property owners by March 1, 2008.

2007 SALE DATA DOWN SLIGHTLY

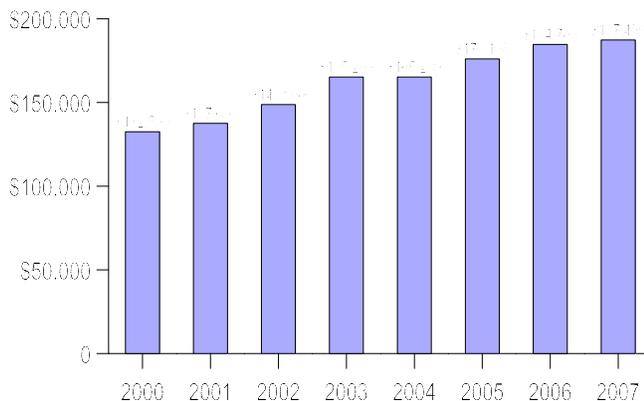
During the month of November the appraiser's office worked 157 sale questionnaires involving 166 parcels. That number compares to 131 questionnaires in November 2006 involving 137 parcels. The number of sales questionnaires worked to date in 2007 is 2,277 compared to 2,465 for the same time period in 2006. The total number of parcels worked so far in 2007 stands at 2,510 compared to 2,898 in 2006.

The average sale price in 2007 for residential property is \$187,400 compared to \$184,700 in 2006, \$176,500 in 2005, \$165,200 in 2004 and 2003, \$148,800 in 2002, \$137,600 in 2001, \$132,500 in 2000 and \$125,903 in 1999. **This represents an increase of 1.5 percent.** The average sale price in 1998 was \$116,963; 1997, \$110,700; 1996, \$105,000 and 1995, \$96,500. See the chart below:

The current average sales ratio for residential property is 99

Average Sale Price

Older Residential Homes



percent compared to 97 percent in 2006, 2005, 2004, 2003, 2002 and 2001. The sales ratio in 2000 was 94 percent. The average sales ratio in 1999 was 95 percent and in 1998 the sales ratio was 96 percent. The 1997 sales ratio was 97 percent.

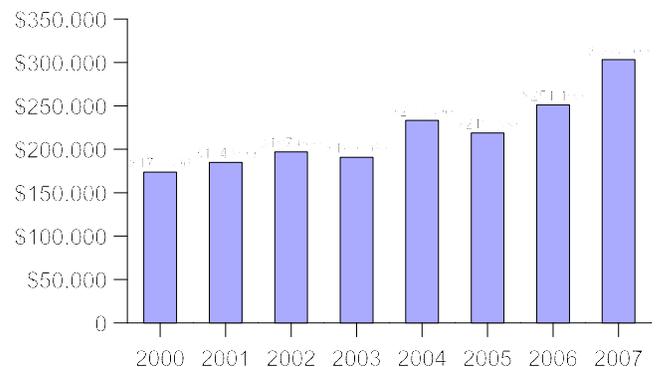
However, since July 1 of this year the average sales ratio is 99 percent with an average sale price of \$189,950 compared to \$186,500 for the same time frame in 2006. **This represents an increase of 1.8 percent.**

The average selling price on 111 new home sales so far in 2007 is \$309,400 compared to \$244,900 in 2006, \$222,400 in 2005, \$233,300 in 2004, \$190,800 in 2003, \$197,100 in 2002 and \$184,930 in 2001. The average sales price on new residential homes in 2000 was \$175,324. The average sale price on new homes in 1999 was \$154,509; \$150,355 in 1998; \$140,600 in 1997 and \$133,191 in 1996. Since July 1 the average sale price for new residential homes is \$303,300. See the chart below:

On the commercial side a total of 41 sales have been recorded as valid open market transactions in 2007. The average sales

Average Sale Price

New Residential Homes



ratio for these commercial sales is 88 percent. This compares to 88 percent in 2006, 87 percent in 2005, 94 percent in 2004, 96 percent in 2003 and 2002, 89 percent in 2001, 97 percent in 2000, 91 percent in 1999 and 1998, 97 percent in 1997 and 90 percent in 1996.

BLDG PERMIT DATA REPORTED

Through the end of October a total 2,025 building permits had been issued by the City of Lawrence compared to 2,304 in

2006. Included in that number were 136 single family home permits (214 in 2006), six (6) duplex permits, no triplex permits, 16 four-plex units and 15 apartment permits involving 118 units.

In Eudora, through the end of October, there have been only nine (9) single family home permits and two (2) duplex permits issued in 2007. The total number of building permits issued thru the end of October is 140.

CURRENT VALUATION BREAKDOWN

As of the end of November the current county real estate valuation for 2007 stands at \$987,638,435 compared to \$943,941,290 in 2006, \$880,347,855 in 2005, \$811,377,315 in 2004, \$750,059,960 in 2003, \$693,036,775 in 2002, \$644,097,060 in 2001 and \$585,509,265 in 2000. This represents an increase of 4.6 percent. In Douglas County residential values make up 65 percent of the total value while commercial values comprise approximately 27 percent of the total value with the other classes of property making up the remaining eight (8) percent.

The total amount of real estate taxes levied in 2007 is \$112,518,509 compared to \$108,126,333 in 2006 and \$89,918,023 in 2005. This represents an increase of 4.1 percent. The total amount of taxes exempt because of the \$20,000 residential exemption in 2007 is \$1,390,662. The total amount of residential tax exemption for Douglas County in 2006 was \$1,362,448. Following is a breakdown in the percentage of taxes paid by property class in the county:

Property Class	Taxes	Percent of Total
Residential	\$77,246,772	69%
Commercial	\$28,324,675	25%
Farmstead	\$ 3,108,118	3%
Vacant	\$ 2,434,881	2%
Agricultural	\$ 1,639,816	1%
Other	\$ 4,038	0%
Not for profit	\$ 54,206	0%

2007 TOP 20 TAXPAYERS LISTED

Following is a list of the top real estate and personal property taxpayers in the county for the year 2007:

Real Estate:

1. Inland Western Lawrence LLC	\$640,906.36
2. Wal-Mart Real Estate	\$358,690.68
3. Celliance Lawrence Inc.	\$347,068.82
4. Anderson David E & John F Co-Trustees	\$339,863.14
5. H&S Holdings LLC	\$257,404.80
6. BVP Legends LLC	\$253,073.14
7. Dayton Hudson Group	\$249,510.60
8. GEM Colony Woods LLC	\$230,425.64
9. EDR Lawrence LTD Partnership	\$226,429.02
10. CLF Noria Road Lawrence LLC	\$201,520.04

11. Pinnacle Woods LLC	\$199,784.90
12. CLF Greenway Drive Lawrence LLC	\$193,829.10
13. Park Plaza LLC	\$179,884.88
14. Malls Investment Co.	\$179,844.34
15. Hallmark Cards Inc.	\$178,932.64
16. Plaza Lawrence LLC	\$173,638.00
17. K Mart Corp.	\$169,337.86
18. Rudd Leslie	\$167,999.96
19. Wakarusa 15 Associates LLC	\$167,034.88
20. Schnaer Real Estate LP	\$165,570.04

Personal Property:

1. Hallmark Cards.	\$420,616.82
2. Packerware	\$355,628.34
3. ICL Performance Products	\$286,168.46
4. World Co.	\$260,286.42
5. Amarr Garage Door Inc.	\$235,867.08
6. Celliance	\$219,639.46
7. Del Monte Corp.	\$201,858.76
8. Schlumberger Tech Corp.	\$159,233.38
9. NCS Pearson Inc.	\$158,703.54
10. Lawrence Paper Co. Inc.	\$150,491.78
11. Sauer Danfoss US Company	\$131,505.86
12. Wal-Mart Stores Inc. #484	\$ 94,156.84
13. Chemtrade Phosph Spec. LLC	\$ 91,733.46
14. H P Pelzer Inc.	\$ 75,097.28
15. A P I Foils Inc.	\$ 68,244.38
16. Allen Press Inc.	\$ 62,094.70
17. World Co	\$ 57,750.56
18. L R M Industries Inc	\$ 46,659.08
19. Rental Service Corp #369	\$ 42,051.96
20. K Mart Corp No 8273	\$ 40,210.04

2007 ANEXATIONS REPORTED

According to the GIS department a total of eight (8) annexations were filed in 2007 compared to nine (9) in 2006, four (4) in 2005 and 15 in 2004. The annexations covered 701.4 acres compared to 414.6 acres in 2006, 54 acres in 2005 and 261 acres in 2004.

The City of Lawrence during 2007 had five (5) annexations involving 648.7 acres. The City of Lawrence has added 2,542 acres in the last eight (8) years. That is an average of 318 acres per year. In the 1990s the average was 329 acres per year.

The City of Eudora had three (3) annexations which added 52.7 acres inside its city boundaries. There were no new annexations in the Cities of Baldwin or Lecompton.

EMPLOYEE SPOTLIGHT !!!!!

We would like to recognize *John Chaney* and *Shelly Borland* who recently passed IAAO Course 102, Income Valuation. Good job John and Shelly !!!

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Also joining the staff for the next few weeks will be *Ronda Weber*. Rhonda is a manpower employee who will be helping with the 2007 final review data entry. Welcome Rhonda.