

APPRAISING THE PLAINS *of Kansas*

Volume 26 | Issue 1 | Winter 2022



ORION USERS CONFERENCE RETURNS TO IN-PERSON

In November the Orion Users Conference returned to an in-person event, which was held in Wichita. The conference was attended in person by several KCCA members, but there was also the option to attend virtually. The enhancement committee met on Nov. 9 with Tyler Technology contingents. On Nov. 10, PVD and the enhancement committee shared updates.

Read the full recap on page 3.

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KCAA updates start on page 8, including executive board minutes, the Kansas Mass Appraisal Certified Instructor Program and upcoming education opportunities.

KATHY'S KORNER



KATHY BRIDGES, LINN COUNTY KCAA PRESIDENT

Change is inevitable, and many Kansas county appraisers are dealing with their fair share. Counties are dealing with retirements, the loss of “seasoned” appraisers, staffing issues, ongoing struggles with the appraisal cycle/compliance and the challenges over the past several years due to COVID-19, along with this crazy real estate market that has occurred.

The market challenges we faced in 2021 — and now in 2022 as we set market values — are real and can be stressful. Low mortgage rates, bidding wars and material shortages (just to name a few) have been making it a huge challenge for all of us to meet statistical compliance. With that being said, that brings home the importance of really paying attention to your 2021 Preliminary Ratio Study stats. As Pete Davis with PVD Ratio Study Section has indicated, market trends may be necessary for many counties to submit to PVD this year and most likely for 2022 as well. As we have seen in both 2020 and 2021, the Jan. 1 effective date of our appraisals has become quickly outdated.

As KCAA past presidents have written and preached over the past several years: “We are better together,” and I wholeheartedly agree! As we forge forward with this next valuation year, remember that networking is so important and with the number of new county appraisers, we ‘seasoned’ appraisers should make ourselves available and help when we can. Share information, network and continue to mentor.

Being a person who has moved and changed counties multiple times throughout my life and career, I have appreciated everyone along the way. The many different perspectives, different ways of doing things and new ideas that I would never have thought about previously have come from reaching out, asking for assistance and asking the question of ‘How does your office handle a certain situation?’, etc.

In Kansas, all counties have common goals, deadlines, statutes we must follow... and the list goes on. There is no reason to reinvent the wheel in most cases (unless it does need to be reinvented!) So, I encourage everyone to continue to mentor and share their ideas — we are all in this together!

As we embark on this new year, I am looking forward to 2022 being a very productive year for KCAA membership that will most likely fly by very quickly. Right around the corner, we will host another Legislative Reception from 5 to 8 p.m., Tuesday, Jan. 25, in Topeka at The Cyrus Hotel. This is a very important event and the KCAA Legislative Committee is working to put together information for the reception and to share with legislators in your jurisdictions.

Speaking of the committees, I am very excited about the KCAA Committees and what various committees are already working on, as several have begun to meet. A big thank you goes out to all those who agreed to chair a committee and also everyone who is serving on a committee. For example — have you noticed the new look to our newsletter! Big shout out to Heather Poore and Brad Eldridge, as well as the other Public Relations & Newsletter Committee members on getting this accomplished.

I am also looking forward to the 2022 KCAA Annual Conference that will be held June 5 to 8 in Wichita at the Drury Hotel. Plans are already in the works on putting together classes/workshops and a great time for all. Conference is a time to learn, build relationships and have fun.

As mentioned in the PVD Orion Conference call on Dec. 16, I would like to thank all counties who have already contributed to the Orion Enhancement Fund, as it had been reported at that time that 61 counties (and I’m sure that count has changed) had contributed, which will ensure that the KCAA Orion Enhancement Committee can continue to work with Tyler and PVD on making enhancements to the Orion system for years to come! This is truly an example of ‘we are better together!’

Lastly, a very special thanks to this year’s KCAA Board, to Cindy Brenner our executive secretary and also to each of you as we embark on 2022 together, as the strength of our association is due to each of you individually!

May this year be filled with peace, happiness, love and a time to create new memories. ■

On page 12, read more about:

- Education Opportunities
- Legislative Reception
- 2022 Budget
- Committee Assignments

2021 ORION USERS CONFERENCE SNAPSHOT



BY ALLEN TODD, RILEY COUNTY,
ORION ENHANCEMENT CHAIR

In November, the Orion Users Conference returned to an in-person event this year in Wichita.

The enhancement committee met on Nov. 9 with Tyler Technology contingents. The desire to have a sit down with Tyler has been a goal for a few years. Several topics were discussed including time-adjusted sale price, expanding the mass updating functionality via Mass Item Page Import or List Manager, as well as revisiting an ongoing list of ideas. It was a surprise to some how many long-term requests have actually been fulfilled. It was determined the Sale's Ratio committee still exists and future meetings are being planned. It was also announced that invoices to replenish the enhancement fund had gone out to counties. If there are questions about this, you are encouraged to contact Cindy Brenner.

Presentations by Tyler were in-person and virtual. Field mobile, the tablet version of Orion, was demonstrated along with iSketch, Tyler's new sketch program. Orion Spatial is a new mapping service coming soon as some of the background software (Silverlight)

will no longer be supported by Microsoft. Alan Collins provided the standard presentation of what enhancements have been added to Orion, not initiated by Kansas. In addition, Mark Hublall presented the future road map of Orion.

On Nov. 10, PVD and the enhancement committee shared updates. There was nothing new specifically with MVP to report this year, as nearly all of the bugs were worked out in 2020. The PVD portion of the morning was mostly tips, tricks and reminders from Rae Schnacker about Orion functionality. She also demonstrated the prior year assessment value for Farm Class parcels on the comp sheet, which is currently available. Allen Todd also gave a brief review of the committee's activities and encouraged any new ideas to be submitted for consideration.

Creating a virtual attendance option was recommended by the enhancement committee to the KCAA board. There was some difficulty in getting the audio pushed out to the virtual attendees. If the person speaking was not using the one microphone available, there



was no way for those attending virtually to hear what was said. This option going forward will need some improvement.

The committee continues to look at all options for 2022 — where to meet, as well as when. Any input is welcome and can be directed to Allen Todd or any committee member. ■

Top: Taking a Beak - Several in attendance also were able to take a break from the conference and get together for dinner.

Bottom Right: Mark Hublall of Tyler Technologies addresses the crowd at the 2021 Orion Conference held November 9-10 in Wichita.

TREND TO RATIO STUDY

BY LISA REE, ELLIS COUNTY, STAFF WRITER

- *Kansas housing market grows hotter.*
- *Kansas home buyers will need to move fast, pay more to find a home next year.*
- *Will the price of houses ever come down?*
- *Single-family homes increase in price by \$35,000 due to lumber shortage.*

These are just a few of the headlines from articles I've collected this year. My initial intention was to use them as a tool for explaining why home values increased significantly from last year.

When we work through land and depreciation analysis, we review sales to determine if a trend is evident. We analyze paired sales, resales of properties and the ratio of sale price to appraised value. As the majority of us are experiencing this year, sale prices have increased dramatically. Whether it's low mortgage rates, a low supply of homes for sale or a combination of both, we are seeing the effect of those headlines in our residential class sales ratios.

During the ratio study session at the KCAA conference, Pete Davis stated PVD typically will trend a county's ratio study upon request. Their policy has been to not exceed the published market trend. Because of the aggressive market across the state, I reached out to Davis for his thoughts regarding ratio studies and applying a trend. The following is a summary of his comments.

Regarding recent ratio studies provided to counties, Davis suggests that 12 of the 21 sampling counties consider requesting a time adjustment to bring their confidence intervals into compliance. Smaller counties should review their mid-year ratio study results. If the median ratio was low, the preliminary results will most likely indicate a lower median ratio.

If a time trend is needed to pull your 2021 median ratio into compliance, the trend indicated in your 2022 market study publication will be used by PVD. The annual trend will be used to develop a monthly adjustment. Some counties publish a single market trend. Others publish multiple trends for categories like rural vs. urban, single-family, multi-family, market area, year built. PVD will apply a county's trend to the ratio study sales accordingly. If time permits, additional groupings or an alternative

trend method may be attempted if the county time trend appears to need more stratification to improve the median ratio to meet compliance requirements. A credible time trend will raise the median ratio and slightly lower the COD. A time trend will not be used if it raises the COD by more than a few tenths of a point. Trending sale prices back to January 2021 using the 2022 trend should raise the sales ratios when compared to 2021 values.

Counties have the option to use the RatioExcel program to test their ratios. The program can be downloaded from the PVD CAMA website. Instructions for using the application are included in the download. The program will calculate the median ratio and COD. It also creates a text file titled RatioReport.txt that provides the statistics calculated. Each time the RatioExcel program is used, the RatioReport.txt file is updated. This program could be a useful tool to test how a trend will affect your ratio statistics before requesting PVD apply a trend or anytime throughout the year.

Excel can be used to check how the median ratio changes after a trend is applied to sales. Starting with the file provided by PVD that includes the ratio study sales (ex. PVD2021M026) and making a few modifications, it can be used along with the RatioExcel program to calculate the ratio statistics with a trend applied.

To test what an applied trend would do to the median ratio, COD and PRD, Davis' suggestions (almost word for word!) on modifying the PVD2021M#### file are indicated below and on the following page.

The ratio worksheet can be processed by the PVD Ratio Study Excel application (RatioEx2015.exe) if the column header names are revised: change SALE column to **Orig Sale\$**. Label the added adjusted sale price column: **SaleAdjusted**.

continued on page 5

TREND TO RATIO STUDY

A	B	C	D	E	F	G	H	I	J	K	L	M	N
PIN	CLS	LBCS	COV#	Mo	Yr	SaleAdjusted	Appraised	Annual%	MoTrend%	TrendAdj	Orig Sale\$	Trend Ratio	Orig Ratio
123-45-0-	R	1101	302961	6	2021	277,350	265,000	17.0	1.01317	1.082	300,000	95.5	88.3
						=L2/K2			=(1+(I2/100)/1)^(1/I2)	=J2^E2		=H2/G2*100	=H2/L2*100

Trend to Study Ratio continued from page 4

Columns added for monthly compounding increase in sale prices (cell formulas in blue):
 G: **SaleAdjusted**: (time adjusted sale price as of January 2021 - formula =L2/K2)
 I: **Annual%**: (developed from your trend analysis) *17.0% used for this demo example*
 J: **MoTrend%**: (monthly trend formula = $(1+(I2/100)/1)^(1/I2)$)
 K: **TrendAdj**: (formula for monthly compounding adjustment = $J2^E2$)
 M: **Trend Ratio**: (new column added – formula = $H2/G2*100$)
 N: **Orig Ratio**: (change name from ratio – verify or change formula = $H2/L2*100$)

Notes:

These formulas (in Row 2) will need to be copied and pasted in each row with sale data.
 The RatioEx2015 program will calculate and use the time trended ratio if the worksheet columns are re-labeled as shown above (from column M).
 This setup assumes the sale takes place at the end of the recorded month for maximum adjustment benefit.
 Appraisers can substitute a simple adjustment to replace compounding adjustment above:
 Column J: **MoTrend%**: formula for simple monthly rate from annual trend rate = $I2/I2$: adjustment = .01417
 Column K: **TrendAdj**: formula for simple monthly adjustment = $1+(E2*I2)$: adjustment = 1.085

Using the RatioExcel2015 program, I tested Davis' suggestions. The first step was to run the RatioExcel2015 program using the sales provided by PVD in the ratio worksheet. This original run indicated a median ratio of 89.3 and COD of 7.5.

Median Ratio	Confidence Interval	COD	Confidence Interval	PRD	Confidence Interval	Valid Sales	Trim Sales
89.3	87.1 to 92.1	7.5	6.7 to 8.6	1.00	.99 to 1.01	119	2

Original Ratio Study Stats from RatioReport.txt

I then modified the ratio worksheet according the Davis' directions, included an annual trend of 15% to all parcels, saved it with a different name and ran the RatioExcel2015 program. Unfortunately, I would get errors stating not able to find the column headings of Sale and APPR. I was able to work through some of the errors, but not all. Davis provided a different program, CoRatioEx2015.exe. I was able to run the stats with that program without any errors. The results were a higher median ratio and COD.

Median Ratio	Confidence Interval	COD	Confidence Interval	PRD	Confidence Interval	Valid Sales	Trim Sales
92.7	89.9 to 94.1	9.7	8.5 to 11.0	1.01	1.00 to 1.02	146	5

Trended Radio Study Stats from RatioReport.txt

As you can see, the median ratio and COD increased when applying a time trend again. According to Davis, if the COD increases as in this instance, we may have something amiss and more stratification may be necessary. It could be that a different trend should be used for different market areas, instead of a single county-wide trend. But at least the median ratio and COD meet requirements. Davis' opinion is that PVD is mostly concerned about the COD when it comes to the residential ratio study.

Because I procrastinated, I wasn't able to see if other counties had issues with the RatioExcel2015 program after modifying the ratio sales file.

With the changes to the residential market we have experienced, you may benefit from trending your 2021 sales for ratio study. Using the RatioExcel2015 program and tweaking your ratio sale file slightly, you can get a snapshot of what your ratio statistics would be when applying one or more trends to those sales. Spending a little time working through the process should help you decide whether to request PVD trend your sales. For some counties it could mean moving from out of statistical compliance with a low median ratio and into compliance with an acceptable median ratio. Hope you give it a try and good luck. ■

HOUSING FORECAST FOR RURAL AND METROPOLITAN KANSAS

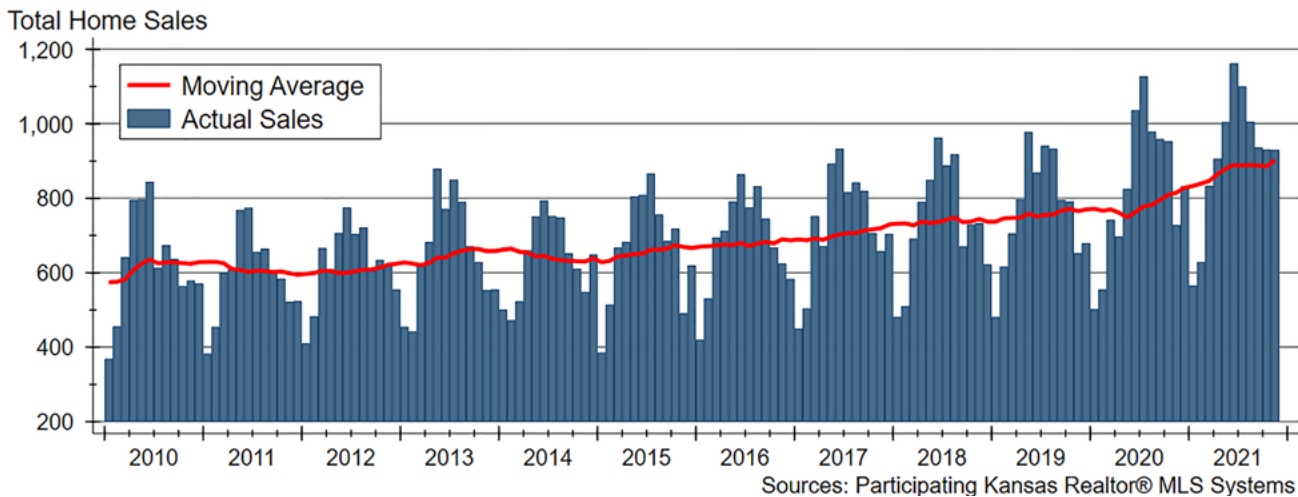


BY DR. STAN LONGHOFER, WICHITA STATE UNIVERSITY CENTER FOR REAL ESTATE

One of the questions I'm often asked is how housing markets in the rural parts of the state differ from those in the state's larger metropolitan areas. Usually the answer is "A lot!" Over the past year, however, this has not been the case. It's been nuts everywhere.

Figure 1 below depicts the number of home sales in Kansas counties that are not a part of the state's five large metropolitan areas (Kansas City, Lawrence, Manhattan, Topeka and Wichita). I use these counties as a rough proxy for the state's rural areas, understanding, of course, that cities like Hays, Emporia and Pittsburg are not truly rural. Nevertheless, the distinction between Kansas' metropolitan and non-metropolitan counties generally reflects the strong differences between the state's urban and rural housing markets.

FIGURE 1 – HOME SALES IN RURAL KANSAS



In this figure, actual home sales are depicted by the blue bars, while the red line is the 12-month trailing moving average of home sales, and is used to show underlying trends that can sometimes be masked by the seasonality of home sales. The most striking feature of this graph is the way home sales took off almost immediately after the pandemic lockdowns in early 2020. Through November of 2021, total home sales in the rural parts of Kansas were up nearly 17% compared to the same period in 2019. This torrid pace of sales is virtually unheard of in rural Kansas.

With home sales increasing at such a rapid pace, the supply of homes available for sale has become increasingly tight. We measure balance in the housing market through a statistic called months' supply. Imagine that there were 100 homes available for sale in a particular market. If on average 20 homes per month sold over the past year, we would say that there was a $20 \div 100 = 5$ months' supply of homes available for sale. That is, at the current pace of sales it would take five months to work through the current inventory of 100 homes.

In urban areas, we tend to say that the housing market is balanced if there is between a four and six

month's supply of homes available for sale. Above that level the market tends to favor buyers, while markets with tighter inventories tend to favor sellers. In rural areas, it is not uncommon to have much larger inventories, so the definition of a "balanced" market needs to be adjusted accordingly.

Figure 2 shows the months' supply for the entire state of Kansas as well as just the state's non-metropolitan counties. The first thing to note in this figure is that the state as a whole has tended toward a sellers' market (less than a four months' supply) since the end of 2015. This largely reflects the conditions in the state's five metropolitan areas. In contrast, inventories in the state's rural counties have been much more flush. Until recently, that is.

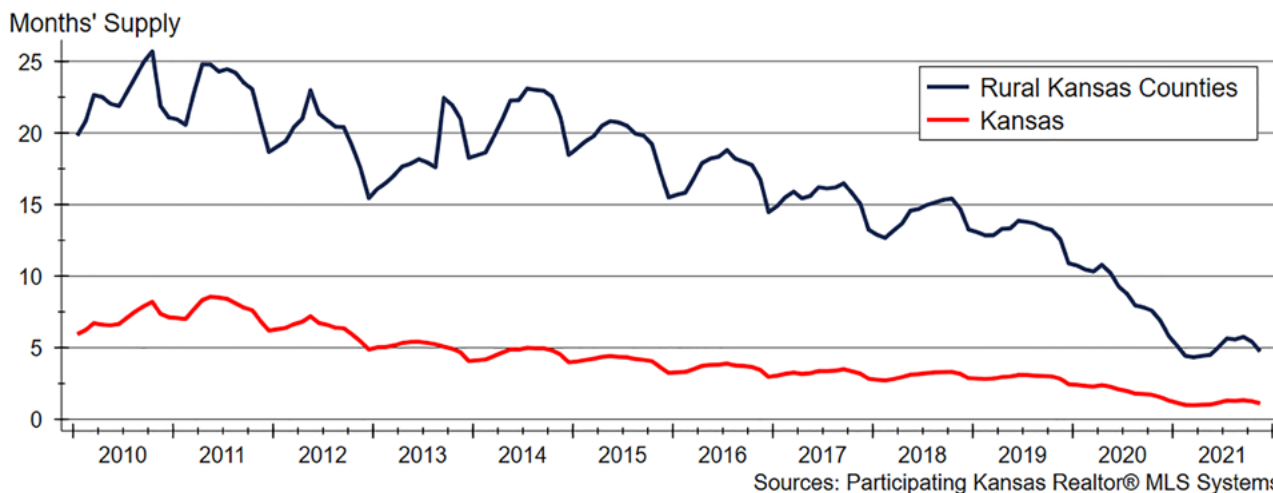
While inventories in rural Kansas had been slowly declining since 2015, they began to drop precipitously toward the end of 2019 and now sit at the lowest levels on record. The strong pace of sales since the onset of the pandemic have served to make the state's rural housing markets look much more like its urban markets.

continued on page 7

HOUSING FORECAST FOR RURAL AND METROPOLITAN KANSAS

Housing Forecast continued from page 6

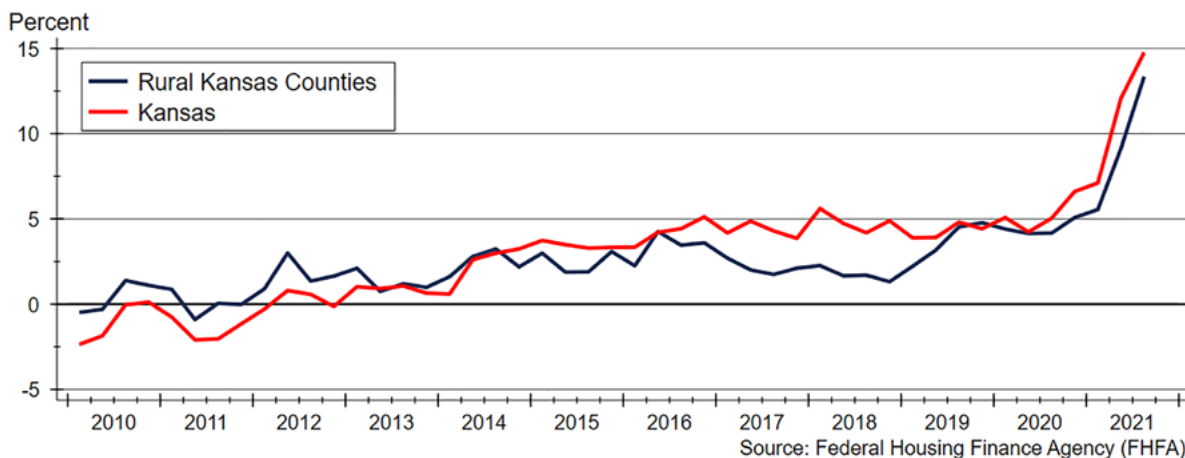
FIGURE 2 – INVENTORIES OF HOMES AVAILABLE FOR SALE ACROSS KANSAS



As one might expect, markets respond to strong demand and tight inventories with rapid price appreciation. Figure 3 below shows the year-over-year percentage change in the Federal Housing Administration’s all-transactions house price index for the state as a whole and the state’s non-metropolitan counties. This index uses homes that have sold more than once in order to provide a true measure of underlying home price appreciation for typical homes.

While home price appreciation across Kansas had been averaging about 5% annually since late 2016, this strong growth only reached the state’s rural areas starting in 2019. After the pandemic hit in 2020, however, appreciation skyrocketed across the entire state. During the third quarter of 2021, average annual home price appreciation across Kansas was 14.8%. This was only slightly less in the state’s rural areas, where home values rose by 13.4% year-over-year in the third quarter.

FIGURE 3 – HOME PRICE APPRECIATION IN KANSAS



When will all of this end? Although home prices have taken off over the past two years, the underlying pressure leading to this appreciation has been building for years. New home construction never fully recovered from the downturn that followed the financial crisis. At the same time, the demand for housing has grown as more people are choosing to live alone rather than with roommates. As a result, we face a severe shortage of housing units that will take years to resolve. While the incredible pace of home price appreciation we’ve seen over the past year is likely to cool somewhat in the coming months, we should continue to see very strong home price appreciation for at least the next year, if not longer. This is true for both the state’s urban and rural housing markets. ■

Stan Longhofer holds the Stephen L. Clark Chair of Real Estate and Finance in the W. Frank Barton School of Business at Wichita State University and is the founding director of the WSU Center for Real Estate.

KCAA Executive Board August Meeting Minutes

Location: Ramada Inn Downtown, Topeka
Mansion Gold Room

Date: Wednesday, Aug. 4 at 11:30 a.m.

Attendees: Cindy Magill, Kathy Bridges, Sean Robertson, DeLinda White, Steve Bauman, Wendy Prosser, Steve Bauman, Kelly Deslauriers, Rachelle Standley, Ryan Michealis, Melinda Latham, Lori Reedy

I. Previous Meeting Minutes

Minutes Approved.

II. Financial Report

12,018.74 CD, 101,922.49 CK, 145,309.04 MM

III. Treasurer's Report

Lori reconciled accounts and no discrepancies.

Financial and Treasurer reports were approved.

IV. 2021 KCAA Conference

Kelly mentioned the age of the hotel and maybe finding a new locale next time we come to Topeka for conference. Discussion was had about where to have Legislative Reception. Sean and Cindy will contact Sheriff's and Treasurer's to see if they are having Legislative Reception at Ramada. Recommended that we have the bowling tournament again next year. Ryan suggested maybe some roundtable discussions and also possibly some committee meeting. DeLinda will do golf coordinating next year. Sean suggested maybe having the board meeting after the conference like we did this time.

V. Futures Workshop Pay

Ryan spoke about how the Futures Workshop moved from a workshop-type course to a full blown, PVD accredited course. Ryan and Heather are wanting compensation for the course preparation and instructing. Sean mentioned the content was approved with PVD for 13 hours so should we be questioning the material? Instructor fee we pay is \$500 a day. There were two classes offered with a total of four days of teaching. Motion made, seconded, approved to pay for four days of teaching.

VI. Newsletter Editor

Heather is newsletter editor, we are looking for a new publisher of the newsletter.

VII. Education & Conferences

IAAO next month and Orion Users Conference is in November. Orion Users Conference will be in person and virtual.

VIII. Other Business

No other business.

Power BI: Finding its Place in Kansas Mass Appraisal

BY RYAN JANZEN, LYON COUNTY, TECHNOLOGY CHAIR

Imagine being able to immediately review final value and sales information at the click of a button — with the capability of sorting that information to give you an instant summary of the results. This year, KCAA President Kathy Bridges created a new committee with the objective of creating a Power BI dashboard that could be utilized statewide. This dashboard will help bring consistency and efficiency across the state when it comes to information processing.

Microsoft's Power BI is a powerful data visualization software program that utilizes dashboards to display various data measures and visualization tools. Power BI can be tied to an external file (i.e. CSV file or SQL Server database) that stores a county's local data. Any time that data file is updated, Power BI can be refreshed to return current, up-to-date results.

The Power BI Technology Committee will be working to create a Power BI dashboard that can be utilized statewide. The committee will be focused on creating a dashboard that displays information related to final values and sales information. The data could then be sorted and filtered based on neighborhood, property class, taxing unit and/or market area. The committee will be working to have a functioning dashboard available by summer 2022 and intends on delivering a presentation at the 2022 KCAA Annual Conference.

Reviewing appraised values and sales information is only the tip of the iceberg when it comes to what this program can do. Eventually, the hope of the committee is to use this program for tracking workflows and production, relist/maintenance progress, CDU reviews, neighborhood analysis and data quality monitoring. Future plans are in place to even use Power BI to help with Final Review and End-of-Year Certification queries and reports.

This is a free program that can be used to help counties streamline certain workflows and data monitoring. For a small monthly fee, a Power BI dashboard could be published to a county website as a way of sharing information with the public. Power BI is a newer software application that is here to stay and will be an important tool in the future of the mass appraisal industry. The possibilities of Power BI are endless and the committee looks forward to sharing the progress made at the 2022 KCAA Conference. ■

Kansas Mass Appraisal Certified Instructor Program

BY MELINDA LATHAM, MITCHELL COUNTY, EDUCATION AND PROFESSIONAL DESIGNATION CHAIR

The Kansas Property Valuation Division, (PVD), and the Kansas County Appraiser's Association, (KCAA) have partnered to create the Certified Instructor Program, (CIP). CIP is designed to create additional educational opportunities for Kansas ad valorem property tax appraisers to supplement courses instructed by PVD staff and contractors.

All Kansas Registered Mass Appraisers (RMAs) are required to complete continuous appraisal education within a four-year cycle. The current educational cycle began on July 1, 2021 and completes on June 30, 2025. Every four years after the start of this requirement will commence on July 1 for the next education cycle going forward.

CERTIFIED INSTRUCTOR QUALIFICATIONS

1. The candidate must have a minimum of five years of Kansas-specific experience in the related field of instruction, (specific appraisal analysis, Kansas computer assisted mass appraisal (CAMA) system, data collection, legal/property tax, etc.).

REQUIREMENTS OF AN APPROVED INSTRUCTOR

1. The certified instructor candidate must submit the PVD-approved CIP application, a current professional resume and an applicable education transcript to the PVD Education Coordinator.
2. The instructor must have successfully completed the course as a student prior to instructing the course.
3. The approved certified instructor must co-teach with a PVD instructor prior to teaching the course independently.
4. The certified instructor will follow the PVD's course instruction and testing guidelines, and the certified instructor candidate must sign an agreement form provided by PVD acknowledging they will abide by the division's guidelines in administering the educational courses.
5. The certified instructor is not to alter course material. The instructor may recommend training course material and course presentation revisions by submitting recommendations to the PVD Education Coordinator.
6. The certified instructor must receive satisfactory instructor evaluations from students to remain eligible to participate in the CIP.

7. Failure to receive satisfactory student evaluations could result in being required to again instruct with PVD staff in the next provided course, and/or removal as a certified instructor.
8. CIP instructors will need to make the necessary arrangements with their administration for time to instruct. CIP instructors will not receive compensation from PVD or KCAA for instructing. CIP instructors will receive education credit equal to the students in the course.

REQUIREMENTS OF THE PROPERTY VALUATION DIVISION

1. PVD will make available the CIP instructor application form and a list of courses qualified to be included in the CIP.
2. Upon receipt of an application, PVD will review and notify instructor candidates on the determination of their eligibility to participate in the CIP.
3. PVD will maintain a list of approved instructors.
4. PVD will provide results of student evaluations to instructors.
5. PVD will review recommended revisions from CIP instructors and work with the instructors to implement and approve changes.
6. PVD will collaborate with KCAA and CIP instructors for scheduling of all course offerings.
7. Courses through the CIP will not be included in the annual PVD Education Catalog, but registrations will be open to all PVD and county appraiser office employees and be done through PVD online registration system.

REQUIREMENTS OF THE KANSAS COUNTY APPRAISERS ASSOCIATION

1. Fee splits for students in CIP courses will be processed in the same manner as PVD-instructed courses.
2. PVD and KCAA will work jointly to schedule courses and assign CIP instructors.
3. PVD and KCAA will agree on travel reimbursements for instructors prior to the scheduling of a course. ■

KCAA EDUCATION OPPORTUNITIES

Below is a list of the education KCAA plans to offer in 2022. We have not confirmed locations (and dates for IAAO 201). Watch your email and the [KCAA website](#) for updated information and when you can register.

COURSE	DATE	LOCATION	INSTRUCTOR	COST
USPAP Update	April 4	TBD	Barry Couch	\$165 (Bring Publication & Reference Manual)
USPAP	April 5-7	TBD	Barry Couch	\$260 (Bring Publication & Reference Manual)
RMA Residential Review	Oct. 4-6	Topeka	Kara Endicott	\$300
RMA Commercial Review	Nov. 15-17	Topeka	Brad Eldridge	\$300
IAAO 101 Fundamentals of Real Property Appraisal	Feb. 21-25	TBD	Brad Eldridge	\$525
IAAO 102 Income Approach	June 20-24	TBD	Marion Johnson	\$525
IAAO 201	TBD	TBD	TBD	\$525
IAAO 300 Fundamentals of Mass Appraisal	Aug. 8-12	TBD	Kara Endicotte	\$525
IAAO 400 Assessment Administration	Sept. 26-30	TBD	Kara Endicott	\$525

LEGISLATIVE RECEPTION

Tuesday, Jan. 25 | 5 - 8 p.m.

The KCAA will host a legislative reception for all state legislators from 5-8 p.m., Tuesday, Jan. 25, in Topeka at the Cyrus Hotel, 920 South Kansas Ave. All county appraisers are strongly encouraged to attend. This is a great opportunity to visit in person with legislators about legislation and issues concerning appraisers. Go to the [conference/meeting tab](#) on the KCAA website for more information and a link to reserve your hotel room.

2022 Budget

The 2022 budget can be viewed on the KCAA website:

<https://www.kscaa.net/about/>

2022 Committee Assignments

The 2022 committee assignments can be viewed on the KCAA website:

<https://www.kscaa.net/county-appraisers-2/kcaa-leadership/>

DON'T FORGET THE VISUALS

BY JANA E ROBBINS, WYANDOTTE COUNTY, STAFF WRITER

As appraisers, we are responsible not only for valuations, but for communicating that information to countless stakeholders with varying degrees of knowledge and understanding of our process. While we cannot control the market, we can control how our data, processes and regulations are communicated to these stakeholders.

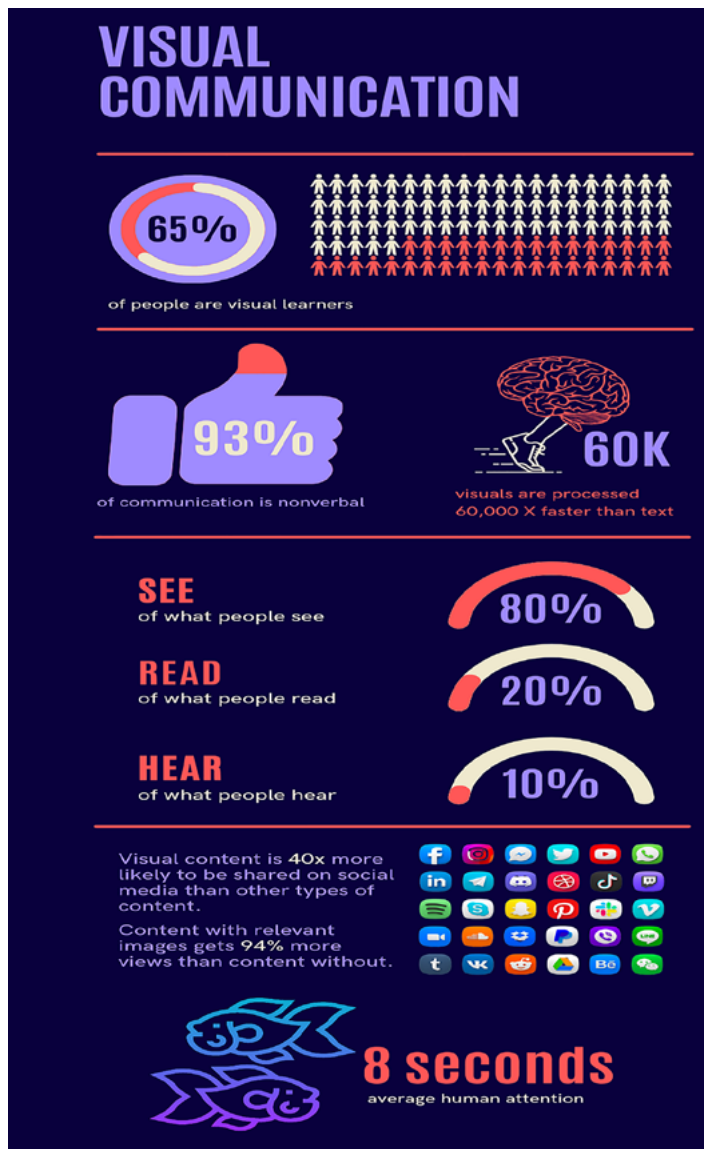
Visual communication, known as 'viscom' (we always need more acronyms), is powerful, impactful and is impossible to ignore. Visual content is an effective way of communicating data and can stimulate an emotional connection. Visual content does what text alone cannot. Graphics affect a person cognitively by increasing data comprehension and retention. Infographics, photos, videos, memes and illustrations are examples that have a major impact on the way people process information. Images can affect our emotions, stimulate creative thinking and influence how we make decisions. Visual communication has the ability to reach people despite language, geographical and cultural differences.

Visual content is processed in the brain's long-term memory, while words are processed in our short-term memory. Hence the phrase, "in one ear and out the other." On average, a person gets distracted after eight seconds. For reference purposes, it takes longer than eight seconds to recite the header of K.S.A. 79-503a. Fair market value defined; allowable variance; factors to be considered in determining fair market value; generally accepted appraisal procedures and standards to be utilized. People tend to retain about 10% of what they hear, 20% of what they read and an overwhelming 80% of what they see. It is estimated that the brain can process visual content 60,000 times faster than text. Comprehension also increases when images are paired with text.

Visual communication is more effective because the brain can process, retain and understand more information quickly. As mass appraisers, we deal with large quantities of data and rely heavily on statistics that can easily be displayed visually. Visuals such as charts, graphs and diagrams are common tools used to display mass quantities of data — at times complex — into simple, easy to understand content. Far less time is needed to prepare and present information to a group if visual content is utilized. Unlike paragraphs of text, visual content is easier on the eyes and keeps the audience engaged. It requires less mental processing to understand the information being presented.

There are limitations to visual communication. Small quantities of data are not always visible as there is a limit on how much information can be displayed on a scale. Visual communication cannot be the only form of communication available. Text and audio are necessary — and essential in some instances. For example, this article.

Visual communication can be presented in many ways. Slide deck presentations, like Power Point, are an easy way to display information utilizing visual content and text. Brochures are a great resource to highlight key points and spread your message. Infographics have the ability to tell a story or explain a concept and are typically easily understood by the user. YouTube videos are a great way to share information and processes audibly. Animated



videos and graphics can be a fun way to share information and keep the user engaged. Memes can tell a story with just a few words and a meaningful image. They tend to attract a lot of attention and are shared on a multitude of digital platforms. Social media is the most popular way to share information these days. Facebook, LinkedIn, Instagram, Twitter, Pinterest and Snapchat are great ways to communicate with different stakeholders and open the door for community engagement and connection.

When it comes to content creating tools, Canva and PowerPoint are easy-to-use starting points.

Canva is a graphic design platform, used to create social media graphics, presentations, posters, documents, videos and other visual content. It is accessible by website or as an app. Canva is free and has paid subscriptions options such as Canva Pro and Canva for Enterprise for additional functionality. PowerPoint is a powerful, easy-to-use, interactive presentation program that allows the user to create professional-looking slideshows. PowerPoint is free on Microsoft's website once logged in and offers a paid subscription called Microsoft 365 access to additional functionality. ■

ORION TOKENS

BY JANA ROBBINS, WYANDOTTE COUNTY, STAFF WRITER

Wyandotte County generates a lot of forms out of Orion. Very few forms that utilize Orion data that we send out come from a separate source. Having the ability to design custom forms has been essential to our business processes. Utilizing populated fields from within Orion — along with custom text and images specific to our county needs — enables our staff to design dynamic and county-specific forms.

Orion has predetermined data fields available based on the form type selected, referred to as tokens. The data stored in these tokens is hard-coded and cannot be modified. The available tokens are visible in the side navigation bar. Not all fields in Orion are available for use and not all form types have the same tokens.

We found the most difficult part of setting up these forms were the tokens. Formatting was incorrect, errors kept popping up when we would try to save a form and there was no guide on what data fields the tokens were mapped to.

In order to know what data the tokens were pulling in and the display format of each token, we created a test form that included all available token names under that form type and in the column next to the token itself. When the form was generated, the token results guided us in creating our forms. We found that numeric tokens are not formatted properly — and although they are visible — not all tokens can be utilized by Kansas Orion users.

To format a token, simply highlight the token from bracket to bracket [] and click on the Token Parameter option in the side navigation bar. This will automatically launch a parameter box displaying two fields, name and value. For formatting purposes, you would enter FORMAT into the name field and the type of formatting into the value field. For instance, the sale price token will appear as 123456 when merged. In order to have the sale price token display as currency, a token parameter is required. By entering FORMAT into the name field and DOLLARCOMMA into the value field, the sale price will now display as \$123,465 when merged. Common formatting types are currency, number and percent.

Although every field in Orion does not have a corresponding token available, there is an option to

insert additional data from the CAMA fields located on the item pages within the appraisal tab. You will need to know the calculation definitions, item page names and field names. Next, select the appraisal item prompt token under property info on the side navigation bar. Highlight the prompt field on the form, then select Token parameter from the bar. This will launch a dialog box. Enter PageName in the name field and the actual item page name in the value field. Click save. Highlight the same prompt field on the form, then select Token parameter from the bar. This will launch a dialog box. Enter FieldName in the name field and the actual CAMA field name in the value field. Click save. Type these names in exactly as they appear in Orion.

In order to pull in calculated fields from the appraisal tab, follow the same steps as above, but use the token “Appraisal Item Prompt Enhanced” and add this step in prior to setting up the PageName and FieldName. Highlight the prompt field on the form then select Token parameter from the bar. This will launch a dialog box. Enter CDGName in the name field and the actual calc def group name in the value field. Click save. Complete the PageName and FieldName steps.

So what kind of forms have we created in Orion?

- Ag questionnaires
- Unable to access the property letters
- Property data summary forms
- Exemption forms
- Buyer letters
- Sale packet cover, including interview sheets
- Ratio appeals letters
- Appeal interview and documentation sheets
- Confirmation, result, and jurisdictional letters
- Appeal questionnaires
- Appeal packet forms
- Notice of values
- Corrected notices
- Reprint notices

For a more detailed how-to and additional token information, a PowerPoint tutorial is available on KCAA.net along with Word forms that can be copied and pasted into your Orion for use. If you have questions, email jrobbins@wycokck.org or call 913-573-8466. ■



REAL ESTATE NOTES OF INTEREST

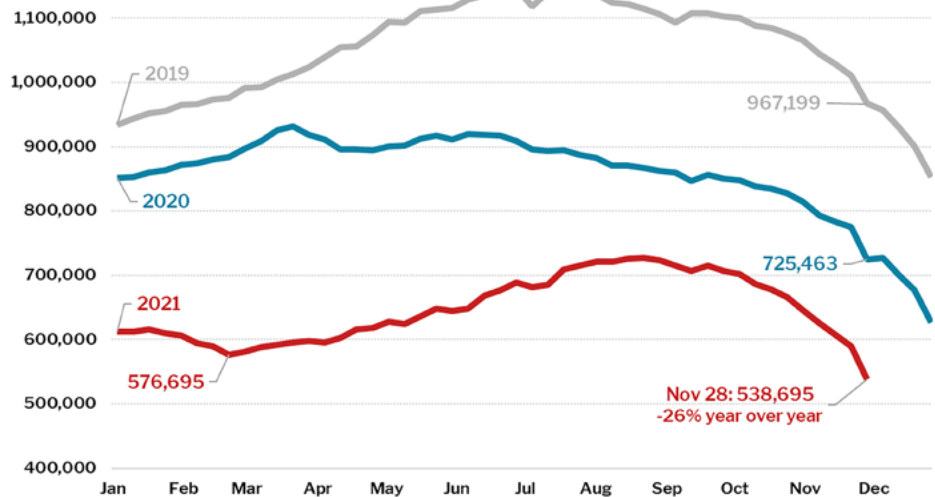
BY BRAD ELDRIDGE, DOUGLAS COUNTY STAFF WRITER



Brad Eldridge, MAI, CAE is the Commercial Real Estate Supervisor at the Douglas County Appraiser's Office in Lawrence.
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Active Listings of Homes For Sale Fell to an All-Time Low

weekly active listings of homes for sale, by week ending on labeled date



Source: Redfin analysis of MLS data

REDFIN

Kansas Housing Market Stats – October 2021

by Heather Gray, *Kansas Association of Realtors*, November 23, 2021. “Home prices continue to increase across the state. The statewide average sale price in October was \$265,700 — a 9.9% increase compared to last year. Midwest prices rose 7.8% and U.S. prices rose 13.1%.”

Housing Market Update: For-Sale Home Supply Hits All-Time Low

by Tim Ellis, *RedFin*, December 1, 2021. “Meanwhile, the median home-sale price hit a new all-time high of \$360,375, up 14% year over year. This was up 31% from the same period in 2019 and up 1.5% from a month earlier, far greater than the 0.2% increase seen during the same period last year.” See graph at top right

Housing Research Brief

November 2021, *Marcus & Millichap*, December 1, 2021. “As the majority of new homes on the market are still under construction or not yet started, the rise in inventory is not meeting strong demand.”

What Does Zillow’s iBuying Failure Mean for SFR Investors?

by Jean Elliot, *Wealth Management*, November 30, 2021. “Zillow’s recent disastrous exit from its iBuying business, spurred by its overpaying for homes in a highly competitive market that the company couldn’t then quickly flip at a profit, opened the question of how much these platforms might be disrupting the single-family home market and what role they will ultimately play in the trend toward more institutionally-owned SFRs.”

Leading Economic and Housing Experts Predict Multiple Fed Interest Rate Hikes, Slowing Inflation and Home Price Growth in 2022

by Troy Green, *National Association of Realtors*, December 15, 2021. “For 2022, the group of experts predicted that annual median home prices will increase by 5.7%, inflation will rise 4% and the Federal Open Market Committee will twice increase the federal funds rate by 0.25%.”

Entirely Possible that We’ll See Low Interest Rates Forever, Asset Manager Says

by Vicky McKeever, *CNBC*, November 15, 2021. “The lower rates that we had seen in recent years were actually a return to a very, very long-term trend of yields falling over an extended period of time. The economic damage caused by the coronavirus pandemic and climate change is set to have a very, very negative effect on interest rates.” *Provided by Lisa Ree, RMA of Ellis County.*

Seven Ways Assessors Can Communicate Effectively About Fast-Rising Housing Prices

Vision Government Solutions, December 14, 2021. “Minimize distress, misunderstandings, and appeals. Build trust with clear and proactive communication.”

Current National Mortgage and Refinance Rates

Bankrate.com, December 14, 2021. “The average rate you’ll pay for a 30-year fixed mortgage is 3.25%. This time

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REAL ESTATE NOTES OF INTEREST

Real Estate Notes continued from page 13

a month ago, the average rate on a 30-year fixed mortgage was lower, at 3.18%. The average rate for a 15-year fixed mortgage is 2.52%.”

Five Fast Facts – U.S. Single Family Market, *Cushman & Wakefield*, December 8, 2021. “Investor demand and growing liquidity in the SFR market has fueled cap rate compression over a two-year period. With average cap rates in the 4.5% to 5.0% range, Cushman & Wakefield transactions show additional compression of 25 to 50 basis points in 2021 for new construction product in the most attractive markets.”

Editor’s Note: The BTR (Build-to-Rent) single-family subdivision market has influenced the supply/demand dynamics in large markets.

Higher Land Values Still Hanging on for Parts of Golden Belt, *Great Bend Tribune*, October 29, 2021. “After a fall-off through 2020, reports of farmland prices, which includes building values, have increased about 11% over the past year to around \$2,100 per acre. Cropland is up almost 14%. In the Great Plains, Kansas trails only Nebraska in both categories. Nationally, the average farmland acre sells for \$3,400, while cropland is going for \$4,400.”

Kansas Labor Report October 2021, *Kansas Department of Labor*, November 29, 2021. “The Kansas Department of Labor (KDOL) and the Bureau of Labor Statistics (BLS) show a seasonally adjusted unemployment rate of 3.9% in October. This was unchanged from 3.9% in September and a decrease from 4.7% in October 2020.”
[County Unemployment Map](#)

Multifamily Investors Lengthen Their Hold Periods, as Inflation Fears, Dearth of Product Disrupt the Market, by Jenn Elliot, *Wealth Management*, December 7, 2021. “Investment firms and fund managers are doubling and even tripling hold periods, partly because it’s what their investors want, and partly because it just makes sense, given current market conditions.”

Apartment Rent and Occupancy Hit Record Highs, Even as Market Enters its Traditionally Slow Season, by Diana Olick, *CNBC*, December 6, 2021. “Apartment occupancy hit a new high of 97.5% in November, according to RealPage, a real estate technology platform. The annual increase in asking rents for new move-in leases hit 13.9%.”

WMRE’s Multifamily Survey, *Wealth Management*, December 9, 2021. “Multifamily investor confidence is fueled by strong fundamentals and healthy capital markets. Report includes equity, debt, cap rates, and other key indicators of investment return.”

Occupations by Advertised Job Opening as of December 15, 2021 – Kansas

Rank	Occupation	Job Openings
1	Registered Nurses ♦	4,707
2	Customer Service Representatives ♦ ♦	1,023
3	Retail Salespersons ♦ ♦ ♦	989
4	Licensed Practical and Licensed Vocational Nurses ♦	812
5	Nursing Assistants ♦	796
6	First-Line Supervisors of Food Preparation and Serving Workers ♦	702
7	Combined Food Preparation and Serving Workers, Including Fast Food ♦	686
8	Heavy and Tractor-Trailer Truck Drivers ♦ ♦	653
9	General and Operations Managers ♦	573
10	Managers, All Other	546

♦ BRIGHT OUTLOOK NATIONALLY | ♦ BRIGHT OUTLOOK STATEWIDE | ♦ GREEN OCCUPATIONS

Farm Real Estate Values Rise Sharply, by Nathan Kauffman and Ty Kreitman, *Kansas City Federal Reserve*, November 23, 2021. “Farmland values surged in the third quarter according to Federal Reserve Surveys of Agricultural Credit Conditions. The value of non-irrigated cropland increased by 12% or more in all participating districts. The rapid increase was also consistent across most states, with annual increases of more than 20% in some areas.”

U.S. Price Growth Advances as Major Sectors Accelerate (pdf), by Michael Savino, *Real Capital Analytics*, November 18, 2021. “The RCA CPPI National All-Property Index climbed 15.9% in October from a year ago, the fastest rate of growth seen in the history of the RCA CPPI as intense investor demand for commercial properties continued. The index rose 1.7% from September.”

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REAL ESTATE NOTES OF INTEREST

Real Estate Notes continued from page 14

U.S. Real Estate Market Outlook 2022, CBRE, December 8, 2021. “Despite uncertainty from the omicron variant and other risks, a growing economy will fuel demand for space and increase real estate investment across all property types.”

Industrial Tenants Renew Leases Far in Advance, Raise Warehouse Roofs and More to Deal with Space Shortage, Patricia Kirk, *Wealth Management*, December 1, 2021. “With scarce space available and rents continuing to rise, industrial tenants are forced to do whatever is necessary to secure leases.”

REITs, Private Equity Investors Pile into Self-Storage Assets, by Bendix Anderson, *Wealth Management*, November 29, 2021. “Self-storage properties in the U.S. have performed well throughout the coronavirus pandemic, and that has attracted the attention of investors from around the world, driving prices up even further on the assets.”

This Popular Fast-Food Chain Has Unveiled the Restaurant of the Future, By Jason Notte, *MSN.com*, December 16, 2021. Provided by Rick Stuart, CAE, FIAAO.

Editor's Note: At first, I thought Rick was sending this to me because of the taco references. Flip through the slide show by clicking on the arrows on the right side of the image to see “then, now, future” perspectives for each fast food chain.

Office Space Demand Falls Again, by Michael Tucker, *Mortgage Bankers Association*, December 7, 2021. “VTS, New York, reported new demand for office space fell for the second consecutive month in October to a level last seen in the first quarter.”

The Net Lease Medical Report, Q2 2021, *The Boulder Group*. “Cap rates in the third quarter of 2021 for the single tenant net lease medical sector compressed by 55 basis points to 5.95%, when compared to the previous year.”

Retail Recovery: 5 Key Takeaways for Post-COVID Retail Real Estate, *JLL*, December 2021. “With excess cash and pent-up demand, retail sales have been on the rise. Retail foot traffic for the week ending November 7 is 3.9% above its level in 2019. Sales rose 1.7% month-over-month in October and stand 16.3% above year-ago levels and 30.6% above the levels seen at the onset of COVID.”

Malls Ditch Shopping to Fill Wasteland of Vacant Retail Stores, *Bloomberg* (via www.wealthmanagement.com), December 9, 2021. “With more than 90 million sq. ft. of space to fill, mall landlords are wooing casinos, amusement parks, medical facilities and storage operators.”

Corporations Are Bringing Needed Inventory to the Sale-Leaseback Market, by Beth Mattson-Teig, *Wealth Management*, December 6, 2021. “Investors that have been frustrated by intense competition and a thin supply of for-sale corporate sale-leaseback properties are welcoming a growing pipeline of deals. Many companies put such activity on pause due to uncertainty related to the pandemic, which resulted in a drop in sale-leaseback transactions.”

Major Hotel Sales Transactions in the Third Quarter, by Daniel H. Lesser, *Globe Street*, October 13, 2021. “The LW Hospitality Advisors (LWHA) Q3 2021 Major U.S. Hotel Sales Survey includes 90 single asset sale transactions over \$10 million. These transactions totaled \$14.4 billion and included approximately 27,000 hotel rooms with an average sale price per room of \$532,000. Report includes several hotel sales with prices indicated.”

In Trend Reversal, Big City Markets Lead U.S. Weekly Hotel Performance, By Isaac Collazo, *Smith Travel Research / Hotel News Now* (CoStar), December 10, 2021. “After topping 53% occupancy over the holiday week, which beat a record set in 2018, the U.S. hotel industry booked 54.8% of rooms. Compared to 2010 — a year like 2021 because of calendar make up and the rebuilding after the Great Recession — U.S. hotel occupancy was 10% higher for the week.”

November 2021 Commercial Market Insights, *National Association of Realtors*, December 1, 2021. “The commercial real estate market has continued to recover on all fronts on the back of the sustained recovery in the job market, increased consumer spending, and workers trickling back to the office. However, the course of the pandemic, including the emergence of the Omicron variant, will continue to greatly determine the pace of the commercial real estate market’s recovery and of major metro areas.” ■

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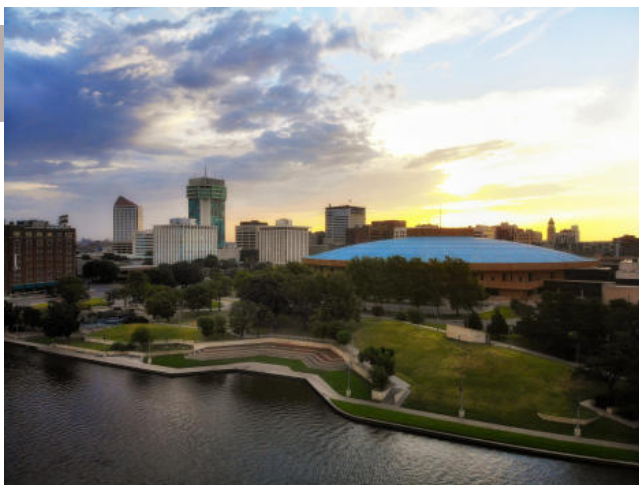
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