

## Montgomery County Appraiser Trend Publication for the 2021 Valuation Year

The 2021 valuation notices will be mailed March 1. This publication gives a brief overview of the 2021 valuation year. Many things drive market value; location location, location, interest rates, supply and demand, and now pandemics. Mass appraisal uses a large number of sales to determine values. These factors reflect in the sale prices and indicate changing market trends.

Values on individual properties may not follow the patterns of increase or decrease listed below as there are many variables that determine individual property value.

These statistics are derived from multiple regression analysis using sales for 2018-2020. These are mass appraisal statistics and indicators of market trends overall.

A study of the residential real estate market in Independence showed a 3.5% upward trend, Coffeyville showed a 2.7% upward trend, Small cities: Caney, Cherryvale, Tyro, Dearing, Liberty, Elk City and Havana showed a collective downward trend of 3.8%, while rural showed a positive trend of 4.8%. The overall residential index study as well as a paired sales trend study indicated a fairly flat trend, with Caney showing a slight upward trend. The index value used in final valuation takes the previous year value times the index. An index of 1.00 will have no change in value.

In the three approaches to value, commercial real estate indicated a flat trend with little to no increase or decrease applied in replacement cost value. In the income approach, Hotel/motel models indicated a slight decrease, downtown row, office, retail remained stable. A cap rate study resulted in a higher cap rate indicating a lower income value for some types of income producing property. A study of economic adjustment factors indicated Independence at 100%, (previously at 95%), Coffeyville 90%, Caney and Cherryvale 70%, small cities 50% and Rural 100% with varying percentages considering location. The market approach was strong in Independence and Coffeyville with commercial sales to use in studies.

Land devoted to agriculture in native or tame grass had an increase of approximately 3%. Land devoted to agriculture in cultivated or irrigated had varied increases and decreases with an average of 1%. Land devoted to agriculture is valued by the Property Valuation Division of the Dept of Revenue of the State of Kansas. The county is responsibility for listing the land with the correct soil type and use (i.e. dry crop, native grass, and tame grass) and the price per acre is provided by the state.

Land used for residential use in the cities had little change. Rural home sites increased to account for the cost to add amenities to vacant land making it a usable home site. Commercial land values vary with some commercial corridors increasing slightly and other areas decreasing.

The appeal process allows those who do not agree with their value to state their case to the County Appraiser's Office. Our office is always open to questions and concerns about any of our procedures and processes. Phone 620-330-1050 or email [appraisalrequest@mgcountyks.org](mailto:appraisalrequest@mgcountyks.org)