



The PLSS: The Rest of the Story (Part 2)

By Rick Norejko, CMS, TEAM Consulting, LLC

This two-part series focuses on the history of the Public Land Survey System (PLSS) and the land ownership philosophy of Founding Fathers Jefferson, Washington, Franklin, and Hamilton. See part 1 in the January 2018 issue.

Thomas Jefferson sat at a desk in a boardinghouse in Annapolis Maryland in early March 1784 with a quill pen on his right side and a stack of parchment paper to his left. With self-determination and purpose Jefferson began writing the congressional legislation that would be called the Land Ordinance of 1785. Unbeknownst to him at the time is the fact that his handwriting would be on two of the three most historical documents in American history, known as the “Trinity of Revolutionary testaments.” The Trinity is more commonly recognized as the Declaration of Independence, the first United States Land Ordinance (1785), and the United States Constitution.

More than likely, Jefferson couldn’t help contemplating the fact that his two previous attempts regarding the disbursement of public lands in the western part of Virginia had been rejected by the Virginia legislature. Maybe the collective colonies and the Continental Congress would accept his rectangular land ownership idea.

Jefferson’s Proposal

To prevent speculators from acquiring the best land, as settlers had done in the original colonies for

more than 150 years, Jefferson ruled out the metes-and-bonds survey legal description system with its irregular shapes, gaps and its cumbersome process of patenting wilderness lands. He had spent the better half of eight years as an attorney litigating property disputes utilizing the metes-and-bounds land description method in western Virginia.

Instead, Jefferson proposed that the territory be surveyed before occupation and divided into simple squares aligned with each other so that no land would be left vacant. These simple squares were to be called “hundreds” and their sides were to run due east and west, and due north and south. That’s one of the compelling reasons to establish the rectangular system of survey in the United States—to enable simple, rectangular computations by ordinary surveyors. That was one of his ideas for creating it in the first place: to keep the conveyance of land simple, fair and equitable. He wrote:

The Western Territory shall be divided into Hundreds of ten geographical miles square, each mile containing 6086 feet and four tenths of a foot, by lines to be run and marked due north and south, and others crossing

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61	62	63	64	65	66	67	68	69	70
71	72	73	74	75	76	77	78	79	80
81	82	83	84	85	86	87	88	89	90
91	92	93	94	95	96	97	98	99	100

Jefferson proposed that territory be surveyed and divided into simple squares known as “hundreds.”

these at right angles ... these hundreds shall be subdivided into lots of one-mile square each, or 850 acres and four tenths of an acre, by marked lines.

Note: A geographical mile equals one minute of arc at the Earth’s equator. Also, “it [the Western country] shall be divided into hundreds,” is an ancient English term for a subordinate division of a shire, known to Americans as a county.

These hundreds would begin at one of the state’s right-angle corners, measure 10 geographical miles

continued on next page

along the two perpendicular borderlines, and then project the first set of dividing lines inward, north-south and east-west, continuing the process until the whole state (or at least that part of it thus ceded by the Indian tribes) had been divided into 10-mile square "hundreds."

Jefferson also described how this gridding of the land would outline state boundaries:

...by parallels of latitude, so that each State shall comprehend from north to south two degrees north of latitude, beginning to count from the completion of forty-five degrees north of the equator; and by meridians of longitude, one of which shall pass through the western cape of the mouth of the Great Kanaway (Kanawha): but the territory eastward of this last meridian, between the Ohio, Lake Erie and Pennsylvania, shall be one State whatsoever may be its comprehension of latitude. That which may lie beyond the completion of the 45th degree between the said meridians, shall make part of the State adjoining it on the south; and that part of the Ohio, which is between the same meridians coinciding nearly with the parallel as a boundary line.

In addition, Jefferson, drawing upon his command of Greek, Latin and his interest in Native American languages, proposed names for the several subdivisions of this territory: Sylvania, Michigania, Cheronesus, Assenisippis, Metropotamia, Illinoisia, Saratoga, Washington, Polypotamia, and Pelipsia. These names have an antique ring to them, possibly to lend a bit of credibility to the then still precarious business of colonial westward expansion.

Sylvania would have covered much of present-day Minnesota,



Jefferson proposed names for the subdivisions of the newly acquired government land north and west of the Ohio River.

Michigan's Upper Peninsula and some of northern Wisconsin. Michigania would have incorporated most of Wisconsin, but nothing of Michigan. Most of Michigan's Lower Peninsula would have been the state of Cheronesus, which is simply the Greek word for "peninsula." The northern part of modern-day Illinois would have been the state of Assenisippia, after the Assenisipi River, also known as the Rock River. In between Assenisippia and Pennsylvania would be the state of Metropotamia, a

name referring to the many rivers originating there. The states of Illinoisia, Saratoga and Washington would have incorporated large parts of Illinois, Indiana and Ohio, respectively. Polypotamia ("Land of Many Rivers") and Pelipsia would have covered the western and eastern parts of Kentucky. (This portion is partially outside the Northwest Territory, as it is bounded to the south by the Ohio River, Kentucky's northern border).

Sitting back in his chair, Jefferson pondered what his subcommittee would say about his manuscript involving the newly acquired government land north and west of the Ohio River. That committee consisted of colonial legislators Hugh Williamson of North Carolina, David Howell of Rhode Island, Elbridge Gerry of Massachusetts, and Jacob Reed of South Carolina. Jefferson could not know how much his fellow committee members and the Congress as a whole would change his draft of the land ordinance regarding the Ohio territory.

What happens next will be the subject of "The History of the Public Land Surveying System," which Rick will present at the IAAO Conference at 9:30 a.m. Tuesday, Sept. 25, 2018. Make plans now to attend! ❖



Rick Norejko

Rick Norejko, CMS, has over 40 years of experience in all aspects of cadastral mapping. He is a nationally recognized keynote speaker, lecturer and teacher in the field of cadastral mapping. To set up classes, contact Rick at richardnorejko@bellsouth.net or Fred Chmura, AAS, at fchmura@teamconsulting.cc



Brad Eldridge, MAI, CAE, recently taught two workshops in Washington state, *Big Box* and *Senior Housing*. Ratings for both courses ranged from good to excellent.

Travel Squad



TEAM associates continue to serve in teaching, consulting and speaking capacities. In the second quarter of 2018, we have been in Arkansas, Indiana, Kansas, Louisiana, Missouri, Mississippi, Montana, Nevada, North Carolina, Tennessee, Texas, Virginia and Washington. If you are looking for a workshop, series of workshops or professional assistance for your location, please visit our website at <http://www.teamconsulting.cc/>.

Major Big Box Decision

A recent tax appeal case in Pottawatomie County, Kan., has been gathering not only statewide attention but also some nationwide interest. The case was on a big box store where the property owner based their appraisal on the “dark store theory.” The Kansas State Board of Tax Appeals (BOTA) in a decision issued in April of this year upheld the county’s appraised value for the tax year 2017 which was based on its current use as functioning occupied store.

The 2017 case was filed by Menard, Inc., located in Manhattan, Kan. The county valued the property at \$11,689,600 using the cost approach value. Commercial properties in Pottawatomie County are valued under a contract with TEAM Consulting. The project manager for the project is Marion Johnson, CAE. The county also developed an income approach value on the subject which was \$11,395,300.

For the BOTA hearing the county also hired an independent appraisal of the subject property. Timothy Keller, MAI, of Lawrence, Kan., appraised the property using a cost approach, sales comparison approach and an income approach. After reconciling all three approaches to value, Keller estimated the value of the subject property to be \$11,950,000 for the tax year 2017.

The State Board of Tax Appeals in their ruling stated that “the county has accurately identified the characteristics of the subject property and its components using the cost approach. Based on the evidence presented at the hearing, duly weighing such evidence, the board determines that the appraised value of the subject for the tax year 2017 is \$11,689,600.”

The board also found that the county valuation was supported by the actual construction costs for subject property. The subject prop-



erty was constructed in 2010 with additions in 2016 and 2017 at a cost over \$16,500,000.

The taxpayer asserted that the subject property should be valued at \$6,500,000. The taxpayer presented an independent appraisal of the property. The appraiser presented only one approach to value, the sales comparison approach. The appraised was based on the “dark store theory,” which is based on the assumption that the property should be valued based as if it is vacant and available for sale to a future hypothetical user rather than its current use as a functioning occupied store. The board noted that the taxpayer’s appraiser primarily used comparable sales from outside of Kansas and did not adjust the sales for differences such as location.

BOTA in their decision stated: “The taxpayer argued that users of big box stores primarily build their buildings to suit and do not renovate existing buildings. The taxpayer further indicated that if these buildings are sold to a scarce supply of secondary users who are not typically national credit tenants, the sale prices so reflect the credit worthiness of the tenant.”

Pottawatomie County Appraiser Lois Schlegel, RMA, when commenting on the favorable ruling, noted that if this theory gains traction, it could have a dramatic impact on the valuations of taxing districts and consequently on property tax revenues. She does not think this battle with the big box properties in her county is over. “They will be back,” she said. ❖



We are still good.

Maybe we just need a reminder periodically about how good this country still is. Thanks to Ruel Williamson for this great photo of the U.S. Capitol.

TEAM Members Participating at the 2018 IAAO Annual Conference



Fred Chmura, AAS

The Modernization of IAAO's Governing Documents

Date: September 24, 2018, 1:30 PM

Session Description: The 2018 Governance Committee was given the task of reviewing and updating the governing documents in accordance with the Vision 2020 plan. At their recommendation, IAAO's Executive Board is proposing changes to our Articles of Incorporation, Constitution, and Bylaws. The governing documents should: "Say it once, say it clearly, and say it in the right place." This Town Hall session will provide an explanation of what changes are proposed, why they are necessary, and answers to questions from members regarding the proposals in preparation for the November ballot questions.



Ken Voss, MAI, AI-GRS, SRA, CAE

Implementing a Big-Box Methodology

Date: September 25, 2018, 2:00 PM

Session Description: The session will show assessors how to put information from the IAAO big-box position paper to practical use by bridg-

ing the gap between ideas set forth in the paper and the execution of methodologies discussed. Use of visual aids and specific examples will provide assessors a solid basis for valuing these properties.



Brad Eldridge, MAI, CAE

Now That's A Good Story

Date: September 25, 2018, 9:30 AM

Session Description: Storytelling in the classroom and during presentations can be a meaningful way to illustrate concepts to attendees. This session will explain how to turn real life experiences into good stories and contribute to the classroom and presentation experience. This presentation continues the work of IAAO's Education Committee to provide continuing education for its instructors at conferences. All are welcome to come hear our story!



2018 IAAO Annual Conference

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AAS Success!

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Congratulations to the following appraisal professionals for obtaining their AAS designation by using TEAM's AAS Case Study Review material.



Rick A. Medina, AAS, Director of Administrative Services for the El Paso (Texas) Central Appraisal District, has earned the Assessment Administration Specialist designation.

He has served the profession for 31 years, with 28 of those years in this office. Mr. Medina holds a Bachelor of Science degree in civil engineering technology from Colorado State University Pueblo, formerly the University of Southern Colorado. He is a Registered Professional Appraiser (RPA) with the Texas Department of Licensing and Regulation and a Certified Tax Administrator (CTA) with the Texas Association of Assessing Officers.



James E. Thompson, Jr., AAS, Director of Appraisal Services for the El Paso (Texas) Central Appraisal District, has earned the Assessment Administration Specialist designation.

He has served the El Paso office for 24 years, with five of those years in this position. Mr. Thompson holds a Bachelor of Science degree from Texas A&M University. He is a Registered Professional Appraiser in Texas and is a member of the Institute of Certified Tax Administrators under the Texas Association of Assessing Officers.

Always Amazing

By Rick Stuart, CAE, CDEI

Our own Keith Cunningham, PhD, never fails to surprise me. I met Keith about 15 years ago, and he explained to me at that time how LIDAR worked and the detail that



Keith Cunningham

Learn more about [Keith's workshops for TEAM](#).

could be obtained by its use. His work with LIDAR, even in those comparatively early days, included its application for automated change detection of differences in property measurements. This work was later

published in two articles in the International Journal of Property Tax Assessment & Administration.

You've probably seen reports of his projects in the TEAM newsletter, as well as in Fair & Equitable (F&E). Keith's research into how satellites could be used in audit and assurance of the market for carbon taxation were among his projects drawing widespread attention. You may also recall his articles and GIS/CAMA presentation on the topic of drones for 3D property imaging. Most recently was an F&E article on privacy law and drones.

Keith's work in GIS is beyond impressive, with one of the first

federal government projects using drones to sample airborne ash from volcanic eruptions. It's not hard to imagine this being applicable now in Hawaii, where the world has watched what hot lava can do to cars and homes. Unseen to the mainstream media is what volcanic ash will do to aircraft, so Keith's work against this hidden threat may prove indispensable.

The latest news from Keith's LinkedIn profile: architect of big data discovery, machine learning, and cognitive ontologies for the next generation of signal processing systems with the Joint Electronic Attack Compatibility Office of the US Navy Air Warfare Center Weapons Division. That's a lot of words to describe important work done behind closed doors. As a newly minted Southern Californian, Keith will no doubt become an expert whale watcher as well as GIS guru and data architect for our American military advancement. Whatever he does next, we'll be on the lookout...and prepared to be amazed, as always.

You go, Keith! ❖

Need a speaker or presenter?

Maybe Keith is what you are looking for. You can contact him at kwc@mobile-map.com.



Hosea E. Wilson III, AAS, Assistant County Assessor for Dare County, North Carolina, recently earned the Assessment Administration Specialist designation. He has worked

in the appraisal profession for 12 years, with two of those years in this

office. Mr. Wilson holds a Bachelor of Arts degree from the University of North Carolina at Chapel Hill. He is a State-Certified General Real Estate Appraiser with the North Carolina Appraisal Board, a North Carolina Real Estate Broker with the North Carolina Real Estate Commission, and a Certified County Assessor with the North Carolina Department of Revenue. ❖

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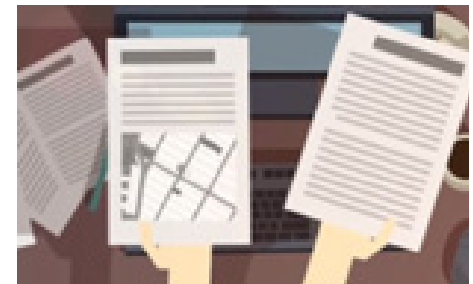
Fielding questions and processing appeals from taxpayers takes time. Using this video to answer common questions frees you to focus on other demands of your job. ❖

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Preview the Appraiser video or the Assessor video below.



Click on the image above to preview the appraiser video



Click on the image above to preview the assessor video

Interesting Buildings

By Rick Stuart, CAE, CDEI

Over the years, I have collected a large number of "interesting building" photos. If you have picture(s) of building that have piqued your interest, email them to me and I will add to the file and the newsletter. Send to Rstuart17@cox.net



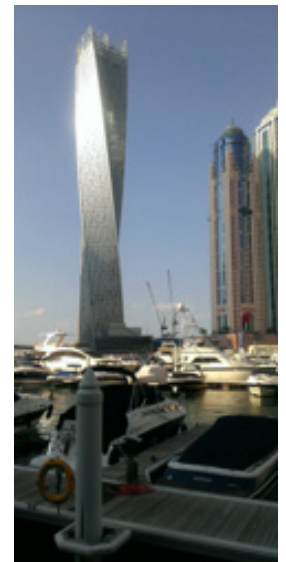
ESPN Studios, Orlando, Fla.
Submitted by Ruel Williamson



"House Attack," Museum Moderner Kunst (MUMOK), Vienna, Austria



Ski Dubai at the Mall of the Emirates, Dubai, UAE
Submitted by Ruel Williamson



Infinity Tower, Dubai Marina
Submitted by Ruel Williamson



■ Simon Romero, *www.nytimes.com*, March 23, 2018. "Speculators are driving a new economy in Houston suburbs hit hard by Hurricane Harvey and its disastrous flooding. In the Canyon Gate neighborhood, where home prices were affordable prior to the flooding, investors are able to profit off of buying flooded homes at prices well below their pre-hurricane value." <https://nyti.ms/211bE8f>

■ Paul Davison, *USA Today*, April 4, 2018. "A third of home buyers blew through the upper limit of what they planned to spend, topping that cap by an average \$16,250, according to a Owners.com survey of 1,214 Americans who purchased a house within the past four years. The survey was conducted Jan. 10 to Feb. 8."

■ Leah Demirjian, *www.builderonline.com*, April 12, 2018. These are the top 10 project types with the expected highest consumer demand:

- Native plants 83.3%
- Native/adapted drought tolerant plants 83%
- Low-maintenance landscapes 80%
- Flexible use space (for yoga classes, movie night, etc.) 74.2%
- Drip/water-efficient irrigation 72.4%
- Permeable paving 74%
- Rain gardens 71.2%
- Reduced lawn area 70.8%
- Food/vegetable gardens (incl. orchards, vineyards, etc.) 70.5%
- Charging stations (mobile devices) 70%



Rick Stuart, CAE, CDEI, is a senior consultant with TEAM Consulting, LLC. He lives in Topeka, Kansas.

■ Betsy Kim, *www.globest.com*, April 11, 2018. "Personal property is no longer included in 1031 Exchanges. Panelist Marc Wieder, partner and co-practice leader of the real estate industry group at Anchin, Block & Anchin, said prior to the law, with 1031 exchanges when working with a building, FF&E (furniture, fixtures and equipment) were often included in the asset. Property owners sold it all then gave the money to the QI (Qualified Intermediary, an entity that facilitates Section 1031 tax-deferred exchanges).

Now, Wieder sees a wrinkle in that scenario. "The new law does not allow a 1031 with tangible personal property. You will never get the buyer and seller to agree on what amount of the purchase price is allocated to tangible personal property because buyers want a high basis for depreciation purposes. The sellers want a low selling price to minimize the tax on the transaction." <https://bit.ly/2IWACpX>

■ *www.appraisalinstitute.rog*, April 13, 2018. "A Pipeline Spill Revisited: How Long Do Impacts on Home Prices Last?" by Richard J. Roddewig, MAI, Charles T. Brigden and Anne S. Baxendale revisits a case study of homes near an April 2000 oil spill to examine changes in real estate prices in the following years. Although home values initially dropped 10.9 percent to 12.6 percent, the latest research shows prices overcame their losses by 2002. Read the full article in the Winter 2018 issue of The Appraisal Journal.

■ Diana Olick, *www.builderonline.com*, April 16, 2018. Subprime mortgages were widely blamed

for causing the financial disaster a decade ago and now they're coming back with a new name, CNBC staffer Diana Olick reports. Nonprime loans are popping up more and more, including an offering from California-based Carrington Mortgage Services, a midsized lender. The company just announced an expansion into the space, offering loans to borrowers, "with less-than-perfect credit," Olick notes. Carrington will originate and service the loans, but it will also securitize them for sale to investors." <https://bit.ly/2qAIPsg>

■ Kelsi Maree Borland, *www.globest.com*, April 18, 2018. **Editor's Note:** You just thought your land values were expensive.

"Hollywood land prices are garnering high prices, if a recent sale is any indication. Crescent Capital Partners paid \$373 per square foot for an unentitled development site in Hollywood at 5570 Melrose Avenue. At the time that the CBRE brokerage team of Fred Aframian, Joyce Goldstein and Ed Matevosian brought the property to market, comparable land sites were selling for \$280 per square foot. Despite the aggressive pricing, the sales team received more than 400 inquiries for the property." <https://bit.ly/2F0uLgJ>

■ Lauren Shanesy, *www.builderonline.com*, April 19, 2018. "Single-family for rent is the fastest-growing segment of the U.S. housing market, and has outpaced the growth of both single-family for sale and multifamily housing in recent years. This week, CoreLogic released its Single-Family Rent Index, which analyzes single-family rent price changes among 20 top metropolitan

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areas. Nationally, single-family rent prices increased 2.8% year-over-year in January 2018, compared to a 2.6% increase in January of last year." <https://bit.ly/2HL0zt9>

■ www.builderonline.com, March 19, 2018. "The median home sale price increased 8.9% in March from a year ago, the highest price growth in four years, Redfin reported Thursday. The median home sale price in March was \$297,000 in the 174 markets that Redfin tracks. The increase was due in part to the lack of homes for sale, down 11.9% year over year, which continued to constrain sales, which declined 3.7%. The number of homes newly listed for sale in March fell 5.6% compared to a year ago." <https://bit.ly/2vqv8B>

■ www.builderonline.com, March 19, 2018. "Mortgage denials, which peaked at the onset of the housing crash, have fallen back to a 20-year low, Zillow reported Thursday. Nationally, the share of applicants who are denied for conventional mortgages has fallen to 9.8%, according to data from the Home Mortgage Disclosure Act (HMDA), down from 18.1% in 2007." <https://bit.ly/2HA6cwG>

■ Brian Rogal, www.globest.com, April 19, 2018. "The US office market has finally begun hitting a peak after nine years of expansion. And the vast amount of new class A space that developers recently created in many major markets, or will soon finish, has changed the supply-and-demand dynamics in favor of tenants, according to JLL's first quarter office outlook report. In response, landlords across the nation have boosted the value of their tenant concession packages. And in some cities, those offers have led to flat or even declining effective rent growth. The average TI allowance in the

Chicago CBD's class A properties hit \$77.65, according to JLL. New York and Washington are even higher." <https://bit.ly/2qNmc3Y>

■ Rachael Rafanell, www.kgw.com, April 19, 2018. **Editor's Note:** Now, this is not something you see every day. "(PORTLAND, Ore.) Multnomah County Commissioners started the process Thursday of selling the historic downtown courthouse and a building that now houses health services. A vote to list them officially as surplus properties started the process of selling the buildings. The courthouse at 1021 SW 4th Ave., built in two phases from 1909 to 1914, is on the National Register of Historic Places. The McCoy building at 426 SW Stark St., was built in 1923." <http://www.kgw.com/article/news/local/historic-multnomah-county-courthouse-up-for-sale/283-543070518>

■ Ericka Morphy, www.globest.com, April 24, 2018. **Editor's Note:** For us "old-timers," when we see a headline that reads, "How AI Is Being Used To Read Leases, Other Real Estate Documents", most of us would associate AI with the Appraisal Institute. Time for a change as AI is now "artificial intelligence" invading our space. <https://bit.ly/2HrJa7R>

■ Frank Anton, www.builderonline.com, April 26, 2018. **Editor's Note:** This is a fun read: "10 Design Features That Should Go The Way Of The McMansion." Production builders can learn a lot from the tiny home movement—starting with restrained design choices, says BUILDER blogger Frank Anton." <https://bit.ly/2ruFZGo>

■ www.businessinsider.com, May 16, 2018. "A new robot, developed by Perth-based company Fastbrick Robotics, may be the speediest homebuilding machine yet. Called the Hadrian X, it's essentially one

long robotic arm that mounts on a truck, barge, or crane. Operating from a 3D model, the machine cuts its own bricks and applies adhesive. Using a conveyor belt, it then feeds the pieces to the end of the arm, which lays them into place. The Hadrian X can lay 1,000-plus standard bricks per hour, the company's director of corporate affairs, Kiel Chivers, told Business Insider." <https://read.bi/2L6lf03>

■ The Lincoln Institute of Land Policy and the Minnesota Center for Fiscal Excellence have copublished "50-State Property Tax Comparison Study for Taxes Paid in 2017." This may be helpful to compare tax burdens between states. You can download the study at <https://bit.ly/2K9xpor>

■ www.builderonline.com, May 21, 2018. "Metrostudy, a Hanley Wood company, announced today the release of its first quarter 2018 Residential Remodeling Index (RRI), detailing activity in the remodeling and replacement industry. In first quarter 2018, the Residential Remodeling Index improved to a new all-time high of 112.9, which represents a solid increase of 5.2% from one year earlier and growth of 1.4% from the previous quarter. First quarter's year-over-year gain was the strongest since first quarter 2014, while quarter-to-quarter growth was the highest since third quarter 2013, underscoring the current vigor within the industry." <https://bit.ly/2IBWHyf>

■ Craig Webb, www.prosalesmagazine.com, May 21, 2018. "Plan on prices for lumber and steel remaining in the stratosphere the rest of this year and transportation, trade, and labor problems that also will keep pushing up the cost of drywall, insulation, and other key building products, a clutch of procurement experts told Do it Best member

dealers today.

It's a similar story for steel products, Gary Davidson told the several hundred dealers attending the luncheon meeting in Indianapolis, part of Do it Best's spring market.

He said American Metal Markets' index price for hot rolled coil steel—the product used in steel roofs—is approaching \$877 a ton, “probably the highest it's been since 2008,” the national accounts manager for Metal Sales Manufacturing Corp. said. “The mills are going to try to drive it to \$900.” <https://bit.ly/2IEwWJq>

■ Michael Rosenburg, *www.seattletimes.com*, May 20, 2018.

Editor's Note: This article, “How to Buy a Home in the Seattle Area: A Survivor Guide,” is lengthy but an amazing read.

“What does it really take to buy a home in the Seattle area? There are the skyrocketing prices, of course. But nowadays, to compete in this feverish market, buyers have to deal with so much more: Pay for damage the seller doesn't disclose. Decide whether to buy a house just a couple days after it hits the market. Have a six-figure cash nest egg saved up for a down payment and nonrefundable earnest money.

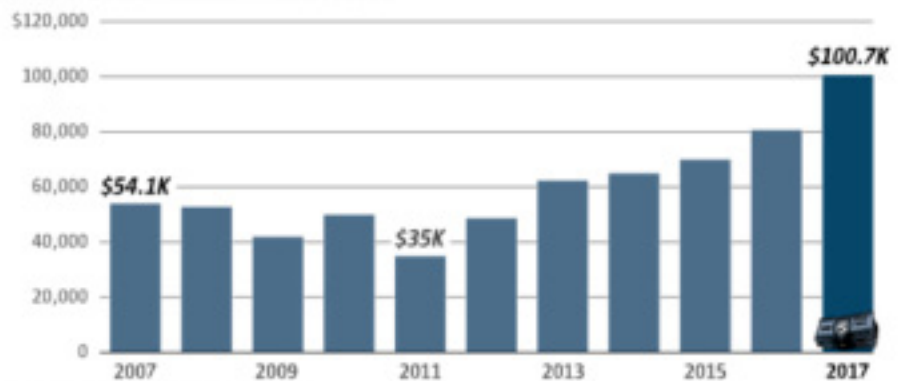
Here is the cold, hard math: The median down payment on all homes (single-family and condos) in King County just topped \$100,000 for the first time, up from about \$50,000 just five years ago, according to mortgage tracking company Attom Data Solutions.” Also, if you want to stay under \$500,000, it will be at least a 60-minute commute. (See charts right.) <https://bit.ly/2ID24ce>

■ *www.realtor.com*, May 28, 2018. “U.S. home prices hit an all-time high of \$297,000 and sold faster than ever before in May—in a mere 55 days—but the market also showed hints of slowed momentum, according to the realtor.com May 2018 monthly housing trend report.”

Six-figure down payments now the norm

The median down payment on all home types has more than doubled in the past five years and has surpassed \$100,000 for the first time.

MEDIAN DOWN PAYMENT IN KING COUNTY

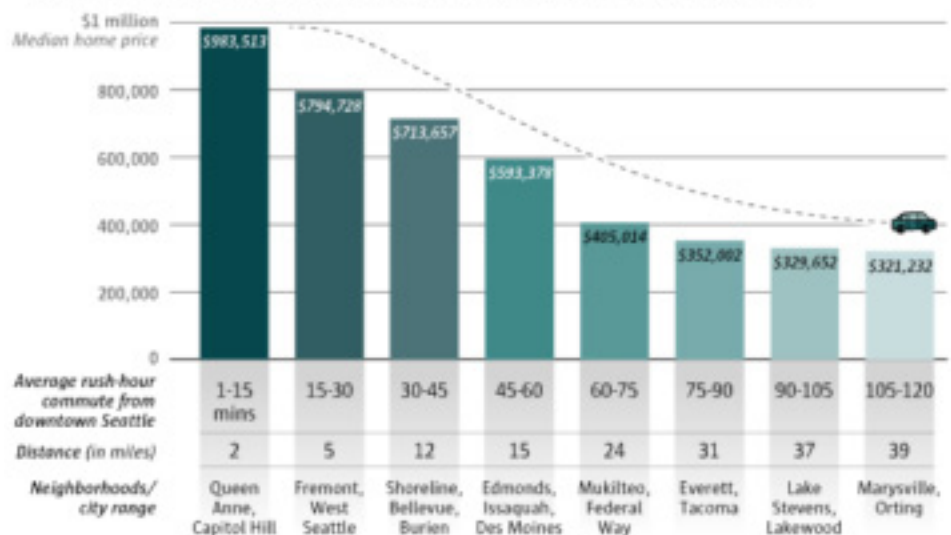


Note: Data for 4th quarter of each year
Source: Attom Data Solutions

EMILY M. ENG / THE SEATTLE TIMES

Drive, and drive, and drive 'til you qualify

Homes get cheaper the farther out you get from downtown Seattle, but even homebuyers willing to commute an hour each way are facing home prices of nearly \$600,000.



Sources: Zillow, HERE Technologies

EMILY M. ENG / THE SEATTLE TIMES

From “How to Buy A Home in the Seattle Area: A Survivor Guide,” *The Seattle Times*. <https://bit.ly/2ID24ce>

<https://bit.ly/2st5IP7>

■ *www.builderonline.com*. Core Logic, May 22, 2018. “Over the past year, the principal-and-interest mortgage payment on a median-priced home rose by nearly 9% while the U.S. median sale price rose about 6%. As of now, the CoreLogic Home Price Index forecast suggests that U.S. home prices will rise 6.2% year

over year in February 2019, while a forecast based on multiple sources predicts a 13% gain in mortgage payments over the same period.” <https://bit.ly/2s5nc45>

■ Jeffrey D. Fisher, Murray C. Grenville and Dr. Ron M. Donohue, *www.nreionline.com*, May 25, 2018. “Hurricanes may have a

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longer-term effect on the values of commercial real estate than one would typically think—but that impact is vastly different depending on the type of property. For all property types combined, the hurricane decreased values by almost 6 percent one year after the storm hit. But, somewhat astonishingly, the negative effect was even greater two years out—10.5 percent.” <https://bit.ly/2xIQwsP>

■ www.appraisalinstitute.org, May 15, 2018. “The American Society of Landscape Architects suggests that homeowners invest 10 percent of a property’s value in landscaping. In fact, a well-landscaped home can add approximately 6 to 13 percent

in value compared to a property with no landscaping, according to one source.” <https://bit.ly/2M8oDle>

■ Diana Olick, www.cnn.com, June 5, 2018. “Prices nationwide jumped 6.9 percent in April from a year ago, according to the latest monthly value report from CoreLogic. While that is slightly less than the 7 percent annual jump in March, it is still making more and more markets unaffordable. Of the nation’s 50 largest housing markets, 52 percent were considered overvalued in April.

CoreLogic determines affordability “by comparing home prices to their long-run, sustainable levels, which are supported by local market fundamentals (such as disposable income).” In March, 50

percent of markets were considered overvalued.” <https://cnb.cx/2LZGlrY>

■ Abigail Darlington, www.postandcourier.com, June 18, 2018. **Editor’s Note:** This is a very long and interesting article—unless you live there, and then it would be disturbing.

“Within the next three decades, nearly 8,000 homes in Charleston County[S.C.] could flood at least 26 times a year if the sea level rises by 2 feet, considered by climate experts to be a worst-case scenario. That’s according to an analysis of data released today by the Union of Concerned Scientists in a study that estimates how many properties will regularly flood along the coasts over the next century, given a range of predictions.” <https://bit.ly/2K7hcTz> ❖



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