

April 28, 2016

Ms. Dianne Khin  
 Town of Apex  
 73 Hunter Street  
 Apex, NC 27502

**RE: Assessed Value Land Use Analysis, Apex, NC**

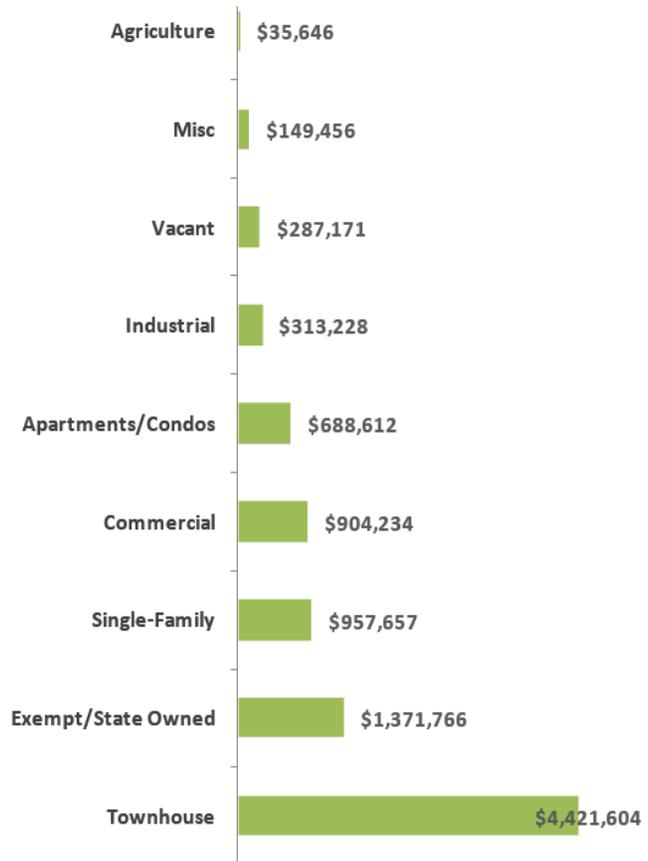
Dianne:

As a component of the 2035 Land Use Map Market and Economic Analysis, Kimley-Horn updated the comparison of assessed values per acre by land use category, as initially presented in Peak Plan 2030. As demonstrated in Figure 1, the initial analysis included nine classifications, with Townhouses demonstrating the highest assessed value per acre at over \$4.4 million. It is important to note, however, that acreage classified as Townhouse only comprised 0.2% of the total land area in Apex at the time.

The following modifications were made to the analysis presented in this memorandum:

- The boundaries of the Planning Area were reduced, reflecting new annexation agreements between Apex, Holly Springs, and Cary; this modification reduced the total analysis area from 39,505 to 28,002 acres
- New classifications were added to this updated analysis in order to demonstrate variation between retail and office commercial uses, as well as warehouse/distribution and manufacturing industrial uses

*Figure 1: Averaged Assessed Value per Acre (Peak Plan 2030), Apex Planning Area, 2012*

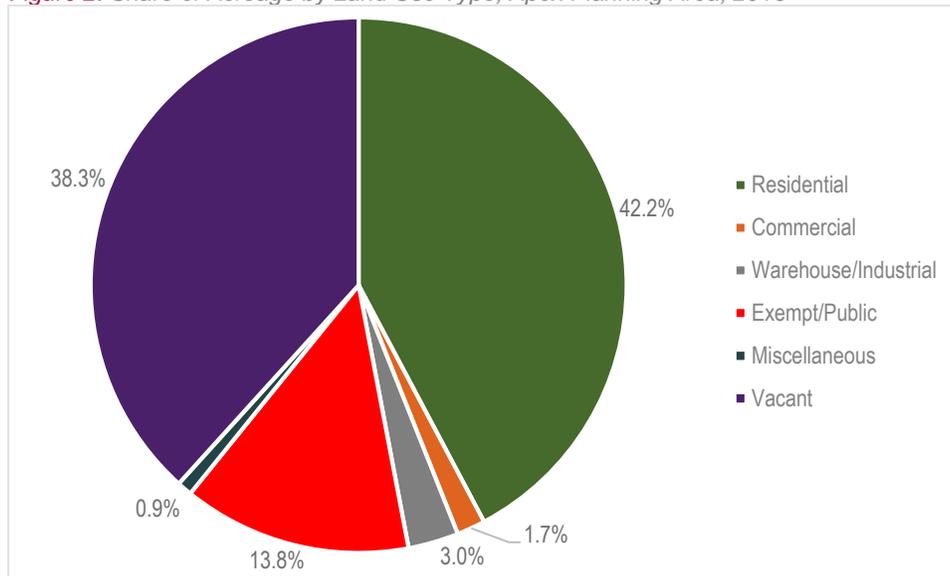


Source: Wake County Tax Parcel Data, LandDesign

**PLANNING AREA LAND USE BY TYPE**

Based on data provided by Wake County, the Apex Planning Area contains approximately 28,000 acres. Residential uses, including single-family detached, mobile home, townhouse, and apartment units, make up 42.2% of the total acreage. Nearly all of the residential land uses are classified as single-family detached; mobile home, townhouse, and apartments make up only 2.9% of the Planning Area acreage combined.

*Figure 2: Share of Acreage by Land Use Type, Apex Planning Area, 2016*



Vacant land comprises the next largest share of total acreage at 38.3%, followed by 13.8% for exempt or publicly-owned properties. This includes a variety of uses such as churches, schools, libraries, government owned-buildings, and public open space. Warehouse and industrial acreage makes up 3.0%, and commercial land uses, including both retail and office classifications, make up less than 2.0% of the total acreage in the Planning Area.

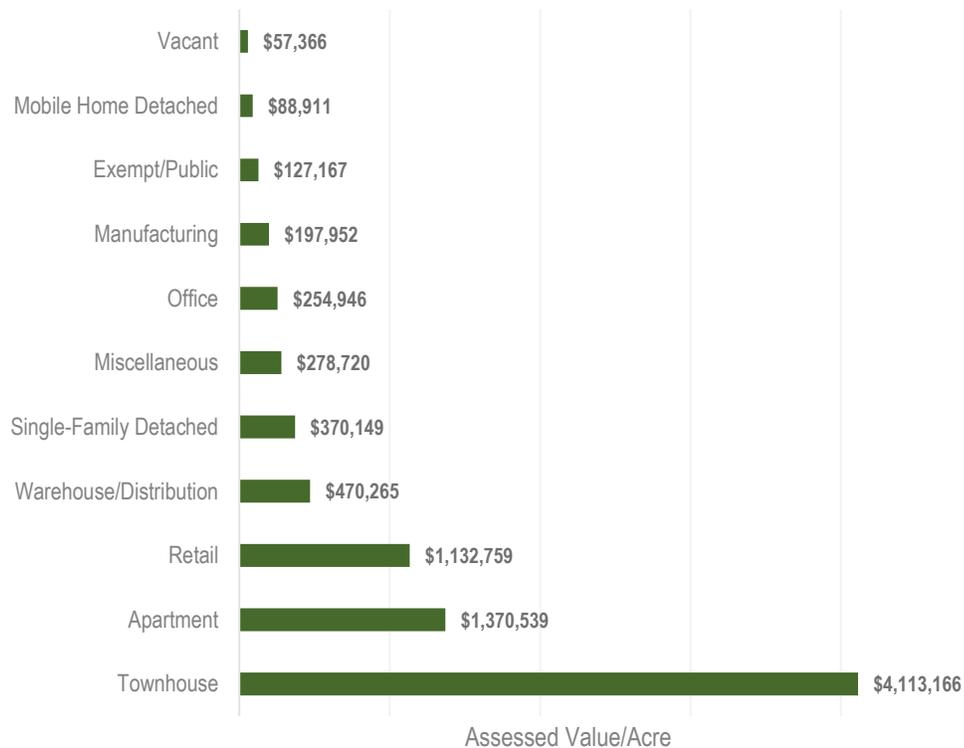
**AVERAGE ASSESSED VALUE PER ACRE**

Based on Wake County tax parcel data, townhouses have the highest average assessed value per acre at over \$4.1 million (Figure 3). The distinctive premium demonstrated by townhouses over other land use types is consistent with the analysis prepared for Peak Plan 2030. A review of the data set provided by Wake County shows that the townhouse acreage only includes the immediate unit property, typically less than 0.1 acre. Open space requirements for townhouses are typically categorized separately as vacant land, owned by the home owners association. The exclusion property outside the building footprint for the townhouse acreage skews the assessed value higher.

Single-family detached units, which have an average value of approximately \$370,000, include a wide array of large- and small-lot properties, often incorporating larger areas of land that are not immediately supportive of the structure. This could include large yards and unbuildable areas with

environmental constraints. Similarly, many of the other land uses include not only land supporting the building footprint, but also environmentally sensitive land or open space within the parcel boundary.

Figure 3: Average Assessed Value per Acre, Apex Planning Area, 2016



Apartments and retail acreage have the next highest average assessed value per acre at \$1.4 and \$1.1 million, respectively. All other land use classifications have average assessed values less than \$500,000 per acre. Vacant properties, and those with mobile homes, have the lowest average values, both less than \$100,000 per acre.

**AVERAGE ASSESSED VALUE PER SQUARE FOOT**

In order to provide a comparison that equalizes the disparity between the acreage calculations, a separate average has been prepared for the assessed value per heated square foot by land use. The averages presented in Figure 4 exclude vacant properties, focusing only on parcels that have completed structures. Retail space in the Apex Planning Area has the highest assessed value per square foot at approximately \$166, followed by single-family detached units (\$135) and office space (\$128). The averages presented below are generally more consistent with typical values per square foot by use than the acreage calculation.

Figure 4: Average Assessed Value per Heated Square Foot, Apex Planning Area, 2016

