

Hall County Appraisal District  
Mass Appraisal Report  
2017

## **Purpose**

The purpose of this report is to better inform the property owners within the boundaries of the Hall County Appraisal District (CAD) and to comply with Standards Rule 6-7 of Uniform Standards of Professional Appraisal Practice (USPAP), effective January 1, 2017 – December 31, 2017. Standards Rule 6-7 addresses a written summary report of a mass appraisal for ad valorem taxation. Mass appraisal is the process of valuing a group of properties as of a given date, using standard methods, and employing common data, which allows for statistical testing. The intended use of the appraised values is to establish a tax base upon which a property tax will be levied. Each taxing unit within Hall County Appraisal District boundaries will use the appraised values for ad valorem tax purposes only.

The purpose of the appraisals performed by CAD is to estimate market value on January 1 of each year as defined by the Texas Property Tax Code (Sec. 1.04) on all taxable property within the boundaries of Hall County Appraisal District. “Market Value” is defined by Sec. 1.04 as the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- (A) exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- (B) both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- (C) both the seller and the purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

## **Responsibilities**

The Hall County Appraisal District is responsible for local property tax appraisal and exemption administration for nine (9) taxing units. The taxing units within the boundaries of the Hall County Appraisal District are:

- Hall County
- City of Memphis
- City of Lakeview
- City of Turkey
- City of Estelline
- Hall County Hospital District
- Mesquite Groundwater Conservation District
- Memphis – Lakeview I.S.D.
- Turkey – Quitaque I.S.D.

The Hall County Appraisal District certified 7,606 parcels with a total market value of \$703,924,260 for 2017. The following are those parcels and values by property type:

<b>Code</b>	<b>Property Type</b>	<b>Parcel Count</b>	<b>Market Value</b>
A	Single Family Homes	1,403	42,995,940
B	Multi Family Homes	7	125,110
C	Vacant Lot	1,203	1,913,100
D1	Qualified Ag Land	3,099	43,201,460
D2	Improvements of qualified Ag	423	4,192,360
E	Non-Qualified Ag Land	296	12,437,820
F1	Commercial Real Property	243	18,828,000
F2	Industrial Real Property	28	4,171,220
G	Oil & Gas	0	0
J	Utilities	205	87,024,240
L1	Commercial Personal Property	154	6,124,610
L2	Industrial Personal Property	200	8,264,390
M1	Tangible Personal Mobile Home	16	501,460
O	Residential Inventory	0	0
S	Special Inventory	0	0
X	Total Exempt Property	329	20,656,280

Each taxing unit, such as the county, a city, school district, municipal utility district, ect., sets its own tax rate to generate revenue to pay for such things as police and fire protection, public schools, road and street maintenance, courts, water and sewer systems, and other public services. Appraisals established by the appraisal district allocate the year's tax burden on the basis of each taxable property's January 1<sup>st</sup> market value. We also determine eligibility for various types of property tax exemptions such as those for homeowners, the elderly, disabled veterans, and charitable and religious organizations.

The Property Tax Code defines special appraisal provisions for the valuation of residential homestead property (Sec.23.23), productivity (Sec.23.41), and real property inventory (Sec.23.12), dealer inventory (Sec.23.121, 23.124, 23.1241. and 23.127), and nominal (Sec.23.18) or restricted use properties (Sec.23.83). The owner of real property inventory may elect to have the inventory appraised at its market value as of September 1<sup>st</sup> of the year preceding the tax year to which the appraisal applies by filing an application with the Chief Appraiser requesting that the inventory be appraised as of September 1<sup>st</sup>.

The Texas Property Tax Code, under sec. 25.18, requires each appraisal office to implement a plan to update appraised values for real and personal property at least once every three years. The district's current policy is to conduct an onsite inspection of real estate on a three year cyclical. However, appraised values are reviewed annually and are subject to change for purposes of equalization. Personal property, business personal property, industrial property, complex commercial property, and utility property values are reviewed or reappraised every year. (See Reappraisal Plan)

The appraisal value of real estate is calculated using specific information about each property. Using computer-assisted appraisal programs, and recognized appraisal methods and techniques, we compare that information with the data for similar properties, and with recent market data. The district follows the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures, and subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP) to the extent they are applicable. In cases where the appraisal district contracts for professional valuation services, the contract that is entered into by each appraisal firm requires adherence to similar professional standards.

### **Personnel Resources**

The office of the chief appraiser is primarily responsible for overall planning, organizing, staffing, coordinating, and controlling of district operations. The Administration Department's function is to plan, organize, direct, and control the business support functions related to human resources, budget, finance, records management, purchasing, fixed assets, facilities, and postal services. The Appraisal Department is responsible for the valuation of all real and personal property accounts. The property types appraised include commercial, residential, business personal and industrial. The Appraisal Department is also responsible for the following support groups: review appraisal, productivity valuation, and special audit. The district's

appraisers are subject to the provision of the Property Taxation Professional Certification Act and must be duly registered with Texas Department of Licensing and Regulations. Support functions including records maintenance, information, and assistance to property owners, and hearings support are coordinated by support service department.

The appraisal district staff consists of three (3) full-time employees

- Chief Appraiser
- Bookkeeper
- Clerk

All appraisers are required to be registered with the Texas Department of Licensing & Regulation (TDLR). TDLR registration requires that each appraiser must successfully complete a five-year educational program and pass a required number of course hours within a specified time. Additionally, all appraisers must pass review exams at levels three and four of the certification program. After successfully completing the required curriculum and approval of a demonstration appraisal, an appraiser is awarded the designation of Registered Professional Appraiser (RPA). There is also a requirement of at least 30 hours of continuing education units every 2 years in order to recertify the RPA & RTA designations. The Hall County Appraisal District staff stays abreast of current trends affecting property through review of published materials, attendance at conferences, course work, and continuing education.

The Board of Directors of the Hall County Appraisal District has contracted with Pritchard & Abbott, Inc., an appraisal firm to appraise all Single-Family Residential, Multi-Family Residential, Vacant Lots and Tracts, Agricultural Land Schedules, Market Land Schedules, Farm and Ranch improvements, Commercial, Industrial, (Manufacturing), Business Personal Property, Mobile Home Schedules and Miscellaneous improvement schedules, Utility Companies within the boundaries of the appraisal district, and conduct ratio studies. The Hall County Appraisal District leases computer equipment from Pritchard & Abbott, Inc., for data processing and record management.

### **Shared Appraisal District Boundaries**

Due to passing of House Bill 1010, the appraisal of property ends at the county line.

Hall CAD has overlapping properties with Childress, Collingsworth, and Donley Counties. By agreement, Hall CAD honors the appraised values from Childress, Collingsworth, and Donley counties for the overlapping properties within their Appraisal Districts, and, also by agreement Hall CAD provides values to Childress County for the overlapping properties within their Appraisal District.

## **Philosophy Statement**

The Hall County Appraisal District believes that the most important asset of the District is its people. Every employee is important and deserves to be treated fairly with consideration and respect. Hall County Appraisal District believes in providing good working conditions, a safe, clean, and friendly work place to help each employee do his or her job effectively. We also believe that every employee has an obligation to develop his or her talents to the fullest.

The Hall County Appraisal District exists for the purpose of providing services to the property owners and taxing units within our jurisdiction. It is important that we recognize our responsibility to provide quality services on a cost-effective basis. Every property owner should be approached in a respectful, positive, and friendly manner. Property owners should be assisted in a timely and courteous fashion. Hall County Appraisal District employees have an obligation as public servants to promote goodwill toward all property owners; not only in manner but also by example.

Because of the nature of our work, not every property owner will be pleased with the outcome of his or her contact with Hall County Appraisal District. What is important is that everyone who comes in contact with our office should have reason to feel that a knowledgeable and qualified person handled his or her matter in a fair and equitable manner.

## **Assumptions and Limiting Conditions**

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
3. The appraisers developing these appraisals are not required to give testimony or attendance in court by reason of the appraisals, unless directed by, employed by, and provided legal counsel by the Hall County Appraisal District.
4. All properties are appraised in fee simple interest in accordance with Texas Property Tax Code Section 25.06. (Jurisdictional Exception to Standards Rule 6-4 (c) and 6-5 (c) of USPAP.
5. All sketches in the appraisal records are intended to be visual aids with rounded measurements and should not be construed as surveys or engineering reports, etc.
6. Members of the appraisal district's staff or other reliable sources have obtained all information in the appraisal records.
7. The appraisal staff or Pritchard & Abbott, Inc. staff have inspected, as permitted, by observation, the land and the improvements thereon; however, it is not possible to

personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore, no representations are made as to these matters, unless specifically considered in an individual appraisal.

8. All interior inspections are performed at the property owner's request by appointment. All other inspections performed are external and assume the quality; condition and desirability of the interior are approximately equal to that of the exterior, unless otherwise known.
9. Agricultural land is appraised at market value using a market data model based on market sales information. However, it may also be subject to appraisal using an income model specified in Section 23, Sub-chapters C, D, and E of the Property Tax Code. (Jurisdictional Exception to 6-4 (b) of USPAP)
10. Subsurface rights (oil, gas, and other minerals) are not considered in making these appraisals.
11. Due to the lack of zoning the highest and best use for property is normally considered to be its current use.

The following summary reports are presented to be more specific about the appraisal of various property types within Hall County Appraisal District.

## **Single-Family Residences 2017 Summary Report**

### **Overview**

Single-family residences consist of all land and real property improvements, which by the nature of their design and/or construction are suitable for single-family use only. This includes manufactured homes, which are classified as real property when the owner of the land is also the owner of the manufactured home and personal property when the owner of the manufactured home does not own the land.

### **Assumptions and Limiting Conditions**

The appraisals completed by Hall County Appraisal District for single-family residences are subject to the following assumptions and limiting conditions:

1. The Hall County Appraisal District's staff and appraisers with Pritchard & Abbott, Inc. have physically inspected all single-family residences within its jurisdiction and normally re-inspects and/or conducts statistical studies on these properties annually. Interior inspections have not been done on a majority of the properties in the jurisdiction because (1) most residential owners are not at their residence during regular business hours, (2) permission to inspect is not always granted, (3) the safety of the appraiser may be in question, and (4) respect for privacy rights of the property owner should be exercised.
2. The opinion of value for each single-family property applies to land and improvements only. The value of personal property of an owner has not been included with the value of the real estate. The only personal property that is valued as an improvement is a manufactured home where the owner of the home does not own the land. See Sec 11.14 (a) of the Texas Property Tax Code.
3. Residential real property inventory as defined by the Texas Property Tax code in Section 23.12 shall be considered as inventory and the market value shall be the price for which it would sell as a unit to a purchaser who would continue the business. (Jurisdictional Exception to Standard Rule 6-4 (b) of USPAP)
4. Single-family qualified properties used to provide affordable housing are appraised in compliance with Section 23.22 of the Texas Property Tax Code. (Jurisdictional Exception to Standards Rule 6-4 (b) of USPAP)

### **Data Collection and Validation**

Two basic types of data are collected: data, which is specific to each property and data, which is indicative of a particular class of property that has been predefined by Hall County Appraisal District.