Brown County
Appraisal District

Appraisal Manual

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SCOPE

Taxation and equalization of property values have become vital concerns of both assessing officials and taxpayers. The purpose of taxation is to raise revenue for the support and operation of government. Equity and values is necessary to distribute the burden of taxes fairly among all taxpayers.

This guide can be a valuable tool when used to assist in establishing and maintain uniform values. This section presents the principles and procedure to be used in making sound and equitable evaluations.

One should always keep in mind that a manual serves as a tool for the appraiser, and functions mainly as a guide to classify and price structures. No manual can be written that will always describe in total, every kind of structure that can be built.

One often finds structures that meet part of the specifications in one class as well as part of the specifications of another class. The appraiser, many times must use his or her judgment when classifying a particular structure.

If a structure substantially meets the criteria for a specific classification but lacks certain components or has additional components, adjustments will need to be made to the classification. One may achieve this in various ways. Using a weighted mean from the various classifications will often give the desired cost figures. In another case, the structure may meet all the specifications for a certain class but lack a single desired component. An adjustment from the additive section may achieve the desired result.

Remember that this manual is simply a guide, or a point of beginning for classification and pricing of structures. Even though many structures will fit neatly into specific classes, there will be times when an appraiser must rely on his or her experience and judgment to arrive at the proper classification/cost of a particular structure.

The following examples are intended to give the reader some insight into the various ways one may solve different appraisal problems, but are not intended to present the only solutions to the various problems one may encounter.

INTRODUCTION

APPRAISAL: An estimate of value as of a specified date, usually January 1 of any given year.

MASS APPRAISAL: The process of valuing a large number of properties as of a given date, using standard methods, employing common data, and allowing for statistical testing.

The purpose of this manual is to assist all appraisal personnel in estimating the market value of properties based on the mass appraisal concept.

The classification system and value schedules herein were prepared by using the concept of grouping similar types of improvements by the classing system.

This system has ranges in single family residences from the small inexpensive to the larger, custom built, as well as mobile homes. The residences are categorized as wood frame or masonry veneer. Each category contains residences identified by class, as defined by the market with the lower classes being the least expensive and the higher classes being the more expensive custom residences.

A written description of each class is furnished. Pictures of each class are included and labeled so that uniformity and equality may be more adequately maintained. Amenities and individual components that comprise a real property are evaluated in the same manner.

Mobile homes are categorized and classified according to width. Each classification contains mobile homes identified by quality, (low quality, average quality, high quality) as defined by the market. Mobile home values are also verified using the NADA Manufactured Housing Cost software and can be used by the appraiser when market data is limited.

For the varying types of commercial, light industrial and unique properties, a copy of the Marshall & Swift Valuation Manual in on file in this office for the appraiser to utilize.

The procedures necessary to begin using this guide are encompassed in the "Appraisal Process" section of this manual. Specific procedures are further defined by their own components and descriptions, their costs, and possible depreciation tables.

"Percent Good" is the appraiser's estimate of the actual condition of the property as well as physical and/or effective age. The correction percentages contained in this manual is self explanatory when used in conjunction with the written definitions for property types, and the Appraiser should use good judgment when evaluating property that is either below or above the benchmark standard for any class as defined by the market. As most experienced appraisers are aware, depreciation of some properties is subjective and may not conform to the exact figures shown on the table.

The primary purpose of this manual is to provide the Appraiser with information from the actual market, to appraise real property. This text is only one tool to be used by the appraiser. It is based on information compiled from the local sales market. All appraisers must be alert to the ever-changing real estate market, since this is what the estimates of value are based upon.

Definition of Market Value:

The price at which a property would transfer for cash or its equivalent under prevailing under 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 purchaser seek to maximize gains and neither is in a position to take advantage of the exigencies of the other.

THE APPRAISAL PROCESS

The process of appraising improvements may start any time; however, normally, due to the tax calendar, appraising of real property, should commence in September, for the year prior to assessment. The routine of appraising improvements is essentially as follows:

A. DISCOVERY OF PROPERTY- This may be accomplished through building permits, septic tank permits, municipal utility district water taps, courthouse records, pictometry, renditions, exemption and special use applications, and on-site inventory of subdivisions and abstracts.

B. CORRELATION OF PROPERTY RECORDS - This is accomplished after the discovery process has been accomplished. This step is essential to insure that real property is correctly identified, and ownership for any given parcel is accurately reflected in the Appraisal District's records.

C. APPRAISAL PROCEDURES - The appraisal of improvements always require an on-site inspection of the property to be appraised or rechecked by an appraiser. The appraiser should follow the sequence of events indicated here in order to complete the appraisal process:

1. Insure property being appraised is in fact the property indicated in legal description of record.
2. Properly identify his or herself to the owner; manager or whomever is associated with property.
3. Accurately measure and sketch improvements.
4. Class.
5. Estimate "percent good" and/or effective age.
6. Insure correct factors and symbols are used.
7. Any improvements not capable of being classed in a common classing system will have to be classed a special type improvement and, therefore, the market value must be estimated by a residential appraisal manual such as Marshall & Swift.
8. Insure all data has been obtained at the site prior to departure.
9. Obtain any sales or rental information available.
10. Note the date of actual appraisal and any other information affecting that particular property.

D. APPRAISAL OFFICE PROCESSING – All appraisers must complete the appraisals by entering all data into the Appraisal Module of the district’s computer system insuring that the proposed values have been met using preset appraisal standards.

Appraisal Activities

INTRODUCTION

Appraisal Responsibilities

The appraisal staff is responsible for collecting and maintaining property characteristic data for classification, valuation, and other purposes. Accurate valuation of real and personal property by any method requires a physical description of personal property, and land and building characteristics. This appraisal activity is responsible for administering, planning and coordinating all activities involving data collection and maintenance of all commercial, residential and personal property types which are located within the boundaries of Brown County. The data collection effort involves the field inspection of real and personal property accounts, as well as data entry of all data collected into the existing information system. The goal is to periodically field inspect residential, personal, and commercial properties in Brown County every three years. Meeting this goal is dependent on budgetary and time constraints.

Appraisal Resources

- **Personnel -** The appraisal activities consists of six appraisers and three clerical personnel.

- **Data -** The data used by field appraisers includes the existing property characteristic information contained in the Appraisal Module from the district's computer system. The data is printed on a property record sheet, or personal property data sheets. Other data used includes maps, sales data, fire and damage/demolition reports, building permits, photos and actual cost information.

PRELIMINARY ANALYSIS

Data Collection/Validation

Data collection of real property involves maintaining data characteristics of the property on the computer system in the Real Property Module. The information contained in computer system includes site characteristics, such as land size and topography, and improvement data, such as square foot of living area, year built, quality of construction, and condition. Field appraisers establish uniform procedures for the correct listing of real property. All properties are coded accordingly and the approaches to value are structured and calibrated based on this coding system. Data collection for personal property involves maintaining information in the Personal Property Module on the computer system. The type of information contained in Personal Property Module includes personal property such as business inventory, furniture and fixtures, machinery and equipment, cost and location.

Sources of Data

The sources of data collection are through the new construction field effort, data review/relist field effort, pictometry, data mailers, hearings, sales validation field effort, commercial sales verification, newspapers and publications, real estate agents' brochures, renditions, exemption and special use applications, courthouse records such as deed and Assumed Name records, and property owner correspondence including correspondence via the internet. Information from deed records, primarily Builder's and Mechanic's Lien Contracts, are utilized and the information is attached to the property record in the Appraisal Module for reference. A principal source of data comes from building permits received from taxing jurisdictions that require property owners to take out a building permit. Paper permits are received and matched manually with the property's tax account number for data entry into the computer system.

The internet plays a vital role in many areas of data collection. Two websites sources, TxDOT Manufactured Housing Permit Reports and the Texas Department of Housing and Community Affairs Manufactured Housing Ownership Records, are primarily used for collecting information on manufactured homes. Information on new sales tax permits and hotel/motel sales tax information is obtained by utilizing the Texas Comptroller of Public Accounts website and is used in discovering new businesses and helpful in the income approach for hotel/motels. Details about properties listed for sale are obtained by utilizing the many real estate agent websites.

Data review of entire neighborhoods is generally a good source for data collection. Appraisers drive entire neighborhoods to review the accuracy of our data and identify properties that have to be relisted. The sales validation effort in real property pertains to the collection of data of properties that have sold. The sales validation effort involves on-site inspection by field appraisers to verify the accuracy of the property characteristics data and confirmation of the sales price.

Property owners are one of the best sources for identifying incorrect data that generates a field check. Frequently, the property owner provides sufficient enough data to allow correction of records without having to send an appraiser on-site. Property owners often call the appraisal district, or submit letters or emails notifying the district of inaccurate data. Properties identified in this manner are added to a work file and inspected at our earliest opportunity.

Data Collection Procedures

Field data collection requires organization, planning and supervision of the field effort. Data collection procedures have been established for residential, commercial, and personal property. The appraisers are assigned throughout Brown County to conduct field inspections. Appraisers conduct field inspections and record information either on a property record sheet, or a personal property data sheet.

The quality of the data used is extremely important in establishing accurate values of taxable property. While production standards are established and upheld for the various field activities, quality of data is emphasized as the goal and responsibility of each appraiser. New appraisers are trained in the specifics of data collection. Experienced appraisers are routinely re-trained in listing procedures prior to major field projects such as new construction, sales validation or data review. A quality assurance process exists through review of the work being performed by the field appraisers. Quality assurance supervision is charged with the responsibility of ensuring that appraisers follow listing procedures, identify training issues and provide uniform training throughout the appraisal staff.

INDIVIDUAL VALUE REVIEW PROCEDURES

Field Review

The date of last inspection, extent of that inspection, and the CAD appraiser responsible are listed on the property record in the appraisal module. If a property owner or jurisdiction dispute the district's records concerning this data during a hearing, via a telephone call or correspondence received, data in computer system may be altered based on the evidence provided. Typically, a field inspection is requested to verify this evidence for the current year's valuation or for the next year's valuation. Every year a field review of certain areas or neighborhoods in the jurisdiction is done.

Office Review

Office reviews are completed on properties where information has been received from the owner of the property. Data mailers, sent in masse, or at the request of the property owner, frequently verify the property characteristics or current condition of the property. When the property data is verified in this manner, field inspections are not required.

PERFORMANCE TEST/RATIO STUDY PROCEDURES

The appraisers are responsible for conducting ratio studies and comparative analysis. In many cases, appraisers may conduct field inspections to insure the ratios produced are accurate and the appraised values utilized are based on accurate property data characteristics.

The following lists the procedures of how the Brown County Appraisal District conducts a ratio study.

1. Sales ratio studies are performed each appraisal year. Ratios are to be run by class, state code, subdivision and/or neighborhood, and school district code to determine if and where problems exist.
2. Compile and enter sales information with validity codes for the current year.
3. Check sales for outliers. Research and make necessary changes.
4. Run sales ratio reports before land and improvement schedules are finalized.
5. Check ratios for compliance to code.
6. Make adjustments to schedules, modifiers and neighborhood factors as necessary.
7. Run sales ratio reports and make additional adjustments if necessary.

Residential Valuation Process

INTRODUCTION

Scope of Responsibility

The Residential Valuation appraisers are responsible for developing equal uniform market values for residential improved and vacant property. There are approximately 18,850 residential improved parcels and 7,780 vacant residential properties in Brown County.

Appraisal Resources

- **Personnel -** The Residential Valuation appraisal staff consists of five appraisers.
- **Data** - A common set of data characteristics for each residential dwelling in Brown County is collected in the field and data entered to the computer. The property characteristic data drives the computer-assisted mass appraisal (CAMA) approach to valuation.

VALUATION APPROACH

Area Analysis

Data on regional economic forces such as demographic patterns, regional location factors, employment and income patterns, general trends in real property prices and rents, interest rate trends, availability of vacant land, and construction trends and costs are collected from public sources and provide the field appraiser a current economic outlook on the real estate market. Information is gleaned from real estate publications and sources such as continuing education in the form of IAAO, TAAD, and TAAO classes.

Neighborhood and Market Analysis

Neighborhood analysis involves the examination of how physical, economic, governmental and social forces and other influences affect property values. The effects of these forces are also used to identify, classify, and stratify comparable properties into smaller, manageable subsets of the universe of properties known as neighborhoods. Residential valuation and neighborhood analysis is conducted on each of the political entities known as Independent School Districts (ISD).

The first step in neighborhood analysis is the identification of a group of properties that share certain common traits. A "neighborhood" for analysis purposes is defined as the largest geographic grouping of properties where the property's physical, economic, governmental and social forces are generally similar and uniform. Geographic stratification accommodates the local supply and demand factors that vary across a jurisdiction. Once a neighborhood has been identified, the next step is to define its boundaries. This process is known as "delineation". Some factors used in neighborhood delineation include location, sales price range, lot size, age of dwelling, quality of construction and condition of dwellings, square footage of living area, and story height. Delineation can involve the physical drawing of neighborhood boundary lines on a map, but it can also involve statistical separation or stratification based on attribute analysis. Part of neighborhood

analysis is the consideration of discernible patterns of growth that influence a neighborhood's individual market. Few neighborhoods are fixed in character. Each neighborhood may be characterized as being in a stage of growth, stability or decline. The growth period is a time of development and construction. As new neighborhoods in a community are developed, they compete with existing neighborhoods. An added supply of new homes tends to induce population shift from older homes to newer homes. In the period of stability, or equilibrium, the forces of supply and demand are about equal. Generally, in the stage of equilibrium, older neighborhoods can be more desirable due to their stability of residential character and proximity to the workplace and other community facilities. The period of decline reflects diminishing demand or desirability. During decline, general property use may change from residential to a mix of residential and commercial uses. Declining neighborhoods may also experience renewal, reorganization, rebuilding, or restoration, which promotes increased demand and economic desirability.

Neighborhood identification and delineation is the cornerstone of the residential valuation system at the district. All the residential analysis work done in association with the residential valuation process is neighborhood specific. Neighborhoods are field inspected and delineated based on observable aspects of homogeneity. Neighborhood delineation is periodically reviewed to determine if further neighborhood delineation is warranted. Whereas neighborhoods involve similar properties in the same location, a neighborhood group is simply defined as similar neighborhoods in similar locations. Each residential neighborhood is assigned to a neighborhood group based on observable aspects of homogeneity between neighborhoods. Neighborhood grouping is highly beneficial in cost-derived areas of limited or no sales, or use in direct sales comparison analysis. Neighborhood groups, or clustered neighborhoods, increase the available market data by linking comparable properties outside a given neighborhood. Sales ratio analysis, discussed below, is performed on a neighborhood basis, and in soft sale areas on a neighborhood group basis.

Highest and Best Use Analysis

The highest and best use of property is the reasonable and probable use that supports the highest present value as of the date of the appraisal. The highest and best use must be physically possible, legal, financially feasible, and productive to its maximum. The highest and best use of residential property is normally its current use. This is due in part to the fact that residential development, in many areas, through use of deed restrictions and zoning, precludes other land uses. Residential valuation undertakes reassessment of highest and best use in transition areas and areas of mixed residential and commercial use. In transition areas with ongoing gentrification, the appraiser reviews the existing residential property use and makes a determination regarding highest and best use. Once the conclusion is made that the highest and best use remains residential, further highest and best use analysis is done to decide the type of residential use on a neighborhood basis. As an example, it may be determined in a transition area that older, non-remodeled homes are economic mis-improvements, and the highest and best use of such property is the construction of new dwellings. In areas of mixed residential and commercial use, the appraiser reviews properties in these areas on a periodic basis to determine if changes in the real estate market require reassessment of the highest and best use of a select population of properties.

VALUATION AND STATISTICAL ANALYSIS (Model Calibration)

Cost and Market Driven Schedules

All residential parcels in the district are valued from cost and market driven schedules using a comparative unit method. The district's residential cost schedules follow the nationally recognized Marshall and Swift's cost schedules and are customized to fit Brown County's local residential building and sales market.

An extensive review and revision of the residential cost schedule is performed each tax year. This process includes correlation of quality of construction factors from CAD and Marshall & Swift. The results of this comparison were analyzed and the Marshall & Swift regional multiplier is used in the district's cost process.

Sales Information

Residential, commercial and vacant land sales are entered on the property records in the appraisal module of the computer system. Residential improved and vacant sales are collected from a variety of sources, including: district questionnaires sent to buyer and seller, field discovery, protest hearings, Board of Realtor's MLS, various sale vendors, builders, and realtors. Information is also gleaned from closing statements and appraisals when the property owner provides them.

A system of type, source, validity and verification codes was established to define salient facts related to a property's purchase or transfer. School district or neighborhood sales reports are generated as an analysis tool for the appraiser in the development of value estimates.

Land Analysis

Residential land analysis is conducted by each appraiser. The appraisers develop a base lot, primary rate, and assign each unique neighborhood to a square foot, front foot, lot, or acre land value. Each lot may be adjusted by a percent good or an economic factor. Specific land influences are used, where necessary, to adjust parcels outside the neighborhood norm for such factors as view, shape, size, and topography, among others. The appraisers use abstraction and allocation methods to insure that the land values created best reflect the contributory market value of the land to the overall property value.

Statistical Analysis

The Property Tax Division of the Comptroller's office performs statistical analysis annually to evaluate whether values are equitable and consistent with the market. Ratio studies are conducted on every neighborhood in the district to judge the two primary aspects of mass appraisal accuracy—level and uniformity of value. Appraisal statistics of central tendency and dispersion generated from sales ratios are available for each stratified neighborhood within an ISD and summarized by year. These summary statistics including, but not limited to, the weighted mean, median, standard deviation, coefficient of variation, and coefficient of dispersion provide the appraisers a tool by which to determine both the level and uniformity of appraised value on a stratified neighborhood basis. The level of appraised values is determined by the weighted mean for individual properties within a neighborhood, and a comparison of neighborhood weighted means reflect the general level of appraised value between

comparable neighborhoods. Review of the standard deviation, coefficient of variation, and coefficient of dispersion discerns appraisal uniformity within and between stratified neighborhoods.

Those neighborhoods which have sufficient information are reviewed annually by the PVS through the sales ratio analysis process. The first phase involves neighborhood ratio studies that compare the recent sales prices of neighborhood properties to the appraised values of these sold properties. This set of ratio studies affords the appraiser an excellent means of judging the present level of appraised value and uniformity of the sales. The appraiser, based on the sales ratio statistics and designated parameters for valuation update, makes a preliminary decision as to whether the value level in a neighborhood needs to be updated in an upcoming reappraisal, or whether the level of market value in a neighborhood is at an acceptable level.

Market Adjustment or Trending Factors

Neighborhood, or market adjustment, factors are developed from appraisal statistics provided from ratio studies and are used to ensure that estimated values are consistent with the market. The district's primary approach to the valuation of residential properties uses a hybrid cost-sales comparison approach. This type of approach accounts for neighborhood market influences not specified in the cost model. This is essentially a market approach to value reflected as a cost approach.

Market value of a class of property is calculated by analyzing the price per square foot that comparable properties are selling for and applying that price per square foot back to the individual properties of that class. The appraiser may determine that an individual property may need further adjustment either by a percent good or an economic factor. This market value is reflected on the appraisal records as a cost approach identifying contributory value for each property characteristic. The total appraised value of an individual property can then be supported by comparing it to the most comparable sales that have occurred in the market place.

If a neighborhood is to be updated, the appraiser uses a market ratio study that compares recent sales prices of properties appropriately adjusted for the effects of time within a delineated neighborhood with the properties' appraised value. The calculated ratio derived from the sum of the sold properties' appraised value divided by the sum of the sales prices indicates the neighborhood level of value based on the unadjusted appraised value for the sold properties. A market adjustment factor is needed to trend the values obtained through the market approach closer to the actual market evidenced by recent sales prices within a given neighborhood. The sales used to determine the market adjustment factor will reflect the market influences and conditions only for the specified neighborhood, thus producing more representative and supportable values. The market adjustment factor calculated for each updated neighborhood is applied uniformly to all properties within a neighborhood. Once the market-trend factors are applied, a second set of ratio studies is generated that compares recent sale prices with the proposed appraised values for these sold properties. From this set of ratio studies, the appraiser judges the appraisal level and uniformity in both update and non-update neighborhoods, and finally, for the school district as a whole.

TREATMENT OF RESIDENCE HOMESTEADS

Beginning in 1998, the State of Texas implemented a constitutional classification scheme concerning the appraisal of residential property that receives a residence homestead exemption. Under the new law, beginning in the second year a property receives a homestead exemption; increases in the value of that property are "capped." The value for tax purposes (appraised value) of a qualified residence homestead will be the LESSER of:

- the market value; or
- the preceding year's appraised value;

  PLUS 10 percent for each year since the property was re-appraised; PLUS the value of any improvements added since the last re-appraisal.

Values of capped properties must be recomputed annually. If a capped property sells, the cap automatically expires as of January 1st of the following year. In that following year, that home is reappraised at its market value to bring its appraisal into uniformity with other properties.

An analogous provision applies to new homes. While a developer owns them, unoccupied residences are appraised as part of an inventory using the district's land value and the developer's construction costs as of the valuation date. However, in the year following sale, they are reappraised at market value.

INDIVIDUAL VALUE REVIEW PROCEDURES

Field Review

The appraiser identifies individual properties in critical need of field review through sales ratio analysis. Sold properties with a high variance in sales ratios are field reviewed on a regular basis to check for accuracy of data characteristics.

As the district's parcel count has increased through new home construction, and the homes constructed in the boom years of the late 70's and early 80's experience remodeling, the appraisers are required to perform the field activity associated with transitioning and high demand neighborhoods. Increased sales activity has also resulted in a more substantial field effort on the part of the appraisers to review and resolve sales outliers. Additionally, the appraiser frequently field reviews subjective data items such as quality of construction, condition, and physical, functional and economic obsolescence, factors contributing significantly to the market value of the property. After preliminary estimates of value have been determined in targeted areas, the appraiser takes valuation documents to the field to test the computer-assisted values against his own appraisal judgment. During this review, the appraiser is able to physically inspect both sold properties and unsold properties for comparability and consistency of values.

Office Review

Given the lack resources and time required to conduct a routine field review of all properties, homogeneous properties consisting of tract housing with a low variance in sales ratios and other properties having a recent field inspection date are value reviewed in the office. Valuation reports comparing previous values against proposed and final values are generated for all residential improved and vacant properties. The dollar amount and percentage of value difference are noted for each property within a delineated neighborhood allowing the appraiser to identify, research and resolve value anomalies before final appraised values are released. Previous values resulting from a hearing protest are individually reviewed to determine if the value remains appropriate for the current year.

Once the appraiser is satisfied with the level and uniformity of value for each neighborhood within his area of responsibility, the estimates of value notice are sent.

PERFORMANCE TESTS

Sales Ratio Studies

The primary analytical tool used by the appraisers to measure and improve performance is the ratio study. The district ensures that the appraised values that it produces meet the standards of accuracy in several ways. Overall sales ratios are generated for each ISD to allow the appraiser to review general market trends within their area of responsibility, and provide an indication of market appreciation or depreciation over a specified period of time. The neighborhood descriptive statistics are reviewed for each neighborhood being updated for the current tax year. The ratio studies are designed to emulate the findings of the state comptroller's annual property value study for category A property.

Commercial & Light Industrial Valuation Process

INTRODUCTION

Scope of Work

This mass appraisal assignment includes all commercially and light industrial classed real property assigned to the appraisers and located within the jurisdiction of Brown County and overlapping appraisal districts. The appraisers appraise the fee simple interest of properties according to statute. However, the affect of easements, restrictions, encumbrances, leases, contracts or special assessments are considered on an individual basis, as is the appraisement of any non exempt taxable fractional interests in real property (i.e. certain multi-family housing projects). Fractional interests or partial holdings of real property are appraised in fee simple for the whole property and divided programmatically based on their pro-rata interests.

When determining values for these types of properties, great care is given to identify the intangible property. ***Intangible property*** is defined as the nonphysical assets, including but not limited to franchises, trademarks, patents, copyrights, goodwill, equities, securities, and contracts as distinguished from physical assets such as facilities and equipment. With this in mind, the appraisers typically use the cost approach when valuing these types of properties.

Procedure for Collecting and Validating Data

The data used by the appraisers includes verified sales of vacant land and improved properties and the pertinent data obtained from each (conditions of sale, financing, sales price levels, vacancy, capitalization rates, income multipliers, equity dividend rates, marketing period, etc.). Other data used by these appraisers includes actual income and expense data, actual contract rental data, leasing information (commissions, tenant finish, length of terms, etc.), actual construction cost data, and in-house surveys. In addition to the actual data obtained from specific properties, market data publications are also reviewed to provide additional support for market trends. These include fee appraiser rental property surveys, many websites from real estate organizations, professionals and individual property owners. Publications such as Texas A & M Research Center, Source Strategies, Inc-Hotel Performance Fact book, The Valuation of Hotels and Motels for Assessment Purposes by Stephen Rushmore, the Korpacz Survey and Appraisal Institute's economic indicators are used for income and expense data, capitalization rates, typical holding periods for real estate investments, interest rates and other pertinent real estate criteria are analyzed. A good source of capitalization rates are obtained from local fee appraisers who specialize in commercial properties. Also, real estate websites such as, Loopnet, have proven to be a good source for capitalization rates for commercial and multifamily properties listed for sale.

In terms of commercial sales data, Brown CAD receives a copy of the deeds recorded in Brown County that convey commercially classed properties. The deeds involving a change in commercial ownership are entered into the sales information database and researched to obtain the pertinent sale information. The appraisers make an effort to verify sales from local appraisers or others that may have the desired info. The actual closing statement is the most reliable and preferred method of sales verification. After

the sales data has been keyed into the database, the data is reviewed to maintain quality control.

Highest and Best Use Analysis

The highest and best use is the most reasonable and probable use that generates the highest present value of the real estate as of the date of valuation. The highest and best use of any given property must be physically possible, legally permissible, financially feasible, and maximally productive. For improved properties, highest and best use is evaluated as improved and as if the site were still vacant. This assists in determining if the existing improvements have a transitional use, interim use, nonconforming use, multiple uses, speculative use, excess land, or a different optimum use if the site were vacant. For vacant tracts of land within this jurisdiction, the highest and best use is considered speculative based on the surrounding land uses. Improved properties reflect a wide variety of highest and best uses which include, but are not limited to: office, retail, apartment, warehouse, light industrial, special purpose, or interim uses. In many instances, the property's current use is the same as its highest and best use. This analysis insures that an accurate estimate of market value (sometimes referred to as value in exchange) is derived.

On the other hand, value in use represents the value of a property to a specific user for a specific purpose. This maybe significantly different than market value, which approximates market price under the following assumptions: (1) no coercion of undue influence over the buyer or seller in an attempt to force the purchase or sale, (2) well-informed buyers and sellers acting in their own best interests, (3) a reasonable time for the transaction to take place, and (4) payment in cash or its equivalent.

Model Specification

The improved real property appraisal responsibilities are categorized according to major commercial property use types groups such as apartment, office, retail, warehouse, bank, nursing home, industrial, etc.

When applicable, the cost approach to value is applied to all real property. This methodology involves the utilization of national cost data reporting services as well as actual cost information on comparable properties whenever possible. Cost models are typically developed based on the Marshall Swift Valuation Service. This approach also employs the sales comparison approach and or other acceptable methods in the valuation of the underlying land value.

When applicable, the income approach to value was applied to the real property that is typically viewed by market participants as "income producing" and for which the income methodology is considered a leading value indicator.

When applicable, the sales comparison (market) approach was utilized not only for estimating land value but also in comparing sales of similarly improved properties to each parcel on the appraisal roll.

The final estimate of value is reconciled depending on the quality and quantity of the data from the three approaches.

Area Analysis

Data on regional economic forces such as demographic patterns, regional location factors, employment and income patterns, general trends in real property prices and rents, interest rate trends, availability of vacant land, and construction trends and costs are collected from private vendors and public sources. Information is obtained from real estate publications and sources such as local surveys, regional newspaper real estate articles, and the Real Estate Center at Texas A & M University. Continuing education in the form of IAAO, Texas Association of Assessing Officers (TAAO), and Texas Association of Appraisal Districts (TAAD) courses, and real estate seminars provide appraisers a current economic outlook on the local real estate market. Strict adherence to these procedures ensures that appraisers consider pertinent factors and trends about the forces within the governmental bodies and within the geographic boundaries of Brown CAD. Since many large commercial properties have a regional market and not confined to city boundaries, our appraisers will exchange information with other appraisal districts located in similar demographic regions regarding information on unique and commercial property sales and trends.

Neighborhood Analysis

The neighborhood is comprised of the land area and commercially classed properties located within the boundaries of this taxing jurisdiction. This area consists of a wide variety of property types including residential, commercial and industrial, and vacant acreage. Neighborhood analysis involves the examination of how physical, economic, governmental and social forces and other influences affect property values. The effect of these forces is also used to identify, classify, and organize comparable properties into smaller, manageable subsets of the universe of properties known as neighborhoods. In the mass appraisal of commercial properties these subsets of a universe of properties are generally referred to as *market areas* or *economic areas.*

Economic areas are defined by each of the improved property use types (apartment, office, retail, warehouse and special use) based upon an analysis of similar economic or market forces. These include but are not limited similarities of rental rates, classification of projects (known as building class by area commercial market experts), date of construction, overall market activity or other pertinent influences. Property use type is the primary selection delineation criteria utilized by the commercial valuation system. All income model valuation (income approach to value estimates) is use specific. Economic areas are periodically reviewed to determine if re-delineation is required. The geographic boundaries as well as, income, occupancy and expense levels and capitalization rates by age within each economic area for <u>all</u> commercial use types are analyzed.

Market Analysis

A market analysis relates directly to market forces affecting supply and demand. This study involves the relationships between social, economic, environmental, governmental, and site conditions. Current market activity including sales of commercial properties, new construction, new leases, lease rates, absorption rates, vacancies, allowable expenses (inclusive of replacement reserves), expense ratio trends, and capitalization rate studies are analyzed. Local consultations with area real estate professionals lend support to the various assumptions utilized in the valuation of real estate.

Model Calibration

Model calibration involves the process of periodically adjusting the mass appraisal formulas, tables and schedules to reflect current local market conditions. Once the models have undergone the specification process, adjustments can be made to reflect new construction procedures, materials and/or costs, which can vary from year to year. The basic structure of a mass appraisal model can be valid over an extended period of time, with trending factors utilized for updating the data to the current market conditions. However, at some point, if the adjustment process becomes too involved, the model calibration technique can mandate new model specifications or a revised model structure.

Cost Schedules

When applicable, the cost approach to value is applied to all improved real property utilizing the comparative unit method. This methodology involves the utilization of national cost data reporting services as well as actual cost information on comparable properties whenever possible. Cost models are typically developed based on the Marshall Swift Valuation Service. Cost models include the derivation of replacement cost new (RCN) of all improvements. These include comparative base rates, per unit adjustments and lump sum adjustments. This approach also employs the sales comparison approach and other accepted methods in the valuation of the underlying land value. Time and location modifiers are necessary to adjust cost data to reflect conditions in a specific market and changes in costs over a period of time. Because a national cost service is used as a basis for the cost models, location modifiers are necessary to adjust these base costs specifically for Brown County. The national cost service provides this modifier within their guide.

Depreciation schedules are developed based on what is typical for each property type at that specific age. Depreciation schedules have been implemented for what is typical of each major class of commercial property by economic life categories. These are located in the Marshall Swift Manual. These schedules are then tested to ensure they are reflective of current market conditions. The actual and/or effective ages of improvements are noted. Effective age estimates are based on the utility of the improvements relative to where the improvement lies on the scale of its total economic life and its competitive position in the marketplace. Effective age estimates are based on personal inspection and analysis by staff commercial appraisers.

Market adjustment factors such as external and/or functional obsolescence can be applied if warranted. A depreciation calculation override can be used if the condition or effective age of a property varies from the norm by appropriately noting the physical condition and functional utility ratings on the property data characteristics. These adjustments are typically applied to a specific property type or location and can be developed via ratio studies or other market analyses. Accuracy in the development of the cost schedules, condition ratings and depreciation schedules will usually minimize the necessity of this type of an adjustment factor.

Income Models

When applicable, the income approach to value was applied to those real properties which are typically viewed by market participants as "income producing", and for which the income methodology is considered a leading value indicator. The first step in the income approach pertains to the estimation of market rent on a per unit basis. This is derived primarily from actual rent data furnished by property owners and from local

market study publications. This per unit rental rate multiplied by the number of units results in the estimate of potential gross rent.

The projected vacancy and collection loss allowance is established from actual data furnished by property owners and district market surveys. This allowance accounts for periodic fluctuations in occupancy, both above and below an estimated stabilized level. The market derived stabilized vacancy and collection loss allowance is subtracted from the potential gross rent estimate to yield an effective gross rent.

A secondary income or service income is calculated as a percentage of stabilized effective gross rent and or actual data supplied by property owners and agents. Secondary income represents parking income, escalations, reimbursements, and other miscellaneous income generated by the operations of real property. The secondary income estimate is derived from actual data collected and available market information and is added to the effective gross rent to arrive at an effective gross income.

Allowable expenses and expense ratio estimates are based on a study of the local market, with the assumption of *prudent management.* An allowance for non-recoverable expenses such as leasing costs and tenant improvements are included in the expenses. A non-recoverable expense represents costs that the owner pays to lease rental space. Different expense ratios are developed for different types of commercial property based on use. Actual expense data for the subject property is used when available for analysis and confirmation of model estimates. For instance, retail properties are most frequently leased on a triple-net basis, whereby the tenant is responsible for his pro-rata share of taxes, insurance and common area maintenance. In comparison, a general office building is most often leased on a base year expense stop. This lease type stipulates that the owner is responsible for <u>all</u> expenses incurred during the first year of the lease. However, any amount in excess of the total per unit expenditure in the first year is the responsibility of the tenant. Expense ratios are implemented based on the type of commercial property.

Another form of allowable expense is the replacement of short-lived items (such as roof or floor coverings, air conditioning or major mechanical equipment or appliances) requiring expenditures of large lump sums. When these capital expenditures are analyzed for consistency and adjusted, they may be applied on an annualized basis as stabilized expenses. When performed according to local market practices by commercial property type, these expenses when annualized are known as replacement reserves.

Subtracting the allowable expenses (inclusive of non-recoverable expenses and replacement reserves) from the effective gross income yields an estimate of net operating income.

Rates and multipliers are used to convert income into an estimate of market value. These include income multipliers, overall capitalization rates, and discount rates. Each of these is used in specific applications. Rates and multipliers also vary between property types, as well as by location, quality, condition, design, age, and other factors. Therefore, application of the various rates and multipliers must be based on a thorough analysis of the market.

Great care is also determining the intangible assets or “business enterprise value” before determining a final value. For instance in the hotel/motel industry, the appraisal staff will deduct this intangible value before arriving at a final value by applying a percentage or actual cost if known. The local hotel/motel properties receive little or no

adjustment; the small market franchises will receive another, slightly larger adjustment; and the large market franchises receiving a larger adjustment to exclude this business enterprise value. These adjustments are derived from professional appraisers that specialize in valuing these types of properties. Also, information is used from publications and other research materials.

Capitalization Analysis and Techniques

Capitalization analysis is used in the income approach models. This methodology involves the capitalization of net operating income as an indication of market value for a specific property. Capitalization rates, both overall (going-in) cap rates for the direct capitalization method and terminal cap rates for discounted cash flow analyses, can be derived from the market. Sales of improved properties from which actual income and expense data are obtained provides a very good indication of what a specific market participant is requiring from an investment at a specific point in time in addition, satisfying the market return requirements of both the debt and equity positions of a real estate investment. This information is obtained from real estate and financial publications. The direct capitalization method is primarily used by Brown CAD and is obtained primarily through the local real estate professionals.

The yield capitalization method that may be used for the valuation of commercial property by the district is Discount Cash Flow analysis. Discounted Cash Flow analysis is defined as "a set of procedures in which an appraiser specifies the quantity, variability, timing, and duration of periodic income, as well as the quantity and timing of reversions and discounts each to its present value at a specified yield rate." This technique takes the future benefits or "incomes" and converts these benefits into an indication of present value by discounting each future benefit at an appropriate yield rate. The formula is expressed as follows:

$$PV = \frac{CFI}{1+Y} + \frac{CF2}{(1+Y)^2} + \frac{CF_3}{(1+Y)3} + \cdots + \frac{CFN}{(+_y)N}$$

Where PV represents "present value"; CF represents "cash flow"; Y represents "yield rate."

A second method of yield valuation that may be used by this district for commercial properties is that of Rent Loss Direct Capitalization. This technique is applied to specific properties with vacancy problems that are considered short term in nature, and is used when the appraiser concludes the discounted cash flow analysis is not needed.

The rent loss is calculated by multiplying the rental rate by the percent difference of the property's stabilized occupancy and its actual occupancy. Build out allowances (for first generation space or retrofit/second generation space as appropriate) and leasing expenses are added to the rent loss estimate. The total adjusted loss from these real property operations is discounted using an acceptable risk rate. The discounted value (inclusive of rent loss due to extraordinary vacancy, build out allowances and leasing commissions) becomes the rent loss concession and is deducted from the value indication of the property at stabilized occupancy.

Care is taken by the management and appraisal staff to choose the appropriate income value technique for the type of property being appraised and in applying these methods in

a uniform and equal way within the particular class and subclasses of commercial property being evaluated on a mass basis.

Sales Comparison (Market) Approach

Although all three of the approaches to value are based on market data, the Sales Comparison Approach is most frequently referred to as the Market Approach. This approach is utilized not only for estimating land value but also in comparing sales of similarly improved properties to each parcel on the appraisal roll. Pertinent data from actual sales of properties, both vacant and improved, is pursued throughout the year in order to obtain relevant information that can be used in all aspects of valuation. Sales of similarly improved properties can provide a basis for the depreciation schedules in the Cost Approach, rates and multipliers used in the Income Approach, and as a direct comparison in the Sales Comparison Approach. Improved sales are also used in ratio studies that afford the analyst an excellent means of judging the present level and uniformity of the appraised values.

Based on the market data analysis and review discussed previously in the cost, income and sales approaches, the cost and income models are calibrated and finalized. The results are keyed to the schedules and applied to relevant commercial properties.

How Estimates are Reviewed

Field Review

The appraisers field review, to the extent possible, properties or economic areas experiencing remodeling, renovations, or retrofits, changes in occupancy levels or rental rates, new leasing activity, new construction, or wide variations in sale prices. Additionally, the appraisers frequently field review subjective data items such as building class, quality of construction (known as cost modifiers), condition, and physical, functional and economic obsolescence factors contributing significantly to the market value of the property. In some cases field reviews are warranted when sharp changes in occupancy or rental rate levels occur between building classes or between economic areas. With preliminary estimates of value in these targeted areas, the appraisers test computer assisted values against their own appraisal judgment. While in the field, the appraiser physically inspects sold and unsold properties for comparability and consistency of values.

Office Review

Office reviews are completed on properties not subject to field inspections and are performed in compliance with procedures and guidelines contained in Brown County Appraisal District's Appraisal Manual. The district's Appraisal Manual outlines the application of the three approaches to value.

Office review consists of analyzing the pertinent data for each property, as well as comparing the previous values to the proposed value conclusions of the various approaches to value. The appraiser may review methodology for appropriateness to ascertain that it was completed in accordance with USPAP or more stringent statutory and district policies. Previous values resulting from protest hearings are individually reviewed to determine if the value remains appropriate for the current year based on market conditions.

Appraisal Performance tests used and performance measures attained

Statistical and Capitalization Analysis

Statistical analysis of final values is an essential component of quality control. This methodology represents a comparison of the final value against the standard and provides a concise measurement of the appraisal performance. Statistical comparisons of many different standards are used including sales of similar properties, the previous year's appraised value, audit trails, value change analysis and sales ratio analysis. Appraisal statistics of central tendency and dispersion generated from sales ratios are available for each property type. These summary statistics including, but not limited to, the weighted mean, standard deviation and coefficient of variation, provide the analysts an analytical tool by which to determine both the level and uniformity of appraised value of a particular property type. The level of appraised values can be determined by the weighted mean for individual properties within a specific type, and a comparison of weighted means can reflect the general level of appraised value. Review of the standard deviation and the coefficient of variation can discern appraisal uniformity within a specific property type.

The appraiser reviews every commercial property type annually through sales ratio analysis. The first phase involves ratio studies that compare the recent sales prices of properties to the appraised values of the sold properties. This set of ratio studies affords the analyst an excellent means of judging the present level of appraised value and uniformity of the appraised values. The appraiser, based on the sales ratio statistics and designated parameters for valuation update, makes a preliminary decision as to whether the value level of a particular property type needs to be updated in an upcoming reappraisal, or whether the level of market value is at an acceptable level.

Potential gross rent estimates, occupancy levels, secondary income, allowable expenses (inclusive of non-recoverables and replacement reserves), net operating income and capitalization rate and multipliers are continuously reviewed utilizing frequency distribution methods or other statistical procedures or measures. Income model conclusions are compared to actual information obtained on individual commercial properties during the hearings process as well as information from published sources and area vendors.

Sales Ratio Studies

Overall sales ratios are generated by property use type from the sales database within the appraisal module of the computer system. In many cases, field checks may be conducted to insure the ratios produced are accurate and the appraised values utilized are based on accurate property data characteristics. These ratio studies aid the appraiser by providing an indication of market activity by economic area or changing market conditions (appreciation or depreciation).

Comparative Appraisal Analysis

Appraisers perform an average unit value comparison in addition to a traditional ratio study. These studies are performed on commercially classed properties by property use type (such as apartment, office, retail and warehouse usage or special use). The objective to this evaluation is to determine appraisal performance of sold and unsold properties. Commercial appraisers examine average unit prices of sales and average unit appraised values of the same parcels and the comparison of average value changes of sold and unsold properties. These studies are conducted on properties located within various economic areas.

Industrial and Mineral Valuation Process

The Brown County Appraisal District contracts with the Thomas Y. Pickett appraisal firm to value the real and tangible personal property of its industrial properties along with the minerals located in Brown County. The appraisal district does not have the available personnel or resources to appraise these types of properties in-house.

The CAD appraisers work closely with the appraisal firm in order to notify the firm of new additions or new industrial properties in the area. Throughout the year, the appraisal staff will notify the firm of any new ownership changes obtained through the deed records and send them correspondence and renditions regarding these properties from the property owners.

After the Appraisal Review Board process is over, the firm sends the CAD the industrial and mineral values to be entered in real property, personal property or mineral modules within the computer system. A series of reports are run in order to assure the accuracy of the values entered into the system are matching the values the firm supplies.

Business Personal Property Valuation Process

INTRODUCTION

Appraisal Responsibility

There are four different personal property types appraised by the district's personal property section: Business Personal Property accounts; Leased Assets; Vehicles; and Multi-Location Assets. There are approximately 1700 business personal property accounts in Brown County.

Appraisal Resources

- **Personnel** - The personal property staff consists of an appraiser and clerical assistant.

- **Data** - A common set of data characteristics for each personal property account in Brown County is collected in the field and data entered to the district's computer. The property characteristic data drives the computer-assisted personal property appraisal system. The field data is collected by the personal property appraiser.

VALUATION APPROACH (Model Specification)

SIC Code Analysis

Four digit numeric codes, called Standard Industrial Classification (SIC) codes that were developed by the federal government. These classifications were used by Brown CAD to develop the locally specific codes which are used as a way to classify personal property by business type.

Highest and Best Use Analysis

The highest and best use of property is the reasonable and probable use that supports the highest present value as of the date of the appraisal. The highest and best use must be physically possible, legal, financially feasible, and productive to its maximum. The highest and best use of personal property is normally its current use.

DATA COLLECTION/VALIDATION

Data Collection Procedures

Personal property data collection procedures are published and distributed to all appraisers involved in the appraisal and valuation of personal property. The appraisal procedures are reviewed and revised to meet the changing requirements of field data collection.

Sources of Data

Business Personal Property

The district's property characteristic data was originally received from the Brown County Tax Assessor/Collector's records, and various school district records in 1981, and where absent, collected through a massive field data collection effort coordinated by the district over a period of time. Each year, district appraisers collect new data via an annual field drive-out. This project results in the discovery of new businesses not revealed through other sources. Discovery methods also include onsite inspections using location address listings from the current appraisal roll, information obtained from the Brown County's Clerk's office of assumed name registrations, Sales Tax Permit information from the State Comptroller's office, telephone directory information, and radio and television advertising. Tax assessors, city and local newspapers, and the public often provide the district information regarding new personal property and other useful facts related to property valuation. Renditions offer the largest bulk of information, providing expense data, sales data, and income information.

Vehicles

The Brown County Clerk's Office provides BCAD with a listing of vehicles within Brown County. The County develops this listing from the Texas Department of Transportation (DOT) Title and Registration Division records. Other sources of data include property owner renditions and field inspections.

Leased and Multi-Location Assets

The primary source of leased and multi-location assets is property owner renditions of property. Other sources of data include field inspections.

VALUATION AND STATISTICAL ANALYSIS (model calibration)

Cost Schedules

Owner renditions, hearings, state schedules, and published cost guides such as Marshall & Swift are utilized in valuing personal property. The cost schedules are reviewed as necessary to conform to changing market conditions. The schedules are typically in a price per square foot format, but some exception SIC's are in an alternate price per unit format, such as per room for hotels.

Statistical Analysis

Summary statistics including, but not limited to, the median, weighted mean, and standard deviation provide the appraisers an analytical tool by which to determine both the level and uniformity of appraised value by SIC code. Review of the standard deviation can discern appraisal uniformity within SIC codes.

Depreciation Schedule and Trending Factors:

Business Personal Property

Brown CAD's primary approach to the valuation of business personal property is the cost approach. The replacement cost new (RCN) is either developed from property owner reported historical cost or from Brown CAD developed valuation models. The trending factors used by Brown CAD to develop RCN are based on published valuation guides. The percent good depreciation factors used by Brown CAD are also based on published valuation guides. The index factors and percent good depreciation factors are used to develop present value factors (PVF), by year of acquisition.

Computer Assisted Personal Property Appraisal

The computer assisted valuation process has two main objectives:

1) Analyze and adjust existing SIC models.
2) Develop new models for business classifications not previously integrated into Personal Property Module.

The delineated sample is reviewed for accuracy of SIC code, square footage, field data, and original cost information. Models are created and refined using actual original cost data to derive a typical replacement cost new (RCN) per square foot for a specific category of assets. The RCN per square foot is depreciated by the estimated age using the depreciation table adopted for the tax year.

The personal property module consist of cost schedules which are used in the general business personal property valuation program to estimate the value of new accounts for which no property owner's rendition is filed. Schedules are also used for testing the valuation of property for which prior data years' data exist or for which current year rendered information is available. The calculated current year value or the prior year's value is compared to the indicated model value by the valuation program. If the value being tested is within an established acceptable percentage tolerance range of the model value, the account passes that range check and moves to the next valuation step. If the account fails the tolerance range check, it is flagged for individual review. Allowable tolerance ranges may be adjusted from year to year depending on the analysis of the results of the prior year.

Vehicles

Value estimates for vehicles and heavy trucks are based on NADA published book values or NADA truck guide. Vehicles that are not valued by the vendor are valued by an appraiser from published guides. Vehicles are matched to existing accounts and new accounts are created as needed. These vehicles are then valued by using the published guides.

Leased and Multi-Location Assets

Leased and multi-location assets are valued using the schedules mentioned above. If the asset to be valued in this category is a vehicle, then NADA published book values are used. Assets that are not valued by the vendor are valued by an appraiser using personal property schedules or published guides.

Brown County Appraisal District

Uniform Standards of Professional Appraisal Practice

Table of Contents

SECTION I

REAL ESTATE PROPERTY

USPAP STANDARDS RULE 6-7

REAL ESTATE VALUATION DEPARTMENT APPRAISAL SUMMARY REPORT

INTRODUCTION

Definition of Appraisal Responsibility: The Brown County Appraisal District, (Brown CAD hereinafter), is responsible for developing fair and uniform market values for real estate parcels within the District.

Legal and Statutory Requirements: The provisions of the Texas Property Tax Code and relevant legislative measures involving appraisal administration and procedures control the work of the Appraisal District. We are responsible for appraising property on the basis of its market value as of January 1 for ad valorem tax purposes for each taxing unit that imposes ad valorem taxes on property in the Appraisal District.

Administrative Requirements: Brown CAD follows the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures. Brown CAD also subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP). Any appraisal practices and procedures followed by Brown CAD not explicitly defined through IAAO or USPAP requirements are specified by the Texas Property Tax Code.

Appraisal Resources

Personnel: The Real Estate appraisal staff consists of Registered Professional Appraisers with the State of Texas who are qualified to provide the complete range of professional service.

Data: Common data characteristics for each property are collected in the field and entered in the Brown CAD computer data base.

Information Systems: Brown CAD offers a variety of systems for providing property owners and public entities with information services. The appraisers field many of the public's questions or redirect them to the proper department.

VALUATION APPROACH (MODEL SPECIFICATION)

Area Analysis: Data involving economic forces such as demographic, patterns, employment and income patterns, trends in real estate property prices and rents, interest rates, availability of property, economic and climatic factors that may affect production of rural lands, are collected from various sources. Any information particular to a given region or district helps the appraisal staff determine market conditions or trends that may affect market value.

Neighborhood and Market Analysis: Neighborhood analysis involves the examination of how physical, economic, governmental and social forces and other influences affect property values. The effect of these forces is used to identify, classify, and organize comparable properties into smaller, manageable subsets of the universe of properties known as neighborhoods. A neighborhood is defined by natural, man-made, or political boundaries and is established by a commonality based on land users, types and age of buildings or population, the desire for homogeneity, or similar factors.

Each neighborhood may be characterized as being in a stage of growth, stability, or decline. The growth period is a time of development and construction. In the period of stability, or equilibrium, the forces of supply and demand are about equal. The period of decline reflects diminishing demand or desirability. During decline general property use may change. Declining neighborhoods may become economically desirable again and experience renewal, reorganization, rebuilding, or restoration, marked by modernization and increasing demand. The appraisal staff must analyze whether a particular neighborhood is in a period of growth, stability, or decline and predict changes that will affect future use and value. In mass appraisal applications the information can be useful for comparing or combining neighborhoods or for developing neighborhood ratings, which are introduced as adjustments in mass appraisal models.

Site descriptions and analysis provide a description of the subject property and an analysis of factors that affect the market value of the site. Site analysis also provides a basis for allocating values to land and improvements, for analyzing comparable sales to determine the highest and best use of the site, and for estimating locational obsolescence. A description of the subject building and other improvements provides a basis for analysis of comparable sales and rents; for the development of capitalization rates or multipliers; for highest and best use analysis of the site as improved; and for estimation of reproduction or replacement cost new and physical and functional depreciation. The analysis should show how the factors relate to the utility and marketability of the

subject property, and, ultimately, its market value. The improvement analysis and the neighborhood analysis focus on similar considerations.

Highest and Best Use Analysis: Highest and best use analysis is the culmination of regional, neighborhood, and site analysis. All three are used to help the appraisal staff understand the factors affecting property values in the market being analyzed and the most probable use of the site in long-run economic equilibrium. Highest and best use is the reasonable and probable use that supports the highest present value as of the date of the appraisal. The highest and best use must be physically possible, legal, financially feasible, and productive to the maximum, that is, highest and best use. The analysis should be done as of the date of appraisal. Just as real estate values change, the highest and best use of a property may change over time

DATA COLLECTION/VALIDATION

Data Collection Manuals: Appraisal manuals are developed and distributed to all appraisers involved in the appraisal and valuation of real estate properties. The appraisal manual is reviewed and revised to meet the changing requirements of field data collection.

Sources of Data: The District's appraisal manual and schedules are maintained by the Brown CAD appraisal staff. Data used to perform appraisals are generally collected with a joint effort among appraisers and other Appraisal District staff. Physical inspections are performed by the appraisers for various situations whether it be a normal reappraisal, a reinspection requested by the owner, working building permits, etc.

Data Collection Procedures: Field data collection is coordinated and organized by the appraisers to insure uniformity in appraisal technique. The staff conducts field inspections and records information on a field appraisal card/worksheet. This data is entered into the respective computer database and serves as the basis for the valuation.

VALUUATION ANALYSIS

Cost Schedules: Brown CAD adopts existing cost schedules within it's District. "Marshall & Swift" is one of many sources used to adopt these schedules. Schedules are maintained and adjusted as needed to reflect the current market value conditions that are present in the district.

Market Adjustments: Depending upon the data provided by the sales ratio analysis, market value tables may be adjusted accordingly to reflect accurate market values within a particular class of property.

PERFORMANCE TESTS

An independent test of the appraisal performance of properties appraised by Brown CAD is conducted by the State of Texas Comptroller's Office through the annual Property Value Study for school funding purposes. This study determines the degree of uniformity and the median level of appraisal for real estate properties. School jurisdictions are given an opportunity to appeal any preliminary findings. After the appeal process is resolved, the Comptroller publishes a report of the findings of the study, including in the report the median level of appraisal, the coefficient of dispersion around the median level of appraisal and any other standard statistical measures the Comptroller considers appropriate.

SECTION II

PERSONAL, INDUSTRIAL, AND UTILITY PROPERTIES

USPAP STANDARDS RULE 6-7

PERSONAL PROPERTY VALUATION DEPARTMENT APPRAISAL SUMMARY REPORT

INTRODUCTION

Definition of Appraisal Responsibility: The Brown County Appraisal District, (Brown CAD hereinafter), is responsible for developing fair and uniform market values for industrial, utility and personal properties.

Legal and Statutory Requirements: The provisions of the Texas Property Tax Code and relevant legislative measures involving appraisal administration and procedures control the work of Brown CAD. Brown CAD is responsible for appraising property on the basis of its market value as of January 1 for ad valorem tax purposes for each taxing unit that imposes ad valorem taxes on property in the Appraisal District.

Administrative Requirements: Brown CAD follows the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures. Brown CAD also subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP). Any appraisal practices and procedures followed by Brown CAD not explicitly defined through IAAO or USPAP requirements are specified by the Texas Property Tax Code. Brown CAD contracts with a Professional Appraisal firm and they are responsible for producing mass-appraisal estimates of value for mineral, and most industrial and utility personal properties.

Appraisal Resources

Personnel: All personnel are Registered Professional Appraisers with the State of Texas or are currently working toward that registration.

Data: A set of data characteristics (i.e. original cost, year of acquisition, quantities, capacities, net operating income, property description, etc.) for each industrial, utility and personal property is collected from various sources and entered into the Brown CAD computer data base.

Information Systems: Brown CAD offers a variety of systems for providing property owners and public entities with information services. The appraisers field many of the public's questions or redirect them to the proper department.

VALUATION APPROACH (MODEL SPECIFICATION)

Concepts of Value: The valuation of industrial, utility and personal properties is not an exact science, and exact accuracy is not attainable due to many factors. These are considered complex properties. Nevertheless, standards of reasonable performance do exist, and there are reliable means of measuring and applying these standards.

The evaluation and appraisal of industrial, utility and personal property relies heavily on the discovery of the property followed by the application of recognized appraisal techniques. The property is subject to inflation and depreciation in all forms. The appraisal of industrial and personal property involves understanding a myriad of industrial processes. Utility properties are subject to regulation and economic obsolescence. The examination of utility property involves the understanding of the present value of future income, in a competitive or regulated environment.

The goal for valuation of industrial, utility and personal properties is to appraise all taxable property at "fair market value". Fair market value is defined by the Texas Property Tax Code as the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- Exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- 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
- Both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

Approaches to Value for Industrial, Utility and Personal Property

Cost Approach: The use of cost data in an appraisal for market value is based upon the economic principle of substitution. This method is most readily applicable to the appraisal of industrial and personal property

and some utility property. Under this method, the market value of property equals the value of the land plus the current cost of improvements less accrued depreciation. An inventory of the plant properties do change hands, it is generally through company mergers and acquisitions where other assets and intangibles in addition to the industrial, utility and personal property are involved.

In the case of industrial, utility and personal properties, a scarcity of sales requires that every evidence of market data be investigated and analyzed. Factors relative to the sale of these properties are:

- Plant capacity and current production;
- Terms of sale, cash or equivalent;
- Complexity of Property;
- Age of property;
- Proximity to other industry already operated by the purchaser; and
- Other factors such as capital investment in the property.

Income Approach: This approach to value most readily yields itself to utility appraisals. Data is readily available from annual reports submitted to regulatory agencies whereby future income may be estimated, and then this future income may be converted into an estimate of value. We call this a Unit Value. Many refer to this as a capitalization method, because capitalization is the process of converting an income stream into a capital sum (value). As with any method, the final value is no better than the reliability of the input data. The underlying assumption is that people purchase the property for the future income the property will yield. The relevant income that should be used is the expected future net operating income **after depreciation but before interest expense and Federal Income Taxes**. Assumptions of this method are:

- Past income and expenses are a consideration, insofar as it may be a guide to future income, subject to regulation and competition.
- The economic life of the property can be estimated.
- The future production, revenues and expenses can be accurately forecasted.
- Future income is less valuable than current income, and so future net income must be discounted to make it equivalent to the present income. This discount factor reflects the premium of present money over future money, i.e., interest rate, liquidity, investment management, and risk.

DATA COLLECTION/VALIDATION

Sources of Data: The main source of Brown CAD's property data for industrial and personal property is data collected from field work by the appraisers and from renditions by the property owners.

Data Collection Procedures: Electronic and field data collection requires organization, planning and supervision of the appraisal staff. Data collection procedures have been established for industrial and personal properties. Appraisers gather and record information in the computer data base, where customized programs serve as the basis for the valuation of industrial, utility and personal properties. While overall standards of performance are established and upheld for the appraisers, quality of data is emphasized as the goal and responsibility of each appraiser.

VALUATION ANALYSIS (MODEL CALIBRATION)

The validity of the values by Brown CAD income and cost approaches to value is tested against actual market transactions if and when these transactions and verifiable details of the transactions are disclosed to Brown CAD. These transactions are checked for meeting all requirements of fair market value definition, and are also compared to industry benchmarks. Appropriate revisions of schedules and industrial and personal property software are made and then tested prior to the appraisals being performed.

INDIVIDUAL VALUE REVIEW PROCEDURES

Individual property values are reviewed several times in the appraisal process. Brown CAD industrial, personal property software affords the appraiser the opportunity to review the value being generated. Often the appraiser is prompted to reevaluate some or all of the parameters of data entry so as to arrive at a value more indicative of industry standards. Examples of indicators are original cost, replacement cost, service life, age, net operating income, capitalization rate, etc. In addition to appraiser review, taxpayers are afforded the opportunity to review the appraised values, either before or after Notices of Appraised Value are prepared. Taxpayers, agents and representatives routinely meet with Brown CAD appraisers to review parameters and to provide data not readily available to Brown CAD through public or commercial sources, such as investment costs and capitalization rate studies. And of course, all property values are subject to review through normal protest and Appraisal Review Board procedures.

PERFORMANCE TESTS

An independent test of the appraisal performance of properties appraised by Brown CAD is conducted by the State of Texas Comptroller's Office through the Annual Property Value Study for school funding purposes. This Study determines the degree of uniformity and the median level of appraisal for industrial and personal property. School jurisdictions are given an opportunity to appeal any preliminary findings. After the appeal process is resolved, the Comptroller publishes a report of the findings of the study, including in the report the median level of appraisal, the coefficient of dispersion around the median level of appraisal and any other standard statistical measures the Comptroller considers appropriate.

SECTION III

Subchapter A. Appraisals Generally

Sec. 23.01. Appraisals Generally.

(a) Except as otherwise provided by this chapter, all taxable property is appraised at its market value as of January 1.

(b) The market value of property shall be determined by the application of generally accepted appraisal methods and techniques. If the appraisal district determines the appraised value of a property using mass appraisal standards, the mass appraisal standards must comply with the Uniform Standards of Professional Appraisal Practice. The same or similar appraisal methods and techniques shall be used in appraising the same or similar kinds of property. However, each property shall be appraised based upon the individual characteristics that affect the property's market value.

Amended by 1985 Tex. Laws, p. 6151, ch. 823, Sec. 5.

Cross References

Notes

SECTION IV

STANDARD 6: MASS APPRAISAL, DEVELOPMENT AND REPORTING

In developing a mass appraisal, an appraiser must be aware of, understand, and correctly employ those recognized methods and techniques necessary to produce and communicate credible mass appraisals.

Comment: STANDARD 6 applies to all mass appraisals of real or personal property regardless of the purpose or use of such appraisals. STANDARD 6 is directed toward the **su**bstantive aspects of developing and communicating credible analyses, opinions, and conclusions in the mass appraisal of properties. Mass appraisals can be prepared with or without computer assistance. The reporting and jurisdictional exceptions applicable to public **m**ass appraisals prepared for ad valorem taxation do not apply to mass appraisals prepared for other purposes.

A mass appraisal includes:

1) identifying properties to be appraised;
2) defining market area of consistent behavior that applies to properties;
3) identifying characteristics (supply and demand) that affect the creation of value in
4) that market area;
5) developing a model structure that reflects the relationship among the characteristics
6) affecting value in the market area;
7) calibrating the model structure to determine the contribution of the individual
8) **ch**aracteristics affecting value;
9) applying the conclusions reflected in the model to the characteristics of the
10) property(ies) being appraised; and
11) reviewing the mass appraisal results.

The JURISDICTIONAL EXCEPTION RULE may apply to several sections of STANDARD 6 because ad valorem tax administration is subject to various state, county, and municipal laws.

Standards Rule 6-1

In developing a mass appraisal, an appraiser must:

(a) be aware of, understand, and correctly employ those recognized methods and techniques necessary to produce a credible mass appraisal;

Comment: Mass appraisal provides for a systematic approach and uniform application of appraisal methods and techniques to obtain estimates of value that allow for statistical review and analysis of results.

This requirement recognizes that the principle of change continues to affect the manner in which appraisers perform mass appraisals. Changes and developments in the real property and personal property fields have a substantial impact on the appraisal profession.

To keep abreast of these changes and developments, the appraisal profession is constantly reviewing and revising appraisal methods and techniques and devising new methods and techniques to meet new circumstances. For this reason it is not sufficient for appraisers to simply maintain the skills and the knowledge they possess when they become appraisers. Each appraiser must continuously improve his or her skills to remain proficient in mass appraisal.

(b) not commit a substantial error of omission or commission that significantly affects a mass appraisal; and

Comment: An appraiser must use sufficient care to avoid errors that would significantly affect his or her opinions and conclusions. Diligence is required to identify and analyze the factors, conditions, data, and other information that would have a significant effect on the credibility of the assignment results.

(c) not render a mass appraisal in a careless or negligent manner.

Comment: Perfection is impossible to attain, and competence does not require perfection. However, an appraiser must not render appraisal services in a careless or negligent manner. This Standards Rule requires an appraiser to use due diligence and due care.

Standards Rule 6-2

In developing a mass appraisal, an appraiser must:

(a) identify the client and other intended users;

(b) identify the intended use of the appraisal;

Comment: An appraiser must not allow the intended use of an assignment or a client's objectives to cause the assignment results to be biased.

(c) identify the type and definition of value, and, if the value opinion to be developed is market value, ascertain whether the value is to be the most probable price:

(i) in terms of cash; or

(ii) in terms of financial arrangements equivalent to cash; or

(iii) in such other terms as may be precisely defined; and

(iv) if the opinion of value is based on non-market financing or financing with unusual conditions or incentives, the terms of such financing must be clearly identified and the appraiser's opinion of their contributions to or negative influence on value must be developed by analysis of relevant market data;

Comment: For certain types of appraisal assignments in which a legal definition of market value has been established and takes precedence, the JURISDICTIONAL EXCEPTION RULE may apply.

(d) identify the effective date of the appraisal;

(e) identify the characteristics of the properties that are relevant to the type and definition of value and intended use, including:

(i) the group with which a property is identified according to similar market influence;

(ii) the appropriate market area and time frame relative to the property being valued; and

(iii) their location and physical, legal, and economic characteristics;

Comment: The properties must be identified in general terms, and each individual property in the universe must be identified, with the information on its identity stored or referenced in its property record.

When appraising proposed improvements, an appraiser must examine and have available for future examination, plans, specifications, or other documentation sufficient to identify the extent and character of the proposed improvements.

Ordinarily, proposed improvements are not appraised for ad valorem tax purposes. Appraisers, however, are sometimes asked to provide opinions of value of proposed improvements so that developers can estimate future property tax burdens. Sometimes units in condominiums and planned unit developments are sold with an interest in unbuilt community property, the pro rata value of which, if any, must be considered in the analysis of sales data.

(f) mass appraisal including:

(i) location of the market area

(ii) physical, legal, and economic attributes

(iii) time frame of market activity; and

(iv) property interests reflected in the market;

(g) in appraising real property or personal property;

(i) identify the appropriate market area and time frame relative to the property being valued;

(ii) when the subject is real property, identify and consider any person property, trade fixtures, or intangibles that are not real property but are included in the appraisal;

(iii) when the subject is personal property, identify and consider any real property or intangibles that are not personal property but are included in the appraisal;

(iv) identify known easements, restrictions, encumbrances, leases, reservations, convenants, contracts, declarations, special assessments, ordinances, or other items of similar nature; and

(v) identify and analyze whether an appraised fractional interest, physical segment or partial holding contributes pro rata to the value of the whole;

Comment: The above requirements do not obligate the appraiser to value the whole when the subject of the appraisal is a fractional interest, physical segment, or a partial holding. However, if the value of the whole is not identified, the appraisal must clearly reflect that the value of the property being appraised cannot be used to develop the value opinion of the whole by mathematical extension.

(h) analyze the relevant economic conditions at the time of the valuation, including market acceptability of the property and supply, demand, scarcity, or rarity;

(i) identify any extraordinary assumptions and any hypothetical conditions necessary in the assignment; and

Comment: An extraordinary assumption may be used in an assignment only if:

- it is required to properly develop credible opinions and conclusions;
- the appraiser has a reasonable basis for the extraordinary assumption;
- use of the extraordinary assumption results in a credible analysis; and
- the appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

A hypothetical condition may be used in an assignment only if:

- use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- use of the hypothetical condition results in a credible analysis; and
- the appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

(j) determine the scope of work necessary to produce credible assignment results in accordance with the SCOPE OF WORK RULE.

Standards Rule 6-3

When necessary for credible assignment results, an appraiser must:

(a) in appraising real property, identify and analyze the effect on use and value of the following factors: existing land use regulations, reasonably probable modifications of such regulations, economic supply and demand, the physical adaptability of the real estate, neighborhood trends, and highest and best use of the real estate; and

Comment: This requirement sets forth a list of factors that affect use and value. In considering neighborhood trends, an appraiser must avoid stereotyped or biased assumptions relating to race, age, color, gender, or national origin or an assumption that race, ethnic, or religious homogeneity is necessary to maximize value in a neighborhood.

Further, an appraiser must avoid making an unsupported assumption or premise about neighborhood decline, effective age, and remaining life. In considering highest and best use, an appraiser must develop the concept to the extent required for a proper solution to the appraisal problem.

(b) **in appraising personal property: identify and analyze the effects on use and value of industry trends, value-in-use, and trade level of personal property. Where applicable, analyze the current use and alternative uses to encompass what is profitable, legal, and physically possible, as relevant to the type and definition of value and intended use of the appraisal. Personal property has several measurable marketplaces; therefore, the appraiser must define and analyze the appropriate market consistent with the type and definition of value.**

Comment: The appraiser must recognize that there are distinct levels of trade and each may generate its own data. For example, a property may have a different value at a wholesale level of trade, a retail level of trade, or under various auction conditions. Therefore, the appraiser must analyze the subject property within the correct market context.

Standards Rule 6-4

In developing a mass appraisal, an appraiser must:

(a) identify the appropriate procedures and market information required to perform the appraisal, including all physical, functional, and external market factors as they may affect the appraisal;

Comment: Such efforts customarily include the development of standardized data collection forms, procedures, and training materials that are used uniformly on the universe of properties under consideration.

(b) employ recognized techniques for specifying property valuation models; and

Comment: The formal development of a model in a statement or equation is called model specification. Mass appraisers must develop mathematical models that, with reasonable accuracy, represent the relationship between property value and supply and demand factors, as represented by quantitative and qualitative property characteristics. The models may be specified using the cost, sales comparison, or income approaches to value. The specification format may be tabular, mathematical, linear, nonlinear, or any other structure suitable for representing the observable property characteristics. Appropriate approaches must be used in appraising a class of properties. The concept of recognized techniques applies to both real and personal property valuation models.

(c) employ recognized techniques for calibrating mass appraisal models.

Comment: Calibration refers to the process of analyzing sets of property and market data to determine the specific parameters of a model. The table entries in a cost manual are examples of calibrated parameters, as well as the coefficients in a linear or nonlinear model. Models must be calibrated using recognized techniques, including, but not limited to, multiple linear regression, nonlinear regression, and adaptive estimation.

Standards Rule 6-5

In developing a mass appraisal, when necessary for credible assignment results, an appraiser must:

(a) collect, verify, and analyze such data as are necessary and appropriate to develop:

(i) the cost new of the improvements;

(ii) accrued depreciation;

(iii) value of the land by sales of comparable properties;

(iv) value of the property by sales of comparable properties;

(v) value by capitalization of income or potential earnings - i.e., rentals, expenses, interest rates, capitalization rates, and vacancy data;

Comment: This Standards Rule requires appraisers engaged in mass appraisal to take reasonable steps to ensure that the quantity and quality of the factual data that are collected are sufficient to produce credible appraisals. For example, in real property, where applicable and feasible, systems for routinely collecting and maintaining ownership, geographic, sales, income and expense, cost, and property characteristics data must be established. Geographic data must be contained in as complete a set of cadastral maps as possible, compiled according to current standards of detail and accuracy. Sales data must be collected, confirmed, screened, adjusted, and filed according to current standards of practice. The sales file must contain, for each sale, property characteristics data that are contemporaneous with the date of sale. Property characteristics data must be appropriate and relevant to the mass appraisal models being used. The property characteristics data file must contain data contemporaneous with the date of appraisal including historical data on sales, where appropriate and available. The data collection program must incorporate a quality control program, including checks and audits of the data to ensure current and consistent records.

(b) base estimates of capitalization rates and projections of future rental rates and/or potential earnings capacity, expenses, interest rates, and vacancy rates on reasonable and appropriate evidence;

Comment: This requirement calls for an appraiser, in developing income and expense statements and cash flow projections, to weigh historical information and trends, current market factors affecting such trends, and reasonably anticipated events, such as competition from developments either planned or under construction.

(c) identify and, as applicable, analyze terms and conditions of any available leases; and

(d) identify the need for and extent of any physical inspection.

Standards Rule 6-6

When necessary for credible assignment results in applying a calibrated mass appraisal model an appraiser must:

(a) value improved parcels by recognized methods or techniques based on the cost approach, the sales comparison approach, and income approach;

(b) value sites by recognized methods or techniques; such techniques include but are not limited to the sales comparison approach, allocation method, abstraction method, capitalization of ground rent, and land residual technique;

(c) when developing the value of a leased fee estate or a leasehold estate, analyze the effect on value, if any, of the terms and conditions of the lease;

Comment: In ad valorem taxation the appraiser may be required by rules or law to appraise the property as if in fee simple, as though unencumbered by existing leases. In such cases, market rent would be used in the appraisal, ignoring the effect of the individual, actual contract rents.

(d) analyze the effect on value, if any, of the assemblage of the various parcels, divided interests, or component parts of a property; the value of the whole must not be developed by adding together the individual values of the various parcels, divided interests, or component parts; and

Comment: When the value of the whole has been established and the appraiser seeks to value a part, the value of any such part must be tested by reference to appropriate market data and supported by an appropriate analysis of such data.

(e) when analyzing anticipated public or private improvements, located on or off the site, analyze the effect on value, if any, of such anticipated improvements to the extent they are reflected in market actions.

Standards Rule 6-7

In reconciling a mass appraisal an appraiser must:

(a) reconcile the quality and quantity of data available and analyzed within the approaches used and the applicability and relevance of the approaches, methods and techniques used; and

(b) employ recognized mass appraisal testing procedures and techniques to ensure that standards of accuracy are maintained.

Comment: It is implicit in mass appraisal that, even when properly specified and calibrated mass appraisal models are used, some individual value conclusions will not meet standards of reasonableness, consistency, and accuracy. However, appraisers engaged in mass appraisal have a professional responsibility to ensure that, on an overall basis, models produce value conclusions that meet attainable standards of accuracy. This responsibility requires appraisers to evaluate the performance of models, using techniques that may include but are not limited to, goodness-of-fit statistics, and model performance statistics such as appraisal-to-sale ratio studies, evaluation of hold-out samples, or analysis of residuals.

Standards Rule 6-8

A written report of a mass appraisal must clearly communicate the elements, results, opinions, and value conclusions of the appraisal.

Each written report of a mass appraisal must:

(a) clearly and accurately set forth the appraisal in a manner that will not be misleading;

(b) contain sufficient information to enable the intended users of the appraisal to understand the report properly;

Comment: Documentation for a mass appraisal for ad valorem taxation may be in the form of (1) property records, (2) sales ratios and other statistical studies, (3) appraisal manuals and documentation, (4) market studies, (5) model building documentation, (6) regulations, (7) statutes, and (8) other acceptable forms.

(c) clearly and accurately disclose all assumptions, extraordinary assumptions, hypothetical conditions, and limiting conditions used in the assignment;

Comment: The report must clearly and conspicuously:

- state all extraordinary assumptions and hypothetical conditions; and
- state that their use might have affected the assignment results.

(d) state the identity of the client and any intended users, by name or type;

(e) state the intended use of the appraisal;

(f) disclose any assumptions or limiting conditions that result in deviation from recognized methods and techniques or that affect analyses, opinions, and conclusions;

(g) set forth the effective date of the appraisal and the date of the report;

Comment: In ad valorem taxation the effective date of the appraisal may be prescribed by law. If no effective date is prescribed by law, the effective date of the appraisal, if not stated, is presumed to be contemporaneous with the data and appraisal conclusions.

The effective date of the appraisal establishes the context for the value opinion, while the date of the report indicates whether the perspective of the appraiser on the market and property as of the effective date of the appraisal was prospective, current, or retrospective.

(h) state the type and definition of value and cite the source of the definition;

Comment: Stating the type and definition of value also requires any comments needed to clearly indicate to intended users how the definition is being applied.

When reporting an opinion of market value, state whether the opinion of value is:

- In terms of cash or of financing terms equivalent to cash; or
- Based on non-market financing with unusual conditions or incentives.

When an opinion of market value is not in terms of cash or based on financing terms equivalent to cash, summarize the terms of such financing and explain their contributions to or negative influence on value.

(i) identify the properties appraised including the property rights;

Comment: The report documents the sources for location, describing and listing the property. When applicable, include references to legal descriptions, addresses, parcel identifiers, photos, and building sketches. In mass appraisal this information is often included in property

records. When the property rights to be appraised are specified in a statute or court ruling, the law must be referenced

(j) describe the scope of work used to develop the appraisal; exclusion of the sales comparison approach, cost approach, or income approach must be explained;

Comment: Because intended users' reliance on an appraisal may be affected by the scope of work, the report must enable them to be properly informed and not misled. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

When any portion of the work involves significant mass appraisal assistance, the appraiser must describe the extent of that assistance. The signing appraiser must also state the name(s) of those providing the significant mass appraisal assistance in the certification, in accordance with Standards Rule 6-9.

(k) describe and justify the model specification(s) considered, data requirements, and the model(s) chosen;

Comment: The appraiser must provide sufficient information to enable the client and intended users to have confidence that the process and procedures used conform to accepted methods and result in credible value conclusions. In the case of mass appraisal for ad valorem taxation, stability and accuracy are important to the credibility of value opinions. The report must include a discussion of the rationale for each model, the calibration techniques to be used, and the performance measures to be used.

(l) describe the procedure for collecting, validating, and reporting data;

Comment: The report must describe the sources of data and the data collection and validation processes. Reference to detailed data collection manuals must be made, as appropriate, including where they may be found for inspection.

(m) describe calibration methods considered and chosen, including the mathematical form of the final model(s); describe how value conclusions were reviewed; and, if necessary, describe the availability of individual value conclusions;

(n) when an opinion of highest and best use, or the appropriate market or market level was developed, discuss how that opinion was determined;

Comment: The mass appraisal report must reference case law, statute, or public policy that describes highest and best use requirements. When actual use is the requirement, the report

must discuss how use-value opinions were developed. The appraiser's reasoning in support of the highest and best use opinion must be provided in the depth and detail required by its significance to the appraisal.

(o) identify the appraisal performance tests used and set forth the performance measures attained;

(p) describe the reconciliation performed, in accordance with Standards Rule 6-7; and

(q) include a signed certification in accordance with Standards Rule 6-9.

Standards Rule 6-9

Each written mass appraisal report must contain a signed certification that is similar in content to the following form:

I certify that, to the best of my knowledge and belief:

- **--- the statements of fact contained in this report are true and correct.**
- **--- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.**
- **— I have no (or the specified) present or prospective interest in the property that is the subject of this report, and I have no (or the specified) personal interest with respect to the parties involved.**
- **— I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.**
- **— my engagement in this assignment was not contingent upon developing or reporting predetermined results.**
- **— my compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.**
- **— my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice.***
- **— I have (or have not) made a personal inspection of the properties that are the subject of this report. (If more than one person signs the report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)[70]**
- **— no one provided significant mass appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant mass appraisal assistance must be stated.)**

Comment: The above certification is not intended to disturb an elected or appointed assessor's work plans or oaths of office. A signed certification is an integral part of the appraisal report. An appraiser, who signs any part of the mass appraisal report, including a letter of transmittal, must also sign this certification.

In an assignment that includes only assignment results developed by the real property appraiser(s), any appraiser(s) who signs a certification accepts full responsibility for all elements of the certification, for the assignment results, and for the contents of the appraisal

report. In an assignment that includes personal property assignment results not developed by the real property appraiser(s), any real property appraiser(s) who signs a certification accepts full responsibility for the real property elements of the certification, for the real property assignment results, and for the real property contents of the appraisal report.

In an assignment that includes only assignment results developed by the personal property appraiser(s), any appraiser(s) who signs a certification accepts full responsibility for all elements of the certification, for the assignment results, and for the contents of the appraisal report. In an assignment that includes real property assignment results not developed by the personal property appraiser(s), any personal property appraiser(s) who signs a certification personal property assignment results, and for the personal property contents of the appraisal report.

When a signing appraiser(s) has relied on work done by appraisers and others who do not sign the certification, the signing appraiser is responsible for the decision to rely on their work. The signing appraiser(s) is required to have a reasonable basis for believing that those individuals performing the work are competent. The signing appraiser(s) also must have no reason to doubt that the work of those individuals is credible.

The names of individuals providing significant mass appraisal assistance who do not sign a certification must be stated in the certification. It is not required that the description of their assistance be contained in the certification, but disclosure of their assistance is required in accordance with Standards Rule 6-8(j).

NOTE TO APPRAISERS

In applying the following schedules, keep in mind that the percentage correction factors are to be used as minimum guidelines. Obviously, there are other factors in the market that determine market value. The Appraiser should be aware of any factors or influences that could affect market value, and using good sound judgment, be able to make adjustments to "percent good" to accurately reflect market value.

RESIDENTIAL

Class 01 Residential Houses

CONSTRUCTION:	Below minimum building code requirements.
FOUNDATION:	Blocks, piers, minimum concrete slab.
FLOORING:	Minimum structure with low quality covering.
EXTERIOR:	Low quality frame.
INTERIOR:	Inexpensive drywall; kitchen, bath, closets, doors, hardware, moldings, & paint substandard. No built-ins.
ROOFING:	Inexpensive material with lightweight composition shingles or roll roofing.
HEATING:	Gas outlets or gravity furnace.
ELECTRICAL:	Inadequate number of outlets and low cost fixtures.
PLUMBING:	Five or less low quality, inexpensive fixtures.

CLASS 01 RESIDENTIAL SCHEDULE

CLASS/AREA	01	01-	01+
< = 599	32.57	31.84	33.32
600 – 699	31.46	30.74	31.88
700 – 799	30.53	29.84	30.92
800 - 899	29.73	29.06	30.10
900 – 999	29.02	28.36	29.38
1000 – 1,099	28.40	27.77	28.75
1,100 – 1,199	27.85	27.22	28.17
1,200 – 1,299	27.35	26.73	27.67
1,300 – 1,399	26.89	26.29	27.20
1,400 – 1,499	26.09	25.51	26.38
1,500 – 1,599	25.41	24.83	25.68
1,600 >	24.81	24.56	25.07

FEATURE TYPE DEVIATIONS: Exterior Wall – HP (Hardi-board siding) – Add $2.00/sq ft
Heating/Cooling – CHCA – Add $1.20/sq ft

NOTE: Class 01- allows for properties not quite meeting typical specifications in this property class
Class 01+ allows for properties exceeding the specifications in this property class

Class 02 Residential Houses

CONSTRUCTION:	Low cost with minimum requirements.
FOUNDATION:	Blocks, piers, minimum requirement concrete slab.
FLOORING:	Low cost structure with low quality covering.
EXTERIOR:	Minimum quality frame.
INTERIOR:	Minimum quality drywall, doors, hardware, moldings & paint; Minimum requirements in kitchen & baths with small closets; No built-ins.
ROOFING:	Lightweight composition shingles or roll roofing.
HEATING:	Gas outlets or gravity furnace.
ELECTRICAL:	Low cost fixtures and minimum outlets.
PLUMBING:	Low quality with five or less minimum quality fixtures.

CLASS 02 RESIDENTIAL SCHEDULE

CLASS/AREA	02	02-	02+
< = 599	35.65	34.94	36.27
600 – 699	34.65	33.96	35.24
700 – 799	33.80	33.13	34.37
800 - 899	33.07	32.42	33.62
900 – 999	32.44	31.79	32.97
1,000 – 1,099	31.88	31.24	32.38
1,100 – 1,199	31.37	30.83	31.86
1,200 – 1,299	30.91	30.29	31.38
1,300 – 1,399	30.48	29.87	30.96
1,400 – 1,499	30.10	29.49	30.56
1,500 – 1,599	29.75	29.15	30.20
1,600 – 1,699	29.41	28.82	29.85
1,700 – 1,799	29.11	28.52	29.54
1,800 – 1,899	28.54	27.97	28.96
1,900 – 1,999	28.04	27.49	28.45
2,000 – 2,199	27.60	27.05	27.99
2,200 – 2,399	27.19	26.65	27.58
2,400 >	26.83	26.29	27.19

FEATURE TYPE DEVIATIONS: Exterior Wall – HP (Hardi-board siding) – Add $2.00/sq ft
Heating/Cooling – CHCA – Add $1.20/sq ft

NOTE: Class 02- allows for properties not quite meeting typical specifications in this property class
Class 02+ allows for properties exceeding the specifications in this property class

Class 03 Residential Houses

CONSTRUCTION:	Fair quality low cost construction.
FOUNDATION:	Piers or concrete slab.
FLOORING:	Fair quality structure with fair quality covering.
EXTERIOR:	Fair quality frame with less expensive siding.
INTERIOR:	Drywall finished; kitchen, bath, and closets are adequate; Doors, hardware, moldings, & paint are all fair quality at minimum. Minimal built-ins.
ROOFING:	Lightweight composition shingles or low cost metal.
HEATING:	Gas outlets or gravity furnace.
ELECTRICAL:	Minimum inexpensive outlets.
PLUMBING:	Six or less fair quality fixtures.

CLASS 03 RESIDENTIAL SCHEDULE

CLASS/AREA	03	03-	03+
< = 999	37.99	37.23	38.79
1,000 – 1,099	37.37	36.62	38.15
1,100 – 1,199	36.75	36.02	37.51
1,200 – 1,299	36.22	35.50	36.97
1,300 – 1,399	35.74	35.03	36.47
1,400 – 1,499	35.29	34.58	36.01
1,500 – 1,599	34.88	34.18	35.59
1,600 – 1,699	34.50	33.81	35.19
1,700 – 1,799	34.14	33.46	34.82
1,800 – 1,899	33.81	33.13	34.47
1,900 – 1,999	33.49	32.82	34.16
2,000 – 2,199	32.92	32.26	33.85
2,200 – 2,399	32.41	31.76	33.03
2,400 – 2,599	31.94	31.30	32.55
2,600 – 2,799	31.51	30.88	32.11
2,800 – 2,999	31.12	30.50	31.70
3,000 >	30.75	30.14	31.33

FEATURE TYPE DEVIATIONS: Exterior Wall – HP (Hardi-board siding) – Add $2.00/sq ft
Heating/Cooling – CHCA – Add $1.20/sq ft

NOTE: Class 03- allows for properties not quite meeting typical specifications in this property class
Class 03+ allows for properties exceeding the specifications in this property class

Class 04 Residential Houses

CONSTRUCTION:	Fair quality construction with minimum requirements of lending institutions or better.
FOUNDATION:	Piers or concrete slab.
FLOORING:	Fair quality structure with carpet, hardwood and/or tile.
EXTERIOR:	Frame, siding at minimum fenestration.
INTERIOR:	Finished drywall; kitchen, bath, closets, doors, hardware, moldings, & paint fair quality; Adequate built-ins.
ROOFING:	Composition shingles or metal.
HEATING:	Central; gravity furnace.
ELECTRICAL:	Adequate, inexpensive outlets.
PLUMBING:	Six or more fair quality or more inexpensive fair quality fixtures.

CLASS 04 RESIDENTIAL SCHEDULE

CLASS/AREA	04	04-	04+
< = 1,199	46.21	45.29	47.32
1,200 – 1,299	45.58	44.67	46.67
1,300 – 1,399	44.96	44.06	46.02
1,400 – 1,499	44.44	43.55	45.48
1,500 – 1,599	43.91	43.03	44.93
1,600 – 1,699	43.46	42.59	44.46
1,700 – 1,799	43.00	42.14	43.99
1,800 – 1,899	42.59	41.74	43.56
1,900 – 1,999	42.20	41.36	43.16
2,000 – 2,099	41.84	41.02	42.78
2,100 – 2,199	41.49	40.66	42.43
2,200 – 2,399	40.86	40.04	41.77
2,400 – 2,599	40.28	39.47	41.17
2,600 – 2,799	39.75	38.96	40.62
2,800 – 2,999	39.27	38.48	40.12
3,000 – 3,199	38.82	38.04	39.66
3,200 - 3,399	38.41	37.64	39.23
3,400 - 3,599	38.02	37.26	38.83
3,600 >	37.65	36.90	38.45

FEATURE TYPE DEVIATIONS: Exterior Wall – HP (Hardi-board siding) – Add $2.00/sq ft
Heating/Cooling – CHCA – Add $1.50/sq ft

NOTE: Class 04- allows for properties not quite meeting typical specifications in this property class
Class 04+ allows for properties exceeding the specifications in this property class

Class 05 Residential Houses

CONSTRUCTION:	Above average, quality construction exceeding bldg. requirements.
FOUNDATION:	Pier & Beam, concrete slab—good quality construction.
FLOORING:	Good quality structure- good quality carpet, hardwood, tile.
EXTERIOR:	Frame, good quality siding. Good fenestration -ornamental design.
INTERIOR:	Well finished drywall; Kitchens, baths, closets-ample size; doors, hardware, moldings, paint are of good quality materials. More than adequate built-ins.
ROOFING:	Good quality wood shingles, composition, metal.
HEATING:	Central heat /central air conditioning. Good constructed fireplace.
ELECTRICAL:	Good quality fixtures.
PLUMBING:	Nine or more good quality fixtures.

CLASS 05 RESIDENTIAL SCHEDULE

CLASS/AREA	05	05-	05+
< = 1,399	59.55	58.37	61.02
1,400 – 1,499	58.82	57.64	60.25
1,500 – 1,599	58.08	56.91	59.47
1,600 – 1,699	57.44	56.30	58.79
1,700 – 1,799	56.79	55.66	58.12
1,800 – 1,899	56.23	55.11	57.54
1,900 – 1,999	55.67	54.56	56.96
2,000 – 2,099	55.18	54.08	56.44
2,100 – 2,199	54.68	53.59	55.92
2,200 – 2,299	54.22	53.13	55.55
2,300 – 2,399	53.79	52.71	54.98
2,400 – 2,599	52.98	51.92	54.14
2,600 – 2,799	52.24	51.19	53.37
2,800 – 2,999	51.57	50.53	52.67
3,000 – 3,199	50.94	49.92	52.02
3,200 – 3,499	50.38	49.37	51.44
3,500 - 3,599	49.82	48.82	50.84
3,600 - 3,799	49.31	48.32	50.31
3,800 - 3,999	48.84	47.86	49.82
4,000 >	48.39	47.41	49.36

FEATURE TYPE DEVIATIONS: Exterior Wall – HP (Hardi-board siding) – Add $2.00/sq ft
Heating/Cooling – CHCA – Add $1.50/sq ft

NOTE: Class 05- allows for properties not quite meeting typical specifications in this property class
Class 05+ allows for properties exceeding the specifications in this property class

Class 5E Residential Houses

Exceeds all specifications of Class 1 through Class 5 houses.

Residences are usually custom designed with unique architectural aspects. They have a high quality of workmanship, finishes and appointments with considerable attention to detail.

Fenestration is well designed with high-quality sash. Many custom ornamentations and trim-work. High quality frame siding is used.

CLASS 05E RESIDENTIAL SCHEDULE

CLASS/AREA	05E
< = 1,199	89.73
1,200 – 1,399	87.97
1,400 – 1,599	86.24
1,600 – 1,799	84.52
1,800 – 1,899	83.78
1,900 – 1,999	83.03
2,000 – 2,099	82.36
2,100 – 2,199	81.69
2,200 – 2,299	81.09
2,300 – 2,399	80.49
2,400 – 2,599	79.40
2,600 – 2,799	78.40
2,800 – 2,999	77.48
3,000 – 3,199	76.64
3,200 – 3,499	75.88
3,500 – 3,599	75.11
3,600 - 3,799	74.43
3,800 - 3,999	73.78
4,000 - 4,199	73.16
4,200 - 4,399	72.59
4,400 >	71.52

FEATURE TYPE DEVIATIONS: Exterior Wall – HP (Hardi-board siding) – Add $2.00/sq ft
Heating/Cooling – CHCA – Add $1.50/sq ft




Class 06 Residential Houses

CONSTRUCTION:	Average quality-meets or exceeds minimum construction req.
FOUNDATION:	Pier & Beam or concrete slab.
FLOORING:	Average quality structure-average quality carpet, tile, or linoleum.
EXTERIOR:	Brick Veneer—average fenestration with little ornamentation.
INTERIOR:	Finished drywall with inexpensive, average-quality wallpaper or paneling; kitchen, baths, closets, doors, hardware, moldings, and paint are adequate & average quality. Average fireplace. Adequate built-ins.
ROOFING:	Average quality composition shingles.
HEATING:	Central; stoves; furnace.
ELECTRICAL:	Adequate outlets; inexpensive fixtures.
PLUMBING:	Seven average quality fixtures.

CLASS 06 RESIDENTIAL SCHEDULE

CLASS/AREA	06	06-	06+
< = 999	39.83	39.03	40.63
1,000 – 1,099	38.84	38.06	39.62
1,100 – 1,199	37.94	37.18	38.70
1,200 – 1,299	37.14	36.40	37.88
1,300 – 1,399	36.41	35.68	37.14
1,400 – 1,499	35.77	35.05	36.49
1,500 – 1,599	35.13	34.43	35.83
1,600 – 1,699	34.59	33.90	35.28
1,700 – 1,799	34.04	33.36	34.72
1,800 – 1,899	33.57	32.90	34.24
1,900 – 1,999	33.10	32.44	33.76
2,000 – 2,099	32.69	32.04	33.34
2,100 – 2,199	32.27	31.62	32.92
2,200 – 2,399	31.53	30.90	32.16
2,400 >	30.86	30.24	31.48

FEATURE TYPE DEVIATIONS: Heating/Cooling – CHCA – Add $1.50/sq ft

NOTE: Class 06- allows for properties not quite meeting typical specifications in this property class
Class 06+ allows for properties exceeding the specifications in this property class

Class 07 Residential Houses

CONSTRUCTION:	Average quality—Exceeds minimum construction standards.
FOUNDATION:	Pier & Beam; Concrete slab.
FLOORING:	Average quality structure-average quality carpet, tile, linoleum.
EXTERIOR:	Brick Veneer—Ample fenestration with moderate ornamentation.
INTERIOR:	Finished drywall with average quality wallpaper or paneling; average quality kitchen, bath, closets, doors, hardware, moldings, & paint. Ample built-ins. Average quality fireplace.
ROOFING:	Average wood, metal or composition shingles.
HEATING:	Central Heat/ Central Air
ELECTRICAL:	Ample outlets; average cost fixtures.
PLUMBING:	Seven or more average quality fixtures.

CLASS 07 RESIDENTIAL SCHEDULE

CLASS/AREA	07	07-	07+
< = 1,199	44.27	43.38	45.16
1,200 – 1,299	43.48	42.61	44.35
1,300 – 1,399	42.76	41.90	43.62
1,400 – 1,499	42.11	41.27	42.95
1,500 – 1,599	41.51	40.68	42.34
1,600 – 1,699	40.94	40.12	41.76
1,700 – 1,799	40.23	39.43	41.03
1,800 – 1,899	39.86	39.06	40.66
1,900 – 1,999	39.48	38.69	40.27
2,000 – 2,099	39.07	38.29	39.85
2,100 – 2,199	38.65	37.88	39.42
2,200 – 2,299	38.28	37.51	39.05
2,300 – 2,399	37.91	37.15	38.67
2,400 – 2,599	37.23	36.49	37.97
2,600 – 2,799	36.62	35.89	37.35
2,800 – 2,999	36.06	35.34	36.78
3,000 >	35.34	34.63	36.05

FEATURE TYPE DEVIATIONS: Heating/Cooling – CHCA – Add $1.50/sq ft

NOTE: Class 07- allows for properties not quite meeting typical specifications in this property class
Class 07+ allows for properties exceeding the specifications in this property class

Class 08 Residential Houses

CONSTRUCTION:	Good quality-exceeds building requirements, exhibits, refinements and detail workmanship.
FOUNDATION:	Pier & Beam; concrete slab---good quality structure
FLOORING:	Good quality structure with good quality carpet, tile, linoleum.
EXTERIOR:	Brick Veneer with good fenestration and ornamental design.
INTERIOR:	Well finished drywall-good quality wallpaper or wood paneling; kitchens, baths, closets ample size using good quality materials and workmanship. Doors, hardware, moldings, & paint good quality. Good quality fireplace & more than adequate built-ins.
HEATING:	Central Heat / Central air conditioning
ELECTRICAL:	Ample outlets with good quality fixtures.
PLUMBING:	Nine or more good quality fixtures.

CLASS 08 RESIDENTIAL SCHEDULE

CLASS/AREA	08	08-	08+
< = 1,299	47.55	46.60	48.50
1,300 – 1,399	46.84	45.90	47.78
1,400 – 1,499	46.19	45.27	47.11
1,500 – 1,599	45.60	44.69	46.51
1,600 – 1,699	45.05	44.15	45.95
1,700 – 1,799	44.53	43.64	45.42
1,800 – 1,899	44.05	43.17	44.93
1,900 – 1,999	43.60	42.73	44.47
2,000 – 2,099	43.17	42.31	44.03
2,100 – 2,199	42.77	41.91	43.63
2,200 – 2,299	42.40	41.55	43.25
2,300 – 2,399	42.03	41.19	42.87
2,400 – 2,499	41.70	40.87	42.53
2,500 – 2,599	41.36	40.53	42.19
2,600 – 2,799	40.74	39.93	41.55
2,800 – 2,999	40.18	39.38	40.98
3,000 - 3,199	39.66	38.87	40.45
3,200 - 3,399	39.15	38.37	39.93
3,400 - 3,599	38.64	37.87	39.41
3,600 >	38.13	37.37	38.89

FEATURE TYPE DEVIATIONS: Heating/Cooling – CHCA – Add $1.50/sq ft

NOTE: Class 08- allows for properties not quite meeting typical specifications in this property class
Class 08+ allows for properties exceeding the specifications in this property class

Class 09 Residential Houses

CONSTRUCTION:	Very good quality, exhibits refinements and detail workmanship.
FOUNDATION:	Concrete slab, pier & beam—high quality structure
FLOORING:	High quality carpet, hardwood, tile, linoleum.
EXTERIOR:	Brick Veneer, stone/rock; very good fenestration & custom ornamentation.
INTERIOR:	High quality finished drywall with high quality wallpaper or hardwood paneling; kitchens, baths, closets doors, hardware, moldings, & paint are spacious & exhibit high-quality custom workmanship. High quality fireplace ,ample well-placed built-ins.
ROOFING:	High quality heavy wood or composition shingles.
HEATING:	Central heat/ central air
ELECTRICAL:	Ample well-place outlets with high-quality features.
PLUMBING:	Eleven or more high-quality custom features.

CLASS 09 RESIDENTIAL SCHEDULE

CLASS/AREA	09	09-	09+
< = 1,799	50.09	49.09	51.09
1,800 – 1,899	49.57	48.58	50.56
1,900 – 1,999	49.08	48.10	50.06
2,000 – 2,099	48.62	47.65	49.59
2,100 – 2,199	48.18	47.22	49.14
2,200 – 2,299	47.78	46.82	48.74
2,300 – 2,399	47.37	46.42	48.32
2,400 – 2,499	47.01	46.07	47.95
2,500 – 2,599	46.65	45.72	47.58
2,600 – 2,699	46.32	45.39	47.25
2,700 – 2,799	45.98	45.06	46.90
2,800 – 2,899	45.68	44.77	46.59
2,900 – 2,999	45.38	44.47	46.29
3,000 – 3,199	44.81	43.91	45.71
3,200 – 3,399	44.29	43.40	45.14
3,400 – 3,599	43.80	42.92	44.68
3,600 - 3,999	42.92	42.06	43.78
4,000 - 4,199	42.49	41.64	43.34
4,200 - 4,399	42.07	41.23	42.91
4,400 >	41.65	40.82	42.48

FEATURE TYPE DEVIATIONS: Heating/Cooling – CHCA – Add $1.50/sq ft

NOTE: Class 09- allows for properties not quite meeting typical specifications in this property class
Class 09+ allows for properties exceeding the specifications in this property class

Class 10 Residential Houses

CONSTRUCTION:	Excellent quality-very high degree of workmanship with fine detail
FOUNDATION:	Concrete slab, pier & beam—excellent quality structure.
FLOORING:	Excellent quality structure-best quality carpet, tile, hardwood.
EXTERIOR:	Brick Veneer, stone/rock-excellent fenestration-fine ornamentation
INTERIOR:	Excellent quality finished drywall with excellent quality wallpaper, hardwood paneling, and other features. Ample well-placed built-ins and excellent quality fireplace with detail workmanship.
ROOFING:	Excellent quality heavy wood or composition shingles.
HEATING:	Central heat/ central air
ELECTRICAL:	Ample, well-placed outlets with excellent quality fixtures.
PLUMBING:	Fifteen or more excellent quality custom fixtures.

CLASS 10 RESIDENTIAL SCHEDULE

CLASS/AREA	10	10-	10+
< = 2,199	55.68	54.57	56.79
2,200 – 2,299	55.19	54.09	56.29
2,300 – 2,399	54.72	53.63	55.81
2,400 – 2,499	54.27	53.18	55.36
2,500 – 2,599	53.85	52.77	54.93
2,600 – 2,699	53.45	52.38	54.52
2,700 – 2,799	53.06	52.00	54.12
2,800 – 2,899	52.69	51.64	53.74
2,900 – 2,999	52.33	51.28	53.38
3,000 – 3,099	52.00	50.96	53.04
3,100 – 3,199	51.66	50.63	52.69
3,200 – 3,299	51.35	50.32	52.38
3,300 – 3,399	51.04	50.02	52.06
3,400 – 3,599	50.46	49.45	51.47
3,600 – 3,799	49.92	48.92	50.92
3,800 – 3,999	49.40	48.41	50.39
4,000 - 4,199	48.92	47.94	49.90
4,200 - 4,399	48.47	47.50	49.44
4,400 - 4,599	48.00	47.04	48.96
4,600 - 4,799	47.54	46.59	48.49
4,800 - 4,999	47.09	46.15	48.03
5,000 >	46.64	45.71	47.57

FEATURE TYPE DEVIATIONS: Heating/Cooling – CHCA – Add $1.50/sq ft

NOTE: Class 10- allows for properties not quite meeting typical specifications in this property class
Class 10+ allows for properties exceeding the specifications in this property class

Class 10E Residential Houses

Exceeds all specifications of Class 6 through Class 10 houses.

Residences are usually custom designed with unique architectural aspects. They have a high-quality of workmanship, finishes and appointments with considerable attention to detail.

Fenestration is well designed with high-quality sash. Many custom ornamentations and trim-work throughout entire house. High quality brick, cut stone and rock are used.

CLASS 10E RESIDENTIAL SCHEDULE

CLASS/AREA	10E
< = 4,199	60.81
4,200 – 4,299	60.67
4,300 – 4,399	60.53
4,400 – 4,499	60.39
4,500 – 4,599	60.25
4,600 – 4,699	60.11
4,700 – 4,799	59.97
4,800 – 4,899	59.83
4,900 – 4,999	59.69
5,000 – 5,099	59.55
5,100 – 5,199	59.41
5,200 – 5,299	59.27
5,300 – 5,399	59.13
5,400 – 5,499	58.97
5,500 – 5,699	58.85
5,700 – 5,899	58.57
5,900 – 6,099	58.09
6,100 – 6,299	58.01
6,300 – 6,499	57.73
6,500 >	57.25

FEATURE TYPE DEVIATIONS: Heating/Cooling – CHCA – Add $1.50/sq ft

CLASS 11 APARTMENTS

State Code: B1 – Multi-family Residential Method Code: R

SPECIFICATIONS

CONSTRUCTION: Low cost, below standard requirements

FOUNDATION: Pier and Beam – Concrete slab

STORY: One to Two

EXTERIOR: Frame – Stucco – Siding – Brick Veneer. Low cost materials

INTERIOR: Drywall; low cost finish

FLOORING: Low cost tile and/or carpet

ROOFING: Composition shingles or roll; Inexpensive

PLUMBING: Minimum – Low Cost – One bath per unit

HEATING: Gravity furnace - Gas outlets – Wall heaters

ELECTRICAL: Minimum quality – Low cost fixtures

SCHEDULE

CLASS/AREA	11	11-	11+
< = 12,998	26.91	26.41	27.41
12,999 – 14,998	23.79	23.29	24.29
14,999 – 20,998	21.84	21.34	22.34
20,999 >	20.12	19.62	20.62

Note: These properties are typically adjusted with an 88% economic factor to reflect current market conditions

CLASS 12 APARTMENTS

State Code: B1 – Multi-family Residential Method Code: R

SPECIFICATIONS

CONSTRUCTION: Average quality construction; Standard workmanship

FOUNDATION: Pier and Beam – Concrete slab

STORY: One, Two, or Three

EXTERIOR: Brick or stone veneer; average fenestration and ornamentation

INTERIOR: Drywall finished

FLOORING: Average quality tile – linoleum and/or carpet

ROOFING: Average quality composition or wood shingles

PLUMBING: Average quality fixtures, one and one-half bath per unit

HEATING: Central Air Conditioning

ELECTRICAL: Average quality, adequate outlets, adequate fixtures

SCHEDULE

CLASS/AREA	12	12+
< = 22,998	31.50	32.00
22,999 – 44,998	27.85	28.35
44,999 – 77,998	25.57	26.07
77,999 >	23.56	24.06

Note: These properties are typically adjusted with an 84% economic factor to reflect current market conditions

CLASS 13 APARTMENTS

State Code: B1 – Multi-family Residential Method Code: R

SPECIFICATIONS

CONSTRUCTION: Good quality construction; exceeds minimum standards

FOUNDATION: Pier and Beam – Concrete slab

STORY: Two or more

EXTERIOR: Brick or stone veneer; good fenestration and ornamentation

INTERIOR: Drywall; well finished

FLOORING: Good quality tile – linoleum and/or carpet

ROOFING: Good quality composition or wood

PLUMBING: Good quality fixtures, one or more baths per unit

HEATING: Central Air Conditioning

ELECTRICAL: Good quality, well placed outlets; Good quality fixtures

SCHEDULE

CLASS/AREA	13	13-	13+
< = 22,998	34.07	33.57	34.57
22,999 – 44,998	30.11	29.61	30.61
44,999 – 77,998	27.65	27.15	28.15
77,999 >	25.48	24.98	25.98

Note: These properties are typically adjusted with an 86% economic factor to reflect current market conditions

Apartments that have government subsidized rents are typically valued using the income approach. The income and expenses are usually furnished to the CAD annually.

RESIDENTIAL SEGMENT TYPES & COSTS

Method Code: R

CODE	DESCRIPTION	COST	ADDED FEATURE TYPE
AG	Attached Garage	50%	
BA	Basement	50%	
BAL	Balcony	25%	
CA	Canopy	10%	Foundation – Concrete (Conc)- $1.50/sf
CP	Covered Porch	25%	
CS	Attached Carport	25%	
DECK	Deck	$1.80/sf	
DG	Detached Garage	50%	Heating/Cooling – CHCA - $2.00/sf
EG	Enclosed Garage	75%	
EP	Enclosed Porch	65%	
GP	Glassed-in Porch	50%	
MA2	Second Floor and Additional Floors	75%	
OP	Open Porch	25%	
SLAB	Slab	$1.28/sf	
SP	Screen Porch	25%	
STG	Storage	40%	

When adding features the % cost from this schedule is the % amount from the base cost schedule of the MAIN Area. The *primary* MA must have the Base Unit Price Bullet checked for the added features to pull from the base cost schedule. In the class field the added features will be entered as *.

To add features unique to residential property and are not available in the schedules; the appraiser must enter the following segment codes:
Code Type: AD (Added Feature)
Method Code: SP (Special Price)
Class: *
Enter the unit price, area, and proper depreciation factors. A description of what the AD factor represents will be noted by the appraiser in the comment section of the Improvement screen.

A typical use of the AD feature code is adding a masonry front wall to a wood frame class schedule.
Brick walls - $ 90.31/linear ft
Stone walls - $159.72/linear ft
Rock walls - $126.95/linear ft

MOBILE HOME CLASSES

QUALITY/WIDTH	AVERAGE	LOW	HIGH	EXCELLENT
8 feet wide	RY14	RY14L	RY14H	
10-12 feet wide	RY15	RY15L	RY15H	
14-18 feet wide	RY16	RY16L	RY16H	
Double wide/Multi-wide	RY17	RY17L	RY17H	RY17E

Method Code: M

Mobile Homes

Single Wide – Low

SPECIFICATIONS

CONSTRUCTION:	Minimum or below standards
EXTERIOR:	Walls 3-4 inches thick; Aluminum – minimum or below windows & doors
INTERIOR:	Plywood – minimum to average quality paneling and wallpaper
FLOORING:	Average quality vinyl sheet or linoleum and carpet
PLUMBING:	1 bath – average quality fixtures
ELECTRICAL:	Average quality outlets and fixtures
HEATING/COOLING:	Usually window units

Mobile Homes

Single Wide – Average

SPECIFICATIONS

CONSTRUCTION:	Minimum or above standards
EXTERIOR:	Walls 3-4 inches thick – some aluminum- adequate windows and doors nicely finished
INTERIOR:	Plywood – average quality paneling and wallpaper
FLOORING:	Average quality vinyl sheet or linoleum and carpet
PLUMBING:	Adequate average quality fixtures
ELECTRICAL:	Adequate average quality outlets and fixtures
HEATING/COOLING:	Central Air & Heat

Mobile Homes

Single Wide – High

SPECIFICATIONS

CONSTRUCTION:	Good construction above standards
EXTERIOR:	Walls 4 inches thick – Good quality siding; ample windows and well finished doors
INTERIOR:	Good quality paneling/sheetrock and/or wallpaper
FLOORING:	Good quality vinyl sheet and carpet
ELECTRICAL:	Ample good quality outlets and fixtures
PLUMBING:	Ample good quality fixtures
HEATING/COOLING:	Central Heat & Air

SINGLE WIDE MOBILE HOME SCHEDULES

MOBILE HOME SIZE – 8' WIDE

CLASS/AREA	RY14L
< = 160	24.31
161 – 192	23.64
193 – 224	23.08
225 – 256	22.61
257 – 320	21.83
321 – 352	21.51
353 – 384	21.22
389 – 416	20.96
417 – 448	20.72
449 >	20.49

CLASS/AREA	RY14
< = 160	27.67
161 – 224	26.18
225 – 256	25.61
257 – 320	24.70
321 – 352	24.31
353 – 384	23.97
385 – 416	23.66
417 – 448	23.37
449 – 480	23.10
481 >	22.86

CLASS/AREA	RY14H
< = 224	31.63
225 – 256	30.89
257 – 288	30.26
289 – 320	29.70
321 – 352	29.20
353 – 384	28.76
385 – 416	28.35
417 – 448	27.99
449 – 480	27.64
481 >	27.33

FEATURE TYPE DEVIATIONS: RY14L - Heating/Cooling – CHCA – Add $1.30/sq ft
RY14 – Heating/Cooling – CHCA – Add $1.26/sq ft
RY14H – Heating/Cooling – CHCA – Add $1.19/sq ft

SINGLE WIDE MOBILE HOME SCHEDULES

MOBILE HOME SIZE – 10'–12' WIDE

CLASS/AREA	RY15L
< = 336	19.05
337 – 384	18.51
385 – 432	18.06
433 – 480	17.66
481 – 528	17.31
529 – 576	17.00
577 – 624	16.71
625 – 672	16.45
673 – 720	16.22
721 >	15.99

CLASS/AREA	RY15
< = 384	21.02
385 – 480	20.07
481 – 528	19.67
529 – 576	19.32
577 – 624	19.00
625 – 672	18.71
673 – 720	18.44
721 – 768	18.19
769 – 816	17.96
817 >	17.75

CLASS/AREA	RY15H
< = 480	24.30
481 – 528	23.83
529 – 576	23.41
577 – 624	23.02
625 – 672	22.67
673 – 720	22.36
721 – 768	22.05
769 – 816	21.79
817 – 864	21.53
865 >	21.29

FEATURE TYPE DEVIATIONS: RY15L - Heating/Cooling – CHCA – Add $1.30/sq ft
RY15 – Heating/Cooling – CHCA – Add $1.19/sq ft
RY15H – Heating/Cooling – CHCA – Add $1.19/sq ft

SINGLE WIDE MOBILE HOME SCHEDULES

MOBILE HOME SIZE – 14'–18' WIDE

CLASS/AREA	RY16L
< = 392	17.69
393 – 448	17.16
449 – 504	16.70
505 – 560	16.29
561 – 616	15.93
617 – 672	15.65
673 – 728	15.33
729 – 784	15.07
785 – 840	14.83
841 >	14.60

CLASS/AREA	RY16
< = 560	18.54
561 – 616	18.15
617 – 672	17.79
673 – 728	17.47
729 – 784	17.18
785 – 840	16.92
841 – 896	16.67
897 – 952	16.45
953 – 1,008	16.23
1,009 >	16.04

CLASS/AREA	RY16H
< = 560	22.51
561 – 616	22.04
617 – 672	21.64
673 – 728	21.26
729 – 784	20.92
785 – 840	20.62
841 – 896	20.34
897 – 952	20.07
953 – 1,008	19.82
1,009 >	19.59

FEATURE TYPE DEVIATIONS: RY16L - Heating/Cooling – CHCA – Add $1.30/sq ft
RY16 – Heating/Cooling – CHCA – Add $1.26/sq ft
RY16H – Heating/Cooling – CHCA – Add $1.19/sq ft

Mobile Homes

Double Wide - Low

SPECIFICATIONS

CONSTRUCTION:	Minimum or below standards
EXTERIOR:	Walls 3-4 inches thick – Minimum quality siding – Minimum or below quality windows and doors
INTERIOR:	Plywood – Minimum to average quality paneling and/or wallpaper
FLOORING:	Average quality vinyl sheet or linoleum and carpet
PLUMBING:	1 Bath – Average quality fixtures
ELECTRICAL:	Average quality fixtures and outlets
HEATING/COOLING:	Usually window units

Mobile Homes

Double Wide – Average




SPECIFICATIONS

CONSTRUCTION:	Minimum or above standards
EXTERIOR:	Walls 3-4 inches thick; good quality siding; adequate windows and doors nicely finished
INTERIOR:	Plywood – average quality paneling and/or wallpaper
FLOORING:	Average quality vinyl sheet or linoleum and carpet
PLUMBING:	Adequate quality fixtures
ELECTRICAL:	Adequate quality outlets and fixtures
HEATING/ COOLING:	Central Air & Heat

Mobile Homes

Double Wide – High




SPECIFICATIONS

CONSTRUCTION:	Good construction, above standards
EXTERIOR:	Walls 4 inches thick; –Good Quality Siding; Ample windows and doors well finished
INTERIOR:	Plywood – Good quality paneling/sheetrock and/or wallpaper
FLOORING:	Good quality vinyl sheet and carpet
ELECTRICAL:	Ample good quality outlets and fixtures
PLUMBING:	Ample good quality fixtures
HEATING/COOLING:	Central Air & Heat

Mobile Homes

Double Wide – Excellent

SPECIFICATIONS

CONSTRUCTION:	Exceeds standard construction
EXTERIOR:	Walls at least 4 inches thick; high quality siding; ample, good-quality windows; well finished doors
INTERIOR:	Good quality wood – Sheetrock/high quality paneling
FLOORING:	Good quality tile/vinyl sheet and carpet
ELECTRICAL:	Ample good-high quality outlets and fixtures
PLUMBING:	Ample good-high quality fixtures
HEATING/COOLING:	Good quality Central Heat & Air

SINGLE WIDE MOBILE HOME SCHEDULES

MOBILE HOME SIZE – DOUBLE WIDE/MULTI-WIDE

CLASS/AREA	RY17L
< = 672	32.86
673 – 768	30.51
769 – 864	28.75
865 – 960	27.28
961 – 1,056	26.02
1,057 – 1,152	24.94
1,153 – 1,248	23.99
1,249 – 1,344	23.15
1,345 – 1,440	22.40
1,441 >	21.72

CLASS/AREA	RY17
< = 960	35.07
961 – 1,056	33.48
1,057 – 1,152	32.13
1,153 – 1,248	30.95
1,249 – 1,344	29.91
1,345 – 1,440	28.98
1,441 – 1,536	28.15
1,537 – 1,632	27.40
1,633 – 1,728	26.72
1,729 >	26.09

CLASS/AREA	RY17H
< = 960	46.47
961 – 1,056	44.37
1,057 – 1,152	42.57
1,153 – 1,248	41.00
1,249 – 1,344	39.62
1,345 – 1,440	38.39
1,441 – 1,536	37.28
1,537 – 1,632	36.28
1,633 – 1,728	35.37
1,729 >	34.54

CLASS/AREA	RY17E
< = 1,232	54.90
1,233 – 1,344	53.19
1,345 – 1,456	51.66
1,457 – 1,568	50.28
1,569 – 1,680	49.04
1,681 – 1,792	47.89
1,793 – 1,904	46.85
1,905 – 2,016	45.88
2,017 – 2,128	44.99
2,129 >	44.16

FEATURE TYPE DEVIATIONS: RY17L - Heating/Cooling – CHCA – Add $1.30/sq ft
RY17 – Heating/Cooling – CHCA – Add $1.26/sq ft
RY17H – Heating/Cooling – CHCA – Add $1.19/sq ft

MOBILE HOME SEGMENT TYPES & COSTS

Method Code: M

CODE	DESCRIPTION	COST	ADDED FEATURE TYPE
AG	Attached Garage	50%	
CA	Canopy	10%	Foundation – Concrete (Conc)- $1.50/sq ft
CP	Covered Porch	25%	
CS	Attached Carport	25%	
DECK	Deck	$1.80/sf	
DG	Detached Garage	60%	
EP	Enclosed Porch	65%	
GP	Glassed-in Porch	50%	
MA2	Second Floor	100%	
OP	Open Porch	25%	
SLAB	Slab	$1.28/sf	
SP	Screen Porch	25%	
ST	Storage	50%	
STG	Storage	40%	

When adding features the % cost from this schedule is the % amount from the base cost schedule of the MAIN Area. The *primary* MA must have the Base Unit Price Bullet checked for the added features to pull from the base cost schedule. In the class field the added features will be entered as *.

To add features unique to residential property and are not available in the schedules; the appraiser must enter the following segment codes:
Code Type: AD (Added Feature)
Method Code: SP (Special Price)
Class: *
Enter the unit price, area, and proper depreciation factors. A description of what the AD factor represents will be noted by the appraiser in the comment section of the Improvement screen.

A typical use of the AD feature code is adding a masonry skirt or underpinning to a mobile home schedule.

CABINS

SPECIFICATIONS

CONSTRUCTION:	Low cost minimum requirements
FOUNDATION:	Blocks, piers, minimum concrete slab
EXTERIOR:	Minimum quality frame
INTERIOR:	Minimum quality drywall – Kitchens, bath and closets small, minimum requirements – Doors, hardware, moldings & paint
FLOORING:	Low cost structure – Low quality covering
ROOFING:	Lightweight composition shingles or roll
HEATING:	Gas outlets or gravity furnace
ELECTRICAL:	Minimum outlets – Low cost fixtures
PLUMBING:	Low quality – Five or less minimum quality fixtures
BUILT IN:	None

Class 18	Average Quality	$24.07/sq ft
Class 18+	Good Quality	$27.00/sq ft
Class 18-	Low Quality	$21.16/sq ft

Deviations: Add for CHCA $2.00/sq ft

Type Code: CAB Method Code: R

OUTBUILDINGS

Type Code: OB Method Code: I

Class 19	Wood Frame, Dirt Floor	Average Quality	$4.25/sq ft
Class 19+		Good Quality	$5.75/sq ft
Class 19-		Low Quality	$2.75/sq ft
Class 20	Wood Frame, Metal Exterior, Dirt Floor	Average Quality	$5.35/sq ft
Class 20+		Good Quality	$6.85/sq ft
Class 20-		Low Quality	$3.85/sq ft
Class 21	Metal Structure, Dirt Floor	Average Quality	$6.50/sq ft
Class 21+		Good Quality	$8.00/sq ft
Class 21-		Low Quality	$5.00/sq ft

Deviations: Add for Concrete Floor $1.50/sq ft

BARNS

Type Code: BARN Method Code: I

Class 22	Pole Frame & Wood Siding, Dirt Floor	Average Quality
Class 22+		Good Quality Add $0.50/sq ft
Class 22-		Low Quality Deduct $0.50/sq ft
Class 23	Pole Frame, Metal Siding, Dirt Floor	Average Quality
Class 23+		Good Quality Add $0.50/sq ft
Class 23-		Low Quality Deduct $0.50/sq ft
Class 24	Metal Frame, Metal Siding, Dirt Floor	Average Quality
Class 24+		Good Quality Add $0.50/sq ft
Class 24-		Low Quality Deduct $0.50/sq ft
Class 25	Metal Frame, Wood Siding, Dirt Floor	Average Quality
Class 25+		Good Quality Add $0.50/sq ft
Class 25-		Low Quality Deduct $0.50/sq ft

Class/Area	22	23	24	25
<=599	5.00	6.50	8.50	7.00
600 - 699	4.90	6.40	8.40	6.90
700 - 799	4.80	6.30	8.30	6.80
800 - 899	4.70	6.20	8.20	6.70
900 - 999	4.60	6.10	8.10	6.60
1000 -1199	4.50	6.00	8.00	6.50
1200 -1399	4.40	5.90	7.90	6.40
1400 -1599	4.30	5.80	7.80	6.30
1600 -1700	4.20	5.70	7.70	6.20
1800 -1999	4.10	5.60	7.60	6.10
2000 >	4.00	5.50	7.50	6.00

Deviations: Add for Concrete Floor $1.50/sq ft

SWIMMING POOLS

Type Code: POOL Method Code: I

Price includes diving board, filter, and normal pool equipment

Class/Area	26	26+	26-
<=511	19.50	20.00	19.00
512 - 647	16.50	17.00	16.00
648 - 799	15.50	16.00	15.00
800 >	14.00	14.50	13.50

Deviations: Add for Slide $550
Add for Sweep $675
Add for attached Hot Tub $2650

HOT TUBS

Type Code: TUB Method Code: I

Class 28-4 4' width/diameter $2200
Class 28-5 5' width/diameter $2700
Class 28-6 6' width/diameter $3200
Class 28-8 8' width/diameter $3700

This price includes the tub and heating unit. The common hot tub is fiber glass with wood around it. Any other type tub would have to be special priced by going to cost guide.

WOOD DECKS

Type Code: WD Method Code: I

Class 29 $3.25/sq ft
Class 29+ $3.58/sq ft – usually irregular shape or higher quality construction

TENNIS COURTS

Type Code: TC Method Code: I

Class 30 $2.00/sq ft– 60'x120' Standard
Class 30- $1.90/sq ft

Deviations: Add for lights - $500/pole
Add for 10' Chain link fence - $20.23/linear ft
Add for 4' Chain link fence - $8.67/linear ft

BOAT DOCKS

BOAT DOCK CLASS

BDL	Low Quality	$10.50/sq ft
BD	Average Quality	$14.00/sq ft
BDH	High Quality	$18.66/sq ft

Type Code: BD Method: I

BOAT DOCK COVER CLASS

DCL	Low Quality	$2.51/sq ft
DC	Average Quality	$3.34/sq ft
DCH	High Quality	$4.45/sq ft

Type Code: BD Method: I

Dock covers will have same quality and condition as the boat dock.

CONDITION/ % GOOD

POOR =	20%
	35%
FAIR =	50%
	65%
GOOD =	80%
	90%
EXCELLENT =	99%

LIFTS

$1090 per lift
Enter as ELI, EL2, EL3, EL4, or EL5 under add factor in the Boat Dock Segment.

DEVIATIONS

Enter Living Areas as Cabins. Type Code: CAB Method: R Class: 18, 18+, 18-
Enter Slides under add factor in the Boat Dock Segment. $550 each.
Decks will be entered as separate segment with same condition as boat dock. $3.25/sq ft
Type Code: WD Method: I Class: 29
Storages are to be entered as separate segment. Type Code: OB Method: I
See OB Schedule for classes and pricing.

USING DEPRECIATION SCHEDULES

"Percent Good" is the appraiser's estimate of the actual condition of the property as well as physical and/or effective age. The appraiser should use good judgment when evaluating property that is either below or above the benchmark standard for any class as defined by the market. As most experienced appraisers are aware, depreciation of some properties is subjective and may not conform to the exact figures shown on the table.

In many cases, properties may not depreciate as quickly as the schedule suggests. The owner's upkeep of the structures may make considering the effective age more practical to use than the actual age. Again, the appraiser needs to consider the actual condition of the property.

Since depreciation is subjective, it is not uncommon for there to be a variance of +/- 10% between 2 appraisers. Also, since all property is taxable, it is highly unlikely that a property will ever become 100% depreciated. Usually, any structure depreciated at 20% or below is considered a salvage value or contributory value.

When a structure reaches the end of its useful life, using the cost and depreciation schedules may not reflect a real market value, especially when neighborhood and location factors are used. In this case, it is an acceptable practice with the Brown CAD to let the appraisers reflect their opinion of value by "flat pricing" those improvements. In most cases, this practice is used when appraising non-major residential structures, such as storage buildings, barns, sheds, etc. that have little or no real contributory value to the overall property value. Knowledge and experience with the cost and depreciation schedules help an appraiser make these judgment decisions.

The following is a table for determining the depreciation of residential structures.

DEPRECIATION

Effective Age In Years	Typical Life Expectancy in Years 70	65	60	55	50	45	40	35	30	25	20
	DEPRECIATION – PERCENTAGE										
1	0%	0%	0%	1%	1%	1%	1%	2%	2%	3%	3%
2	1	1	1	2	2	2	3	4	4	6	7
3	1	2	2	2	3	3	4	5	6	9	11
4	2	2	3	3	4	4	5	7	9	12	15
5	2	3	4	4	5	6	7	9	12	15	20
6	3	4	4	5	6	7	9	11	14	18	24
7	4	5	5	6	7	8	10	13	17	22	28
8	4	5	6	7	8	10	12	15	19	25	33
9	5	6	7	8	10	11	14	17	22	29	38
10	5	7	8	9	11	13	16	20	25	32	43
11	6	8	9	10	12	14	18	22	28	36	48
12	7	9	10	11	13	15	20	24	31	40	53
13	8	10	11	12	15	17	22	26	34	44	57
14	8	10	12	13	16	19	24	29	37	48	61
15	9	11	12	15	17	21	26	32	40	52	66
16	10	12	13	16	19	23	28	34	43	55	70
17	10	13	15	17	20	25	30	37	46	59	73
18	11	14	16	19	22	27	32	40	50	63	76
19	12	15	17	20	24	28	34	43	53	67	78
20	13	16	18	21	25	30	37	45	56	71	79
21	13	17	19	22	26	32	39	48	59	74	79
22	14	17	20	23	28	34	42	51	62	76	80
23	15	19	21	24	29	36	44	54	65	77	
24	16	20	23	26	31	38	47	57	68	79	
25	17	21	24	27	33	40	50	60	71	80	
26	18	22	25	29	35	43	52	62	74	80	
27	19	23	26	31	37	45	55	65	75		
28	20	24	28	33	39	47	57	68	77		
29	21	26	29	34	41	49	59	70	78		
30	22	27	31	36	44	52	62	71	79		
31	23	28	32	38	46	54	64	72	79		
32	24	29	34	40	47	56	67	74	80		
33	25	31	35	42	49	58	69	75			
34	27	32	37	44	51	60	71	77			
35	28	34	38	45	53	62	72	78			
36	29	35	40	47	55	65	74	79			
37	30	37	41	49	57	67	75	79			
38	32	38	43	51	59	69	77	80			
39	33	40	45	53	61	70	78				
40	35	41	47	55	63	72	79				
41	36	43	49	57	64	73	79				
42	38	45	51	59	66	75	80				
43	39	47	52	60	67	76					
44	41	48	54	62	69	77					
45	42	50	55	63	70	78					
46	44	51	57	65	72	79					
47	45	53	59	66	73	79					
48	46	54	61	68	75	80					
49	47	56	62	69	76						
50	49	57	64	71	77						
51	51	58	65	72	78						
52	52	60	66	73	78						
53	54	61	68	75	79						
54	55	63	69	76	79						
55	57	64	70	77	80						
56	58	65	71	78							
57	60	66	72	78							
58	61	67	72	79							
59	63	68	73	79							
60	64	69	74	80							
61	65	70	75								
62	67	71	76								
63	68	72	76								
64	70	73	77								
65	71	74	78								
70	76	78	80								
75	80	80									

NEIGHBORHOOD CODES & FACTORS

Name	Code	Imp %	Land %
9TH & 10TH FROM AVE M, ALL MONTECELLO	9	110	100
ABSTRACT 1395	49		
AUSTIN HTS,GIBSON	14	125	100
BAKERS SUB; PONDEROSA	180	140	140
BIG ROCKY #1 (LOWER), A0337	197	100	100
BIG ROCKY #2	196	100	100
BIG ROCKY 3 & 7	175	100	100
BIG ROCKY 5, MTN VIEW #1 & #2, BIG ROCKY #1/UPPER	34	140	100
BLANKET	16		
BLUEBONNET ESTATES	183	100	100
BLUFFVIEW	2		
BOWIE ACRES	142	110	100
BROOKESMITH	15		
BROOKHOLLOW	96	120	100
BROWNWOOD OAKS	195	100	100
BUFFALO PARK I & II	65	125	100
CAMP VERANO	59	140	100
CANYON CREEK	143	125	100
CASON COVE	174	140	140
CC WOODSON	120	59	59
CHAPPARAL ESTATES	178	100	100
CHERRY HILLS, MARK ALLEN DR, ABST 584	156	140	100
COLEMAN ST TO EAST CITY LIMIT; W COMMERCE TO RR	3		
COUNTRY CLUB ESTATES	147	125	100
COUNTRY OAKS ESTATE	182	140	100
DE COLORES	155	135	100
DEEPWATER	51	140	100
DELAWARE ACRES	105	140	100
DOMINION POINT 1	33	140	140
DOMINION PT. 2	28	140	100
EARLY	17	115	
ELM OAK	52	130	140
ELM OAK II, HIGLAND ESTATES,BAY OAKS	58	140	140
FAWN RIDGE	145	130	100
FEATHER BAY PHASE I	62	140	100
FORD ADDITION	144	100	100
FROM COGGIN TO AVE K	5		
FROM K TO WILLIS CRK; 8 1/2 TO COTTAGE	6	120	100
FROM ROSELAWN TO PARKWAY, 3RD TO FIRST	8	120	100
GANTT ST	192	120	100
GEORGE BAUGHS LAKE FRONT	54	140	
GLENN WOOD ADDITION	70	115	100
GRANDVIEW, LOONY BLOCK, SOUTHMORE TERRACE	95	110	100

NEIGHBORHOOD CODES & FACTORS

Name	Code	Imp %	Land %
HARBOR I&II WATERFRONT,THUNDERBIRD I&IIWATERFRONT	61	160	160
HIDDEN VALLEY EST - BANGS	181	100	100
HIGH MESA	97	125	
HUNTER'S GLEN	125	125	100
INDIAN TRAILS & OAK TRAIL	186	100	100
LAKE FRONT/TALL OAKS/BAUGH REUNION PARK	177	140	140
LAKE SHORE; EIDLEBACH, LAKESHORE 2ND	27	140	100
LAMAR; LAKEWOOD VILLAGE	188	140	100
LEACH	130	120	100
MAY	19		
MAY NORTH SHORE LAKE BWD	18		
MCINNIS POINT	31	140	100
MEADOW VIEW	75	130	
MISTY MEADOW	100	120	
MONTICELLO WEST	146	135	100
MORNINGSIDE, FAIN'S & B&F MORNINGSIDE	35		
MTN. VIEW, OAKS, BIG ROCKY 4	194	140	140
NORTH BROWNWOOD	1	100	100
OAK FORREST	11	105	100
OAK PARK	190	140	100
OAK POINT WATER FRONT	63	130	100
OAK RIDGE CORP DEVELOPMENT NO 1 AREA	158	115	100
OAKDALE 1ST	135	140	100
OAKDALE ACRES	98	140	100
OAKRIDGE; TERRACE HILL	127	100	100
PARKCREST SOUTH	90	135	100
PARKS ESTATE	140	110	100
POCO;LISA BANGS	187	130	100
PT-VINCENT, FROM I TO N	7		
RIDGEWOOD GARDENS	157	150	100
RIVER RUN & FISHERMANS HAVEN	184	150	150
ROBERTSON'S PT	199	140	140
ROLLING ACRES	172	100	100
ROLLING HILLS I & II, TURNER TR , A0323	176	140	100
RR TO COGGIN AVE	4		
SANDY BEACH	29	100	100
SHADY OAKS ESTATES	56	100	100
SHADY SHORES; LAKEWAY EST	189	140	140
SHAMROCK SHORES, LAKE BWD SHORES	173	100	100
SHERWOOD ESTATES	170	100	100
SOUTHERN HILLS	99	105	
SOUTHGATE ADD	141	130	100
SPILLWAY,PENINSULA SUB	53	140	140

NEIGHBORHOOD CODES & FACTORS

Name	Code	Imp %	Land %
STERLING HOLLOWAY/A0931/A0647	198	140	140
STONEGATE, SPRING HOLLOW	10	125	100
SUN VALLEY	150	145	100
SUNNY DALE ACRES	110	125	100
SUNSET TERRACE	191	130	100
SUNSET TERRACE 3RD	185	140	100
SWEET ADDITION	85	110	100
TANGLEWOOD GARDENS	128	150	100
THOMAS RANCH EST I & II	171	100	100
THOMPSON SUB	57	140	100
THUNDERBIRD BAY	80	130	100
TURNER RANCH ESTATES	193	140	100
TWIN HILLS	160	130	100
VALLEY VIEW	106	120	100
VICK DRIVE	81	110	100
WALLS/ MINTON	30	140	140
WEEDON, GREEN & OWENS, J V HENTON	60	108	
WESTRIDGE (ALL)	55	105	
WHISPERING OAKS/JENKINS SPRINGS	159	140	100
WILDWOOD MESA;	179	140	140
WM & G. BAUGH,A1384,GAINES,A1820,COALSON	50	120	100
WOODLAND AC, OAKWOOD	13	115	100
WOODLAND HTS;ENGLISH HTS;RIVER OAKS	12	115	100
ZEPHYR	20		

ABSTRACT / SUBDIVISION CODES & FACTORS

Ab/Sub Code	Description	Land Pct	Imp Pct
A0014	PETER A ACKERMAN, SURVEY 314, ABSTRACT 14	120	100
A0052	JOSEPH H BARNARD, SURVEY 6, ABSTRACT 52	120	100
A0056	JOHN BOYD JR, SURVEY 77, ABSTRACT 56	110	100
A0057	SAMUEL K BLISH, SURVEY 311, ABSTRACT 57	120	100
A0084	JAMES BENNETT, SURVEY 327, ABSTRACT 84	120	100
A0085	EPHRIAM BOLLINGER, SURVEY 321, ABSTRACT 85	120	100
A0141	FRANCIS BYRD, ABSTRACT 141	110	100
A0168	F COPELAND, SURVEY 125, ABSTRACT 168	120	100
A0174	STEPHEN COLLINS, SURVEY 319, ABSTRACT 174	120	100
A0205	JAMES B CHAMBERS, SURVEY 825, ABSTRACT 205	120	100
A0206	JAMES B CHAMBERS, SURVEY 827, ABSTRACT 206	120	100
A0207	JAMES B CHAMBERS, SURVEY 828, ABSTRACT 207	120	100
A0209	J F CRAWFORD, SURVEY 1, ABSTRACT 209	120	100
A0210	J F CRAWFORD, SURVEY 2, ABSTRACT 210	120	100
A0266	J C DICKEY, ABSTRACT 266	120	100
A0289	EAST TEXAS R R CO, SURVEY 41, ABSTRACT 289	120	100
A0291	EAST TEXAS R R CO, SURVEY 45, ABSTRACT 291	120	100
A0394	BENJAMIN HEAD, SURVEY 299, ABSTRACT 394	120	100
A0395	BENJAMIN HEAD, SURVEY 326, ABSTRACT 395	120	100
A0437	H T & B R R CO, SURVEY 87, ABSTRACT 437	110	100
A0447	H T & B R R CO, SURVEY 75, ABSTRACT 447	110	100
A0449	H T & B R R CO, SURVEY 81, ABSTRACT 449	110	100
A0453	H T & B R R CO, SURVEY 55, ABSTRACT 453	110	100
A0509	GEORGE E HARRISON, SURVEY 320, ABSTRACT 509	120	100
A0545	I & G N R R CO, SURVEY 109, ABSTRACT 545	110	100
A0555	JAMES M JEAN, SURVEY 325, ABSTRACT 555	120	100
A0564	JAMES F JOHNSON, ABSTRACT 564	120	100
A0632	WILLIAM S MITCHELL, ABSTRACT 632	120	100
A0714	NACOGDOCHES UNIV, SURVEY 298, ABSTRACT 714	120	100
A0744	DAVID Y PYRON, SURVEY 8, ABSTRACT 744	120	100
A0753	DAVID Y PYRON, SURVEY 7, ABSTRACT 753	120	100
A0754	GUSTAVUS A PARKER, SURVEY 4, ABSTRACT 754	120	100
A0764	G W PHINNEY, SURVEY PRE, ABSTRACT 764	120	100
A0785	OSCAR ROBINSON, SURVEY 9, ABSTRACT 785	120	100
A0804	JOSEPH M RHODES, ABSTRACT 804	120	100
A0822	THOMAS SMITH, SURVEY 5, ABSTRACT 822	120	100
A0854	SULPHUR FORKS IRON WORKS, SURVEY 1, ABSTRACT 854	120	100
A0855	SULPHUR FORKS IRON WORKS, SURVEY 1, ABSTRACT 855	120	100
A0901	S C TUNNAGE, SURVEY 302, ABSTRACT 901	120	100
A0906	ROBERT J TOWNES, SURVEY 323, ABSTRACT 906	120	100
A0937	W J VANN, ABSTRACT 937	120	100
A0943	S P WILLIAMS, SURVEY 313, ABSTRACT 943	120	100
A0944	WILLIAM H WHARTON, SURVEY 318, ABSTRACT 944	120	100

ABSTRACT / SUBDIVISION CODES & FACTORS

Ab/Sub Code	Description	Land Pct	Imp Pct
A0955	CLARK A WIGGINS, ABSTRACT 955	120	100
A0962	FELIX WARDZISKI, SURVEY 324, ABSTRACT 962	120	100
A0970	WILLIAM WILSON, ABSTRACT 970	120	100
A0971	FELIX WARDZISKI, SURVEY 477, ABSTRACT 971	110	100
A0993	FRANCISCO YBARBO, SURVEY 312, ABSTRACT 993	120	100
A1016	TRAVIS BLAIR, SURVEY PRE, ABSTRACT 1016	120	100
A1017	W H BRIGHT, SURVEY PRE, ABSTRACT 1017	120	100
A1018	J W BURNAN, SURVEY PRE, ABSTRACT 1018	120	100
A1037	JOEL DUDLEY, SURVEY PRE, ABSTRACT 1037	120	100
A1038	J H DAMRON, SURVEY PRE, ABSTRACT 1038	120	100
A1042	J N EVERHART, SURVEY 46, ABSTRACT 1042	120	100
A1057	J W HUDDLESTON, SURVEY 12, ABSTRACT 1057	120	100
A1058	W B HESTER, SURVEY PRE, ABSTRACT 1058	120	100
A1060	M E HEFLEY, SURVEY PRE, ABSTRACT 1060	120	100
A1102	DAVID SELF, SURVEY 8, ABSTRACT 1102	120	100
A1163	A G PRATHER, SURVEY 351, ABSTRACT 1163	120	100
A1167	W A ROBBINS, SURVEY PRE, ABSTRACT 1167	120	100
A1195	G W BRADDOCK, SURVEY PRE, ABSTRACT 1195	120	100
A1200	WILLIAM C COWAN, ABSTRACT 1200	120	100
A1205	J W DRISKILL, SURVEY PRE, ABSTRACT 1205	120	100
A1210	J W GLOVER, SURVEY PRE, ABSTRACT 1210	120	100
A1252	J A CHILDERS, SURVEY PRE, ABSTRACT 1252	120	100
A1261	J J DRISKILL, SURVEY 2, ABSTRACT 1261	120	100
A1278	T A ISH, SURVEY 3, ABSTRACT 1278	120	100
A1292	G W RODGERS, SURVEY PRE, ABSTRACT 1292	120	100
A1295	F M ROBERTS, SURVEY PRE, ABSTRACT 1295	120	100
A1317	J C COWIN SURVEY PRE, ABSTRACT 1317	120	100
A1363	W M & R SHELTON, SURVEY 46, ABSTRACT 1363	120	100
A1402	G C & S F R R CO, SURVEY 19, ABSTRACT 1402	120	100
A1406	JOHN W GOODWIN, ABSTRACT 1406	120	100
A1407	JOHN A GLASS, SURVEY 20, ABSTRACT 1407	120	100
A1410	W A HIGGINS, SURVEY PRE, ABSTRACT 1410	120	100
A1426	C MURRAY LEA, SURVEY 23, ABSTRACT 1426	110	100
A1481	JOHN W GOODWIN, ABSTRACT 1481	120	100
A1482	JOHN W GOODWIN, ABSTRACT 1482	120	100
A1529	A J BAKER, SURVEY PRE, ABSTRACT 1529	120	100
A1530	WALTER BAKER, SURVEY PRE, ABSTRACT 1530	120	100
A1540	JOHN N EBERHART, SURVEY 46, ABSTRACT 1540	120	100
A1576	W R STONE, SURVEY PRE, ABSTRACT 1576	120	100
A1675	T A ISH, SURVEY 61, ABSTRACT 1675	120	100
A1677	E A LOCKS, ABSTRACT 1677	120	100
A1807	W T SCOTT, SURVEY PRE, ABSTRACT 1807	120	100

ABSTRACT / SUBDIVISION CODES & FACTORS

Ab/Sub Code	Description	Land Pct	Imp Pct
A1809	R A SLOUGH, SURVEY PRE, ABSTRACT 1809	110	100
A1887	T S JACKSON, ABSTRACT 1887	120	100
A1917	T H COX, SURVEY 343, ABSTRACT 1917	120	100
A1919	E T R R CO, SURVEY 43, ABSTRACT 1919	120	100
A1925	G C & S F R R CO, SURVEY 41, ABSTRACT 1925	120	100
A1926	W H HALL, SURVEY 432, ABSTRACT 1926	120	100
A1931	WALTER HENCKLEY, SURVEY 304, ABSTRACT 1931	120	100
A1952	J E SHANNON, SURVEY 301, ABSTRACT 1952	120	100
A1968	D B A BYNUM, SURVEY 44, ABSTRACT 1968	120	100
A1988	W B HUGGINS, SURVEY 44, ABSTRACT 1988	120	100
A2005	J W STONE, SURVEY 2, ABSTRACT 2005	120	100
A2049	A J BAKER, SURVEY 42, ABSTRACT 2049	120	100
A2060	J K PRATHER, SURVEY 632, ABSTRACT 2060	120	100
A2063	B G SWEET, SURVEY 342, ABSTRACT 2063	120	100
A2084	WILLIAM BINNE, SURVEY PRE, ABSTRACT 2084	120	100
A2095	S F MC BURNEY, SURVEY 17, ABSTRACT 2095	120	100
A2111	T BOYETT, SURVEY 44, ABSTRACT 2111	120	100
A2112	J T WILLIAMS, SURVEY 18, ABSTRACT 2112	120	100
A2124	SARAH I EVANS, SURVEY 44, ABSTRACT 2124	120	100
A2127	F G PETTY, SURVEY 14, ABSTRACT 2127	120	100
A2128	F G PETTY, SURVEY 81, ABSTRACT 2128	120	100
A2173	J N MC DONALD, SURVEY 42, ABSTRACT 2173	120	100
A2189	A B SIMPSON, ABSTRACT 2189	120	100
10010	BLUFF VIEW ESTATES	105	105
10020	BLUFF VIEW ESTATES ADDITION NO 2	105	105
10030	BLUFF VIEW ESTATES THIRD ADDITION	105	105
10035	BLUFF VIEW ESTATES THIRD ADD REVISION OF BLOCK 9	105	105
10040	BLUFF VIEW ESTATES 4TH ADDITION	105	105
10050	BLUFF VIEW ESTATES FIFTH ADDITION	105	105
10360	BOWIE ACRES	110	110
56470	MEADOWBROOK ADDITION	125	125
56480	MEADOWBROOK ADDITION SECTION 2	125	125
56490	MEADOWBROOK ADDITION SECTION 3	125	125
80350	SOUTHERN HILLS FIRST ADDITION	120	120
80360	SOUTHERN HILLS SECOND ADDITION	120	120
80370	SOUTHERN HILLS THIRD ADDITION	120	120
80380	SOUTHERN HILLS FOURTH ADDITION	120	120
R8392	THE CREEK AT ZEPHYR HILLS SUBDIVISION	120	100
R9862	ZEPHYR SPRINGS ESTATES	120	100

COMMON ECONOMIC ADJUSTMENTS

In addition to using the previous neighborhood and abstract/subdivision factors, the Brown CAD uses location adjustments using the economic adjustment field located on the individual property record within the appraisal module of the computer system. The following is a list of the common economic adjustments found in Brown County.

125% to improvements with a hilltop or other scenic view
125% to land fronting the Colorado River
125% to land fronting the Pecan Bayou
175% to improvements located on Lake Brownwood waterfront

Bangs ISD

Thomas Ranch Estates (R8405) - 148% to improvements
Thomas Ranch Estates (R8406) – 148% to improvements

Brookesmith ISD

Cooper's Prairie Subdivision (R1563) – 70.3% to land fronting Highway 377 S & 59.2% to land fronting CR 211

Brownwood ISD

Hunter's Glen Subdivision (38500) – 105% to improvements
Spring Hollow (R8075) – Various economic amounts depending on view and location of view to Golf Course
Spring Hollow II (R8076) – 130% to improvements
Stonegate Addition Section I (81810) – 105% to improvements
Stonegate Addition Section II (81820) – 105% to improvements
Stonegate Third Addition (81830) – 110%, 115%, 120% to improvements depending on location within subdivision

Early ISD

Glenn Wood Subdivision (S3161) – 135% to improvements, excluding mobile homes and commercial property
Twin Hills Subdivision (R8582) – 60% to land in acreage tracts not fronting FM Highways
Ridgewood Gardens (S7451) – 85% to duplexes on the main area only.

Streets with economic factors:

Bluebonnet Dr. – 115% to improvements
CR 318 (Richland Dr.) – 125% to improvement on North side of road
110% to improvements on South side of road
Green Tree Cir. – 115% to improvements
Meadow Glen Dr. – 110% to improvements
Monte Vista Dr. – 115% to improvements
Nottingham Oaks – 110% to improvements
Sendera Dr. – 115% to improvements
Sunset Cir. – 125% to improvements
Turtle Creek Dr. – 125% to improvements
Windcrest Dr. – 115% to improvements

Most other factors are usually unique to the property and should be noted in the comments area on the property record within the appraisal module or noted in the comment section of the Economic Factor Tab.

SUBDIVISIONS WITH REAL ESTATE INVENTORY VALUES

Several subdivisions have Real Estate Inventory values also known as Developer's Inventory Value. These properties are identified with the State Code of "O". These properties will have an economic factor on the land. The properties will also have an economic factor on the improvements, if any, that are still in the developer's name, held for sale and never occupied. The CAD also codes these properties with a Property Group Code of "O" for tracking purposes.

The following is a list of those subdivisions containing properties receiving Real Estate Inventory discounts.

Buckhorn Estates Subdivision – R1141
Buckhorn Estates Subdivision, Phase Two – R1142
Country Club Estates – R1581
Country Club West Subdivision – R1583
Deepwater Estates – R1750
Eastwind II – S2042
Feather Bay Subdivision Phase I – R2764
Feather Bay Subdivision Phase II – R2765
George Baugh Lake Brownwood Front Replat – R0835
Gibson Addition, Section Two, Phase Three – 31113
Hidden Valley Estates Replat – R3600
Hunter's Glen Subdivision – 38500
Lakeway Estates – R5130
Lakewood Village – R5126
Mountain View Oaks Subdivision – R5875
Oak Point Phase One – R5950
Oak Point Phase Two – R5955
Oak Point Phase Three – R5960
Oak Ridge Estates, Phase I – R6204
Sandy Beach Villa Resort Phase I – R7715
Sandy Beach Villa Resort Phase II – R7716
Sandy Beach Villa Resort Phase III – R7717
Sandy Beach Villa Resort Phase IV – R7718
Sullivan West – S8220
Sunset Ridge Ranch Subdivision – R8220
Turner Ranch Estates – R8550
Windmill Estates – R9455
Woodbridge Estates Phase I – R9532
Woodland Acres Addition - 95360

PARTIAL CONSTRUCTION COMPLETION REPORT

Property ID: _____ Owner: _____
Property Address: _____
Contractor: _____ Appraiser: _____
Inspection Date: _____ Inspection % Complete _____

Item	% of Cost	Completed Items
Preliminary, Plans, Permits, Etc.	1.0	
Footings and Foundations	2.0	
Plumbing Rough-in	4.0	
Slab	6.0	
Exterior Wall Framing	6.0	
Interior Wall Framing	4.0	
Ceiling Joists	2.5	
Wall Sheathing	1.5	
Roof Framing	2.5	
Roof Sheathing	3.0	
Plumbing Stack Out	2.8	
Finish Roofing	4.5	
Windows Set	2.5	
Electric Rough-in	2.5	
Exterior Doors Including Garage Doors	1.7	
Insulation – Walls and Ceiling	1.0	
Brick and Wood Trim	10.0	
Sheetrock, Tape and Texture	4.5	
Trim, Paneling and Cabinets	6.0	
Fireplace	1.0	
Interior Doors	2.5	
Shower Stall and Ceramic Tile	1.5	
Heating and Plumbing Fixtures	5.4	
Cabinet Tops	1.0	
Exterior Painting	1.0	
Interior Painting and Decorating	3.5	
Entry Floor Cover	0.5	
Carpet and Other Finish Floors	5.0	
Light Fixtures	1.2	
Kitchen Appliances	1.8	
Air Conditioning	2.8	
Porches, Patios, Walks & Drive	2.0	
Fence	1.8	
Extras and Completion	1.0	
Percentage of Completion	100	

Notes: _____

_____

COMMERCIAL

COMMERCIAL CLASSES

Class	Description
32	Mini Warehouse – Steel (32+,32-)
33	Mini Warehouse – Masonry (33+)
34	Carwash, Self Service – Masonry (34+, 34-)
35	Carwash, Austo – Masonry (35+)
36	Service Station – Steel (36-)
37	Service Station – Masonry (37+, 37-)
38	Service Garage – Masonry (38+, 38-)
39	Service Garage – Steel (39+, 39-)
40A	Restaurant, Fast Food, Average (40A-)
40G	Restaurant, Fast Food, Good
40L	Restaurant, Fast Food, Low
41A	Restaurant, Full Menu, Average
41G	Restaurant, Full Menu, Good
41L	Restaurant, Full Menu, Low
46	Auto Sales & Service
47	Auto Service & Parts – Steel (47-)
48	Auto Service & Parts – Masonry (48-)
49	Convenience Store – Steel (49-)
50	Convenience Store – Masonry (50+, 50-)
51	Grocery & Market – Masonry (51-)
52	Super Market – Masonry (52-)
53	Warehouse Storage – Steel (53+, 53-)
53A	Warehouse Distribution – Steel (53A+, 53A-)
54	Warehouse Storage – Masonry (54+, 54-)
54A	Warehouse Distribution – Masonry (54A-)
55	Strip Shopping Center – Steel
56	Strip Shopping Center – Masonry (56+, 56-)
57	Medical Office – Frame/Stucco (57+, 57-)
58	Medical Office – Masonry (58+, 58-)
59	Retail Business – Frame/Stucco (59+, 59-)
60	Retail Business – Masonry (60+, 60-)
61	Retail Business – Steel (61+, 61-)
62	Retail Business – Steel – Store Fr. (62+, 62-)
63	Lodge Hall – Steel (63+, 63-)
64	Lodge Hall – Masonry (64+, 64-)
65	Nursing Home – Frame/Stucco (65-)
66	Nursing Home – Masonry (66+, 66-)
67	Business Office – Frame/Stucco (67+, 67-)
68	Business Office – Masonry (68+, 68-)
68A	Office – Masonry - Average (68A-)
68G	Office – Masonry -Good (68G+)
68L	Office – Masonry -Low
69	Banks – Tilt, Stucco
70	Banks – Masonry (70+, 70-)
71	Motor Bank – Masonry, Stucco

COMMERCIAL CLASSES

Class	Description
72	Motel – Frame/Stucco (72-)
73	Motel – Masonry
74	Shopping Mall – Masonry
75	Department Store – Steel
76	Department Store – Masonry (76-)
77	Hospital – Masonry
78	Telephone Exchange Wire Center
79	Hotel
81	Funeral Home – Frame/Stucco
82	Funeral Home – Masonry
83	Bowling Alley – Masonry
84	Skating Rink – Steel, Masonry
85	Industrial Plant – Steel (85+, 85-)
86	Industrial Plant – Masonry (86+, 86-)
87	Water Systems
88	Telephone Exchange – Masonry
89	Gas Company – Masonry
90	Electrical Company – Masonry
92	Cable Company - Masonry

COMMERCIAL PROPERTY USE CODES

CODE	DESCRIPTION
1AP	1-Story Apartments
AP	Auto Parts
BA	Banks
BA-D	Bank Drive-Thru
BAR	Bar/Nightclub
BD	Boat Dock – Commercial
BLA	Bowling Alley
BS	Beauty/Barber Shop
CAB	Cable Co
CAR-N	Cars-New
CAR-U	Cars-Used
CS	Convenience Store
CW	Carwash
DS	Department Store
EC	Electric Co
FH	Funeral Home
GA	Garage
GC	Gas Co
GH	Green House
GOLF	Golf Course
GR	Grocery
GYM	Training, Dance, Gymnastics
HP	Hospital
IP	Industrial Plant
LA	Laundry
LH	Lodge Hall
LUB	Quick Oil & Lube
LYD	Lumber Yard
MALL	Mall
MAP	Multi-Story Apartments
MED	Medical Office
MHP	Mobile Home Park
MO	Motel
MP	Meat Processing
MW	Mini-Warehouse
NH	Nursing Home
OFF	Office
PL	Rent/Space Parking Lots
PO	Post Office
RE-FF	Restaurant – Fast Food
RE-SD	Restaurant – Sit Down
RR	Railroad
RTL	Retail
RTV	Radio/TV Broadcasting
SC	School
SK	Skating Rink
SS	Service Station
STSH	Strip Shopping Center
SW	Swimming Pool
TH	Theater
TL	Telephone
WH	Warehouse

COMMERCIAL DATA ENTRY

With the lack of disclosure of sales information for commercial property in Brown County, it has been necessary to value the commercial property using the cost approach. With the exception of hotels, motels and government subsidized apartments, which are valued using the income approach, the vast majority of the commercial property values are determined by the cost value derived using the *Marshall & Swift* valuation guide.

Once the base cost if found, then the appraiser uses a location multiplier to adjust the costs to the local costs. The Brown County Appraisal District currently uses an 85% factor. That adjusted base cost is then entered into the property's appraisal record within the appraisal module using the method code of SP (Special Pricing). Another way of entering the data can be to enter the original base cost using the method code of SP and then entering 85% into the economic adjustment field of that property's record. This method takes out the step of calculating the adjusted base cost, but takes up the economic field: a field that may become necessary in adjusting for other economic conditions such as a property's location in relation to other properties of similar use.

The appraiser will also refer to the depreciation tables located in the manual to determine the percent good of the property. The depreciation tables are only to be used as a reference. An experienced appraiser knows that depreciation is subjective, and that judging the condition and upkeep of the property plays a vital role in the overall depreciation the subject property is to receive.

Using the Appraisal District's class coding schedule and entering the property's correct use code is very necessary when entering the data into the appraisal module of the district's computer system. Correct coding provides a quick search for like-properties to determine if the values are equal and uniform within a class and property use code.

When adding features, the *primary* MA must have the Base Unit Price Bullet checked for the added features to pull from the base cost schedule. In the class field the added features will be entered as *. Typically, when this method is used, there is no further need to refer to the valuation manual to determine the costs of the features.

The following is the chart and the costs of the added features for the commercial properties.

COMMERCIAL SEGMENT TYPES & COSTS

Method Code: C

CODE	DESCRIPTION	COST	ADDED FEATURE TYPE
ASP	Asphalt paving 4-inch	<1999 sf $3.83/sf; 2000–2999 sf $3.60/sf; 3000 sf> $2.12/sf interpolated	
ASPL	Asphalt paving (local, 2-inch)	<1999 sf $1.50/sf; 2000 sf > $1.00/sf	
BAS	Basement	50%	
BAY	Bay	50%	
CA	Canopy	25%	Foundation – CONC - $1.50/sf
CA	Canopy for Gas Pumps	SP using M/S	
CONCP	Concrete Paving 4-inch	<1999 sf $5.41/sf; 2000–2999 sf $4.87/sf; 3000 sf> $2.66/sf interpolated	
CONCP6	Concrete Paving 6-inch	<1999 sf $6.05/sf; 2000–2999 sf $5.45/sf; 3000 sf> $3.36/sf interpolated	
DOCK	Dock	$4.15/sf	
EQP	Carwash Equipment Room	$24.00/sf	
FNC	Fencing	SP using M/S	
MA2	2nd floor and other floors	100%	
ODL	Outdoor Lighting	SP using M/S	
PC	Patio – Covered	25%	
POOL	Pool	$23.50/sf	
SPR	Sprinkler Syster	$0.90/sf	
WNC	Walk-in-Cooler/Freezer	SP using M/S	

LAND

LAND SCHEDULES

The cost approach to value reflects the market value of additions/subdivisions of land only when good cost information is provided by developers.

The income approach to value for land is only effective when trying to determine agricultural values for qualified agricultural land.

The market approach to value is better suited for developing value schedules for land in Brown County. Confirmed sales reflect a true determination of value when all points of the definition of market sale are met.

The land values for Brown County are derived from the market. The appraisers analyze the vacant land sales and break the sales down by different units. The sale prices of residential and commercial lots are typically analyzed by the front foot, square foot or lot “flat value” methods. Larger tracts, such as rural land tracts, are primarily analyzed by the sales price per acre.

Based on the information compiled, the land value schedules are adjusted to reflect the current market conditions. Once a property is assigned to a specific schedule, then proper adjustments may be made to reflect atypical conditions to that property, such as public road accessibility, easements, topography, etc. to name a few.

The following is a list of land schedules used by this CAD.

RESIDENTIAL LAND SCHEDULES

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
A0337LB	A	0		0	0		0	25
AB1	FF	0	150	15	0.15	25	0.15	
AD1	A	0		0	0		0	
AD1F	A	0		0	0		0	
AD2	A	0		0	0		0	25
AD2F	A	0		0	0		0	
AD3	A	0		0	0		0	
AD3F	A	0		0	0		0	
AD4	A	0		0	0		0	
AD4F	A	0		0	0		0	
AD5	A	0		0	0		0	
AD5F	A	0		0	0		0	25
AD6	A	0		0	0		0	
AD6F	A	0		0	0		0	
AE1	FF	0	170	40	0.4	25	0.4	
AE2	FF		170	0	0	25	0	
AH1	SQ	0		0	0		0	
AH2	FF		200	0	0	25	0	
AL1	FF	0	150	40	0.4	25	0.4	
AN1	A	0		0	0		0	25
AS1	FF	0	150	20	0.2	25	0.2	25
BA1	FF	0	150	15	0.15	25	0.15	
BA2	FF		150	0	0	25	0	
BA3	FF		150	0	0	25	0	
BB1	LOT	5000		0	0		0	
BB2	LOT	2500		0	0		0	
BC1	LOT	3000		0	0		0	
BC2	FF		150	0	0	25	0	
BE1	FF	0	150	15	0.15	25	BE1	FF
BEDC	A	0		0	0		BEDC	A
BEDC1	A	0		0	0		BEDC1	A
BF1	FF	0	185	40	0.4	25	BF1	FF
BG1	FF	0		65	0		BG1	FF
BGHWY1	SQ	0		0	0		BGHWY1	SQ
BGHWY2	SQ	0		0	0		BGHWY2	SQ
BH1	SQ	0		0	0		BH1	SQ
BI1	A						BI1	A
BK1	FF	0	150	15	0.15	25	BK1	FF
BK2	FF		150	0	0	25	BK2	FF
BK3	FF		150	0	0	25	BK3	FF
BK4	FF		150	0	0	25	BK4	FF
BL1	FF	0	185	20	0.2	25	BL1	FF
BN1	LOT	28000		0	0		BN1	LOT
BNG1	SQ	0		0	0		BNG1	SQ
BNG2	FF	0	140	60	6	14	BNG2	FF
BNG3	A	0		0	0		BNG3	A
BP1	FF	0	150	15	0.15	25	BP1	FF
BP2	FF		150	0	0	25	BP2	FF
BP3	FF		150	0	0	25	BP3	FF

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
BR1	SQ	0		0	0		0	
BR2	FF		200	0	0	25	0	
BRWF	SQ	0		0	0		0	
BS1	FF	0	150	15	0.15	25	0.15	
BS2	FF		150	0	0	25	0	
BS3	FF		150	0	0	25	0	
BT1	FF	0	150	30	0.3	25	0.3	
BT2	FF		150	0	0	25	0	
BU1	FF	0	150	55	0.4	25	0.4	25
BV1	FF	0	192	40	0.4	25	0.4	25
BW1	FF	0	150	15	0.15	25	0.15	25
BW2	FF		150	0	0	25	0	25
BY1	FF	0	140	8	0.08	25	0.08	25
BY2	FF	0	140	15	0.15	25	0.15	25
BZ1	FF	0	125	10	0.1	25	0.1	25
BZ2	FF		150	10	0.1	25	0.1	25
BZ3	FF	0	150	3	0.03	25	0.03	25
CA1	FF	0	150	50	0.5	25	0.5	25
CA2	FF	0	150	40	0.35	25	0.35	25
CB1	FF	0	190	30	0.3	25	0.3	25
CB2	FF	0	190	70	0.7	25	0.7	25
CC1	FF	0	200	100	1	25	1	25
CC2	FF	0		300	0		0	
CCW1	LOT	18500		0	0		0	
CCW2	LOT	23500		0	0		0	
CCW3	LOT	37500		0	0		0	
CD1	A	0		0	0		0	
CE1	LOT	10000						
CF1	FF	0	200	75	0.35	25	0.35	25
CF2	FF		200	0	0	25	0	25
CG1	FF	0	190	20	0.2	25	0.2	25
CG2	FF	0	190	30	0.3	25	0.3	25
CG3	FF		190	0	0	25	0	25
CG4	FF		190	0	0	25	0	25
CH1	FF	0	125	40	0.4	25	0.4	25
CH2	A	0		0	0		0	
CI1	FF	0	375	60	0.5	25	0.5	25
CI2	FF	0	375	35	0.35	25	0.35	25
CJ1	A	0		0	0		0	
CK1	FF	0	150	30	0.3	25	0.3	25
CK2	FF		150	0	0	25	0	25
CL1	FF	0	200	20	0.2	25	0.2	25
CL2	FF		200	0	0	25	0	25
CL3	FF		200	0	0	25	0	25
CM1	FF	0	180	40	0.4	25	0.4	25
CM2	FF		180	0	0	25	0	25
CN1	FF	0	120	20	0.2	25	0.2	25
CO1	FF	0	180	30	0.3	25	0.3	25
CO2	FF		180	0	0	25	0	25
CP1	FF	0	150	30	0.3	25	0.3	25
CR1	FF	0	192	40	0.4	25	0.4	25

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
CR2	FF		192	0	0	25	0	25
CROWN1	SQ	0		0	0		0	
CS1	FF	0	140	15	0.15	25	0.15	25
CS2	FF		120	0	0	25	0	
CU1	FF	0	115	15	0.15	25	0.15	
CV1	FF	0	235	40	0.4	25	0.4	
CW1	FF	0	250	70	0.7	25	0.7	
CX1	FF	0	120	15	0.15	25	0.15	
CY1	FF	0	150	60	0.6	25	0.6	
CZ	A	0		0	0		0	
CZ1	FF		140	0	0	25	0	
DA1	FF	0	150	15	0.15	25	0.15	
DE1	A	0		0	0		0	
DEMO	A	0		0	0		0	
DJ	FF	0	110	125	1.25	10	1.25	
DLW AC	FF	0	200	72	0.35	25	0.35	25
DMPT2	FF	0	250	440	0		0	
DRA	A	0		0	0		0	
DW1	FF	0	200	55	0.35	25	0.35	25
EA1	FF	0	150	40	0.4	25	0.4	25
EA2	FF		150	0	0	25	0	25
EA3	FF		150	0	0	25	0	25
EBN1	SQ	0		0	0		0	
EBN2	SQ	0		0	0		0	
EBN3	SQ	0		0	0		0	
EBN4	SQ	0		0	0		0	
EBN5	SQ	0		0	0		0	
EBN6	SQ	0		0	0		0	
EBN7	SQ	0		0	0		0	
EBN8	SQ	0		0	0		0	
EBN9	SQ	0		0	0		0	
EBS1	SQ	0		0	0		0	
EBS2	SQ	0		0	0		0	
EBS3	SQ	0		0	0		0	
EBS4	SQ	0		0	0		0	
EBS5	SQ	0		0	0		0	
EBSB	SQ	0		0	0		0	
EC1	A	0		0	0		0	
EE1	FF	0	140	40	0.4	25	0.4	25
EE2	FF		140	0	0	25	0	25
EEDC	A	0		0	0		0	
EEDC1	A	0		0	0		0	
EG1	FF	0	123	40	0.4	25	0.4	25
EH1	FF	0	142	40	0.4	25	0.4	25
EH2	FF		142	0	0	25	0	25
ELMWF	SQ	0		0	0		0	
EM1	FF	0	125	40	0.4	25	0.4	25
EN1	FF	0	150	60	0.6	25	0.6	25
EN2	FF		150	0	0	25	0	25
EN3	FF		150	0	0	25	0	25
EO1	A	0		0	0		0	

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
EO2	FF		300	0	0	25	0	25
EW1	FF	0	150	55	0.35	25	0.35	25
FB1	FF	0	100	20	0.2	25	0.2	25
FBGOLF	SQ	0		0	0		0	
FBINT	SQ	0		0	0		0	
FBINT2	SQ	0		0	0		0	
FBWF	SQ	0		0	0		0	
FD1	FF	0	150	20	0.2	25	0.2	25
FD2	FF		150	0	0	25	0	25
FH1	FF	0	130	15	0.15	25	0.15	25
FH2	FF		130	0	0	25	0	25
FL1	FF	0	190	40	0.4	25	0.4	25
FN1	FF	0	110	20	0.2	25	0.2	25
FR1	FF	0	150	70	0.7	25	0.7	25
GA1	FF	0	120	40	0.4	25	0.4	25
GB1	FF	0	192	40	0.4	25	0.4	25
GD1	FF	0	150	20	0.2	25	0.2	25
GD2	FF		150	0	0	25	0	25
GI	LOT	9500						
GI1	LOT	9500		0	0		0	
GL1	FF	0	150	55	0.35	25	0.35	25
GR1	A	0		0	0		0	
GR2	A							
GR3	A							
GRM	A	0		0	0		0	
GT1	FF	0	190	15	0.15	25	0.15	25
GT2	FF		190	0	0	25	0	25
GV1	FF	0	150	20	0.2	25	0.2	25
GV2	FF		150	0	0	25	0	25
GW1	FF	0	150	40	0.4	25	0.4	25
HA1	FF	0	100	15	0.15	25	0.15	25
HA2	FF		100	0	0	25	0	25
HC1	FF	0	150	20	0.2	25	0.2	25
HC2	FF		150	0	0	25	0	25
HC3	FF		150	0	0	25	0	25
HCE	A	0		0	0		0	
HD1	FF		250	20	0.2	25	0.2	25
HE1	FF	0	100	15	0.15	25	0.15	25
HEWF	SQ	0		0	0		0	
HG1	FF	0	140	190	1.9	25	1.9	25
HG2	SQ							
HL1	FF	0	150	30	0.3	25	0.3	25
HM1	FF	0	140	20	0.2	25	0.2	25
HN1	FF	0	120	55	0.35	25	0.35	25
HO1	FF	0	150	100	1	25	1	25
HO2	FF	0	150	28	0.28	25	0.28	25
HO3	FF	0	150	27	0.27	25	0.27	25
HO4	FF		150	75	0.75	25	0.75	25
HO5	FF		150	38	0.38	25	0.38	25
HP1	FF		142	0	0	25	0	25
HP2	FF		142	0	0	25	0	25

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
HT1	A	0		0	0		0	
HT2	FF	0	322	40	0.4	25	0.4	25
HU1	FF	0	140	20	0.2	25	0.2	25
HUTCH	A	0		0	0		0	
HV1	FF		100	0	0	25	0	25
HVE	A	0		0	0		0	
HW1	FF	0	200	55	0.25	25	0.25	25
HW2	FF		200	0	0	25	0	25
ID1	FF	0	150	40	0.4	25	0.4	25
ID2	FF		150	0	0	25	0	25
IH1	FF	0	120	15	0.15	25	0.15	25
IN1	FF	0	100	15	0.15	25	0.15	25
IN2	FF	0	100	15	0.15	25	0.15	25
JN1	A	0		0	0		0	
JO1	FF	0	170	60	0.6	25	0.6	25
JS1	A	0		0	0		0	
KB1	FF	0	200	15	0.15	25	0.15	25
LA1	FF	0	200	40	0.4	25	0.4	25
LB1	FF	0	140	20	0.2	25	0.2	25
LB1075A	A	0		0	0		0	
LB1075B	FF	0		100	0		0	
LB1384A	A							
LB1384B	SQ							
LB1384C	FF	0		300	0		0	
LB1395A	FF	0		150	0		0	
LB1395B	A	0		0	0		0	
LB1395C	A							
LB1395D	FF	0		30	0		0	
LB1820A	SQ	0		0	0		0	
LB2	FF		140	0	0	25	0	25
LB323A	A	0		0	0		0	
LB647A	A	0		0	0		0	
LB647B	A	0		0	0		0	
LB647C	FF	0	200	214	2.14	25	2.14	25
LB647D	FF	0		150	0		0	
LB738A	FF	0		150	0		0	
LB931A	A	0		0	0		0	
LB931B	A	0		0	0		0	
LB931C	A	0		0	0		0	
LB931D	A	0		0	0		0	
LB931E	FF	0	150	214	2.14	25	2.14	25
LB97A	FF	0		150	0		0	
LB97C	FF			200				
LBA1918A	SQ							
LBA1918B	SQ							
LBA1918C	A							
LBA508	A							
LBBAKER1	SQ	0		0	0		0	
LBBRA	FF	0	100	250	2.5	25	2.5	25
LBBRB	FF	0	100	214	2.14	25	2.14	25
LBBRPA	FF			214				

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
LBBRPB	A	0		0	0		0	
LBBRPC	A							
LBCOA	FF	0		400	0		0	
LBCOB	FF	0		200	0		0	
LBEIA	FF	0		250	0		0	
LBGBLFA	FF	0		300	0		0	
LBGLA	FF	0		300	0		0	
LBGLB	FF	0		30	0		0	
LBLF	FF	0	140	214	2.14	25	2.14	25
LBLMA	FF	0		250	0		0	
LBLSA	FF	0		250	0		0	
LBLSB	FF	0		135	0		0	
LBLSC	A	0		0	0		0	
LBLT1	SQ	0		0	0		0	
LBMP	FF	0		340	0		0	
LBMV2	FF	0		300	0		0	
LBOP	FF	0		214	0		0	
LBOPB	FF	0		75	0		0	
LBPOND	FF	0		150	0		0	
LBRHEA	FF			100				
LBRHEB	FF			30				
LBRHEC	FF	0		200	0		0	
LBRHED	SQ	0		0	0		0	
LBSBA	FF	0		100	0		0	
LBSBB	FF	0		50	0		0	
LBSBC	FF	0		100	0		0	
LBTO	FF	0		214	0		0	
LBTTA	FF	0		214	0		0	
LBTTB	FF	0		150	0		0	
LBTTC	FF	0		60	0		0	
LBWA	FF	0		200	0		0	
LBWBEVLFA	FF	0		350	0		0	
LBWBEVLFB	FF	0		135	0		0	
LBWBLFA	FF	0		50	0		0	
LBWBLFB	FF	0		135	0		0	
LBWBLFC	FF			214				
LBWBLFD	A	0		0	0		0	
LC1	FF	0	192	40	0.4	25	0.4	25
LE1	FF	0	150	30	0.3	25	0.3	25
LE2	FF		150	0	0	25	0	25
LH1	FF		175	0	0	25	0	25
LH2	FF		175	0	0	25	0	25
LH3	FF		175	0	0	25	0	25
LO1	FF	0	150	30	0.3	25	0.3	25
LR1	FF	0	140	20	0.2	25	0.2	25
LS1	FF	0	100	40	0.4	25	0.4	25
LV1	FF	0	150	55	0.25	25	0.25	25
LW1	FF	0	150	20	0.2	25	0.2	25
LWV1	A	0		0	0		0	
LY1	FF	0	150	40	0.4	25	0.4	25
MA1	A	0		0	0		0	

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
MC1	FF		180	0	0	25	0	25
MD1	FF		165	0	0	25	0	25
ME1	FF	0	110	40	0.4	25	0.4	25
MF1	FF	0	150	10	0.1	25	0.1	25
MG1	FF	0	150	10	0.1	25	0.1	25
MH1	FF	0	123	20	0.2	25	0.2	25
MH2	FF		123	0	0	25	0	25
MI1	A	0		0	0		0	
MJ1	A	0		0	0		0	
MJ2	FF		200	0	0	25	0	25
MK1	FF	0	140	80	0.8	25	0.8	25
MK2	FF	0	140	30	0.3	25	0.3	25
MK3	FF		140	0	0	25	0	25
ML1	SQ	0		0	0		0	
ML2	FF		150	0	0	25	0	25
MM1	FF	0	120	45	0.3	25	0.3	25
MN1	FF	0	150	10	0.1	25	0.1	25
MO1	FF	0	125	100	0.8	25	0.8	25
MP1	FF	0	150	10	0.1	25	0.1	25
MPII	SQ	0		0	0		0	
MPIII	SQ	0		0	0		0	
MPIV	SQ	0		0	0		0	
MPV	SQ	0		0	0		0	
MPVI	SQ	0		0	0		0	
MR1	FF	0	125	10	0.1	25	0.1	25
MS1	FF	0	150	40	0.4	25	0.4	25
MS2	FF		150	0	0	25	0	25
MS3	FF	0	100	40	0.4	25	0.4	25
MS4	FF	0	197	40	0.4	25	0.4	25
MT1	FF	0	150	10	0.1	25	0.1	25
MU1	FF	0	150	10	0.1	25	0.1	25
MV1	FF	0	150	60	0		0	
MW1	SQ	0		0	0		0	
NR1	FF	0	120	15	0.15	25	0.15	25
NR2	FF		120	0	0	25	0	25
NV1	FF	0	140	15	0.15	25	0.15	25
OA1	FF	0	150	110	1.1	25	1.1	25
OA2	FF		150	0	0	25	0	25
OAKRDG3	SQ	0		0	0		0	
OAKTRLA	LOT	1250		0	0		0	
OE1	FF	0	200	110	1.1	25	1.1	25
OF1	FF	0	180	110	1.1	25	1.1	25
OK1	FF	0	150	60	0.3	25	0.3	25
OK2	FF		150	0	0	25	0	25
OMRD1	A	0		0	0		0	
OP1	FF	0	70	95	0.95	10	0.95	10
OP10	FF	0	210	57	0.57	10	0.57	10
OP11	SQ	0		0	0		0	
OP12	SQ	0		0	0		0	
OP13	SQ	0		0	0		0	
OP14	FF	0	218	50	0.5	10	0.5	10

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
OP15	FF	0	210	60	0.6	10	0.6	10
OP16	FF	0	218	30	0.3	10	0.3	10
OP17	FF	0	118	195	1.95	10	1.95	10
OP18	FF	0	70	160	1.6	10	1.6	10
OP19	SQ	0		0	0		0	
OP2	SQ	0		0	0		0	
OP20	SQ	0		0	0		0	
OP21	SQ	0		0	0		0	
OP22	SQ	0		0	0		0	
OP23	SQ							
OP24	SQ	0		0	0		0	
OP25	FF	0	90	280	2.8	10	2.8	10
OP26	FF	0	190	230	2.3	10	2.3	10
OP27	FF	0		460	0		0	
OP28	FF	0		380	0		0	
OP29	FF	0		80	0		0	
OP3	SQ	0		0	0		0	
OP30	SQ	0		0	0		0	
OP31	SQ	0		0	0		0	
OP32	FF	0		670	0		0	
OP33	FF	0		275	0		0	
OP34	FF	0		170	0		0	
OP35	FF	0		105	0		0	
OP36	FF	0		180	0		0	
OP37	FF	0	70	115	1.15	10	1.15	10
OP38	FF	0	70	140	1.4	10	1.4	10
OP39	FF	0	70	215	2.15	10	2.15	10
OP4	FF	0	70	65	0.65	10	0.65	10
OP40	FF	0	70	110	1.1	10	1.1	10
OP41	FF	0	70	240	2.4	10	2.4	10
OP42	LOT	6435		0	0		0	
OP43	LOT	10335		0	0		0	
OP44	SQ	0		0	0		0	
OP45	SQ	0		0	0		0	
OP46	SQ	0		0	0		0	
OP47	SQ	0		0	0		0	
OP48	SQ	0		0	0		0	
OP5	FF	0	70	125	1.25	10	1.25	10
OP6	FF	0	210	47	0		0	
OP7	FF	0	210	70	0.7	10	0.7	10
OP8	FF	0	210	43	0.43	10	0.43	10
OP9	SQ	0		0	0		0	
OPINT	SQ	0		0	0		0	
OPRV	SQ	0		0	0		0	
OPRVWF	SQ	0		0	0		0	
OPWF	SQ	0		0	0		0	
OR1	FF	0	515	65	0		0	
OR1INT	SQ	0		0	0		0	
ORCD1	A	0		0	0		0	
ORI1	SQ	0		0	0		0	
ORIIA	SQ	0		0	0		0	

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
ORIIB	SQ	0		0	0		0	
ORW1	SQ	0		0	0		0	
OS1	A							
OT1	A	0		0	0		0	
OT2	FF		190	0	0	25	0	25
OU1	FF	0	160	20	0.2	25	0.2	25
OU10	FF		100	0	0	25	0	25
OU11	FF		150	0	0	25	0	25
OU12	FF		191	0	0	25	0	25
OU13	FF	0	150	15	0.15	25	0.15	25
OU14	A							
OU15	FF			0				
OU16	FF	0	192	30	0.3	25	0.3	25
OU17	FF	0	192	40	0.4	25	0.4	25
OU18	FF		192	0	0	25	0	25
OU2	FF		160	0	0	25	0	25
OU3	FF		160	0	0	25	0	25
OU4	FF		160	0	0	25	0	25
OU5	A	0		0	0		0	
OU6	FF		100	0	0	25	0	25
OU7	FF		100	0	0	25	0	25
OU8	FF		150	0	0	25	0	25
OU9	FF		160	0	0	25	0	25
OV1	FF	0	200	50	0.5	25	0.5	25
OV2	FF		200	0	0	25	0	25
OW1	FF	0	100	30	0.3	25	0.3	25
PB	A	0		0	0		0	
PB1	LOT	15000		0	0		0	
PCVAL	A	0		0	0		0	
PE1	FF	0	150	40	0.4	25	0.4	25
PE2	FF		150	0	0	25	0	25
PE3	FF	0	150	70	0.7	25	0.7	25
PI1	FF	0	100	20	0.2	25	0.2	25
PK1	FF	0	185	40	0.4	25	0.4	25
PK2	FF	0	185	67	0.67	25	0.67	25
PK3	FF	0	185	40	0.4	25	0.4	25
PK4	FF	0	190	50	0.5	25	0.5	25
PO1	FF	0	100	15	0.15	25	0.15	25
PO2	FF		100	0	0	25	0	25
PS1	SQ	0		0	0		0	
RD1	FF	0	150	20	0.2	25	0.2	25
RG1	FF	0	100	20	0.2	25	0.2	25
RHE2	A	0		0	0		0	
RK1	FF	0	150	40	0.4	25	0.4	25
RL1	A	0		0	0		0	
RN1	FF	0	100	15	0.15	25	0.15	25
RN2	FF		100	0	0	25	0	25
RN3	FF		100	0	0	25	0	25
RN4	FF		100	0	0	25	0	25
RO1	FF	0	150	60	0.6	25	0.6	25
RV1	FF	0	150	40	0.4	25	0.4	25

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
RV2	FF		150	0	0	25	0	25
RWG	FF	0	100	60	0		0	
SA1	FF	0	150	55	0.55	25	0.55	25
SB1	FF	0	180	40	0.4	25	0.4	25
SB323	SQ	0		0	0		0	
SBA1	A							
SBVR2	SQ	0		0	0		0	
SC1	FF	0	100	15	0.15	25	0.15	25
SCATT2	A	0		0	0		0	
SD1	FF	0	150	65	0.35	25	0.35	25
SD2	FF		150	0	0	25	0	25
SE1	FF	0	150	20	0.2	25	0.2	25
SE2	FF	0	150	15	0.15	25	0.15	25
SE3	FF		150	0	0	25	0	25
SG1	FF	0	130	65	0.65	25	0.65	25
SH1	LOT	5000		0	0		0	
SH2	LOT	7000		0	0		0	
SH3	LOT	9000		0	0		0	
SHSH1	LOT	800		0	0		0	
SHSH2	LOT	400		0	0		0	
SHSH3	LOT	750		0	0		0	
SHSH4	LOT	700		0	0		0	
SHSHW1	FF	0		150	0		0	
SL1	FF	0	100	15	0.15	25	0.15	25
SL2	FF		100	0	0	25	0	25
SM1	FF	0	150	20	0.2	25	0.2	25
SM2	FF		150	0	0	25	0	25
SN1	FF	0	100	15	0.15	25	0.15	25
SN2	FF		100	0	0	25	0	25
SO1	FF	0	150	40	0.4	25	0.4	25
SO2	FF	0	150	80	0.8	25	0.8	25
SP1	FF	0	150	70	0.7	25	0.7	25
SP2	FF		150	0	0	25	0	25
SPECIAL	A	0		0	0		0	
SS1	FF	0	150	50	0.5	25	0.5	25
SS2	FF		150	0	0	25	0	25
SSRR	A	0		0	0		0	
ST1	SQ	0		0	0		0	
ST2	SQ	0		0	0		0	
ST3	SQ	0		0	0		0	
SU1	FF	0	100	30	0.3	25	0.3	25
SU2	FF	0	150	60	0.27	25	0.27	25
SV1	FF	0	150	80	0.8	25	0.8	25
SV2	FF	0	140	100	0.7	25	0.7	25
SW1	A							
SW2	FF		150	0	0	25	0	25
SX1	FF	0	170	160	1.6	25	1.6	25
SY1	FF	0	150	30	0.3	25	0.3	25
SZ1	LOT	15000		0	0		0	
TA1	FF	0	170	30	0.3	25	0.3	25
TA2	FF	0	170	70	0.7	25	0.7	25

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
TA3	FF		170	0	0	25	0	25
TB1	FF	0	125	15	0.15	25	0.15	25
TC1	A	0		0	0		0	
TC2	FF		170	0	0	25	0	25
TD1	FF		100	100	1	25	1	25
TD2	FF		100	30	0.3	25	0.3	25
TG1	FF	0	102	100	1	25	1	25
TH1	FF	0	150	20	0.2	25	0.2	25
TK1	FF	0	180	100	0		0	
TK2	FF	0	180	37	0.37	25	0.37	25
TK3	FF	0	180	40	0.4	25	0.4	25
TK4	FF	0	180	34	0.34	25	0.34	25
TK5	FF	0	180	20	0.2	25	0.2	25
TL1	FF	0	190	75	0.75	25	0.75	25
TM1	FF		100	0	0	25	0	25
TN1	FF	0	150	15	0.15	25	0.15	25
TN2	FF		150	0	0	25	0	25
TR1	FF	0	125	15	0.15	25	0.15	25
TRE	A	0		0	0		0	
TS1	FF	0	120	15	0.15	25	0.15	25
TT1	FF	0	140	15	0.15	25	0.15	25
TT2	FF		140	0	0	25	0	25
TU1	FF	0	180	20	0.2	25	0.2	25
TURRE	A	0		0	0		0	
TW1	A	0		0	0		0	
TY1	FF	0		100	0		0	
TY2	FF	0	100	30	0.3	25	0.3	25
TY3	FF	0	100	27	0.27	25	0.27	25
TY4	FF	0	100	25	0.25	25	0.25	25
VA1	FF	0	110	15	0.15	25	0.15	25
VP1	FF	0	200	55	0.55	25	0.55	25
VV1	FF	0	140	15	0.15	25	0.15	25
WA1	FF	0	115	50	0.15	25	0.15	25
WB1	FF	0	120	15	0.15	25	0.15	25
WB2	FF		120	0	0	25	0	25
WC1	FF	0	201	55	0.55	25	0.55	25
WE1	FF	0	192	40	0.4	25	0.4	25
WF1	FF		120	0	0	25	0	25
WF2	FF		120	0	0	25	0	25
WF3	FF		120	0	0	25	0	25
WG1	FF	0	150	40	0.4	25	0.4	25
WH1	FF	0	150	40	0.4	25	0.4	25
WI1	FF	0	100	15	0.15	25	0.15	25
WJ1	FF	0	150	40	0.4	25	0.4	25
WJ2	FF		150	0	0	25	0	25
WL1	FF	0	200	50	0.5	25	0.5	25
WM1	FF	0	180	40	0.4	25	0.4	25
WM2	FF		180	0	0	25	0	25
WN1	FF	0	400	50	0.5	25	0.5	25
WN2	FF	0	400	40	0.35	25	0.35	25
WO1	FF	0	150	60	0.6	25	0.6	25

CODE	METHOD	UNIT PRICE	STD DEPTH	BASE PRICE	(-) DEV AMT	(-) DEV FT	(+) DEV AMT	(+) DEV FT
WO2	FF	0	150	0	0	25	0	25
WP1	FF	0	150	65	0.65	25	0.65	25
WR1	FF	0	115	80	0.15	25	0.15	25
WS1	FF	0	200	15	0.15	25	0.15	25
WS2	FF		200	0	0	25	0	25
WT1	FF	0	150	60	0.6	25	0.6	25
WT2	FF		150	0	0	25	0	25
WW1	FF	0	175	30	0.3	25	0.3	25
WW2	FF		175	0	0	25	0	25
YJ1	FF	0	200	40	0.35	25	0.35	25
YJ2	FF		200	0	0	25	0	25
ZC1	FF	0	150	10	0.1	25	0.1	25
ZH1	FF	0	150	10	0.1	25	0.1	25
ZS1	FF	0	150	10	0.1	25	0.1	25
ZZ1	FF	0	150	10	0.1	25	0.1	25

BROWN COUNTY APPRAISAL DISTRICT
RURAL LAND SCHEDULE – 2010

SCHEDULE	ACRES	VALUE PER ACRE
AD1	1 - 10	4200 – 3201
AD2	11 - 25	3200 – 2801
AD3	26 - 50	2800 – 2501
AD4	51 - 100	2500 – 2301
AD5	101 - 250	2300 – 2001
AD6	250+	2000

SCHEDULE	ACRES	VALUE PER ACRE
AD1F	1 - 10	4300 – 3301
AD2F	11 - 25	3300 – 2901
AD3F	26 - 50	2900 – 2601
AD4F	51 - 100	2600 – 2401
AD5F	101 - 250	2400 – 2101
AD6F	250+	2100

AGRICULTURAL LAND

Agricultural Valuation Process

Agricultural Appraisal

The Texas Constitution permits certain kinds of agricultural land to be appraised for tax purposes at productivity value, rather than at market value. This special appraisal value is based solely on the land's capacity to produce agricultural products. Property qualifying for agricultural appraisal will have a substantial reduction in taxes, based on the difference in special agricultural appraisal and the market value of the property. Property taxes are deferred until a change of use of the property occurs or, in a much less frequently requested type of special agricultural appraisal, when the ownership changes. At the time of use or ownership change, taxes are recaptured for up to five previous years, based on the difference in what was paid based on agricultural appraisal, and what would have been paid based on the market value of the property. Procedures for implementing this appraisal are based on the guidelines published in the Manual for the Appraisal of Agricultural Land, printed April 1990. A copy may be obtained from the Sate Comptroller of Public Accounts.

Application Process

The State Property Tax Code requires an application before land is considered for agricultural valuation. The deadline for filing a timely application is before May 1. Late agricultural valuation applications may be filed up to the time the appraisal roll is certified, however a penalty is imposed for late filing. After an application is filed, the property is inspected to determine its qualification.

Three criteria must be met when determining qualification.

1. Use: Land must be currently devoted principally to agricultural use.
2. Degree of Intensity: The agricultural use must be to the degree of intensity generally accepted in the area.
3. History of Use: The land must have been devoted principally to agricultural use for five (5) of the preceding seven (7) years. Land located within an incorporated city or town must have been devoted principally to agricultural use continuously for the preceding five (5) years.

When the land's use qualifications have been reviewed, one of three actions will be taken.

1. Application Denied: Property owner is notified by certified mail and given 30 days to appeal the decision to the Brown County Appraisal District's Appraisal Review Board.
2. Disapprove the Application and Request More Information: The application is disapproved and the applicant is allowed thirty (30) days to provide additional information, otherwise the application is denied. When requested information is provided, it is added to data already collected to arrive at a final decision.
3. Application Approved: Once approved, the property remains valued as a special agricultural use until a change of use occurs, or the ownership changes. If the property's use remains unchanged and only the ownership has changed, the new owner is notified and is required to timely apply for the special agricultural valuation.

Wildlife Management Process

In order for the property to begin receiving and 1-d-1 agricultural appraisal under the Wildlife Management guidelines, the property must already have a 1-d-1 agricultural valuation. The appraisal district uses those guidelines as set out by the Texas Parks and Wildlife's *Wildlife Management Activities and Practices – Comprehensive Wildlife Management Planning Guidelines for the Edwards Plateau and Cross Timbers & Prairies Ecological Regions* in determining if a property qualifies.

For properties subdivided after January 1, 2001 from larger tracts already receiving the 1-d-1 or 1-d-1w agricultural appraisal, the Brown County Appraisal District has adopted the following ***minimum*** size requirements for wildlife management properties:

1) acreage to be dedicated to wildlife management – 15 acres or 93.33%
2) acreage that lies within a qualifying wildlife property association – 12 acres or 91.67%
3) acreage that is designated by the Texas Parks and Wildlife Department as habitat for an endangered species, a threatened species, or a candidate species, as determined by the Texas Parks and Wildlife Department – 11 acres or 90.9%

The appraisal district requires that property owners submit a written management plan along with a new application for 1-d-1 agricultural appraisal in order to be considered to receive the 1-d-1 agricultural appraisal for wildlife management.

Periodic evaluations and reports of those properties qualifying under wildlife management practices will be required as deemed necessary by the Chief Appraiser.

When a property is first re-classified as receiving wildlife management, the property is identified with the proper property group code and the land type code is changed to WL on the property record in the appraisal module.

The property's agricultural value is treated the same as that of traditional 1-d-1 agricultural value.

Office Procedures

Once the deed clerk has made an ownership change to the appraisal roll, the clerk will notify the agricultural department if an ownership has been made to an agricultural property. As soon as the agricultural department is notified of the change, the department will mail the new property owner an application. This procedure is done throughout the year making sure that all the new owners as of January 1 have been contacted. The property is coded within the appraisal module to track the date the application was mailed and to flag the property for a new application.

As the agricultural applications are presented to the appraisal district, the agricultural department (usually the senior appraiser working under the authority of the Chief Appraiser) will approve, ask for more information, or deny the applications. If the application is denied, the owner is notified by certified mail. If the application is approved, the property is given to the assigned appraiser for that property to be inspected and to see if further action is needed. If further action is needed, the appraiser can choose to work with the property owner or notify the agricultural department and let that department work with the property owner.

If a change of use has been determined by the appraiser, then the agricultural department is notified that a change of use has been determined and an agricultural rollback tax calculated. A Notice of Change of Use is sent to the owner by certified mail along with the calculated taxes.

Throughout the year, if an appraiser questions the agricultural use of a property or sees a need for more information regarding the agricultural activity, that appraiser can mail the owner an application and/or send correspondence to the property owner explaining their findings and the need for more information. The property is flagged and the inspection results noted so that the process can be tracked.

Throughout the year, a property owner may request in writing that their agricultural value be removed. A form is provided for those owners requesting the removal of the special use appraisal for loan purposes. Once removed, the owner is advised that they cannot apply until the following January.

Close to the end of the year, the agricultural department will send the Wildlife Management Annual Report to the property owners receiving Wildlife Management. These properties are also flagged within the appraisal module to track these applications.

As the requested agricultural applications and the wildlife management reports are presented to the appraisal district, the appraiser will remove the flag or the property group code from the property in the system and file the applications and annual reports. Shortly before Appraisal Notices are sent, the agricultural department will remove the agricultural value from the properties in which there were no applications or reports received, and then notify all property owners who did not return the requested documents by certified mail.

Any approved applications received after April 30 and before certification of the appraisal roll in July, are coded with a late penalty and the owner is given a corrected Notice of Appraised Value showing the corrected value and the estimation of the late agricultural filing penalties.

BROWN COUNTY APPRAISAL DISTRICT

AGRICULTURAL CODES & VALUES – 2010

DC2	BEST CROPLAND – PEANUT, IRRIGATED	$129
DC3	OTHER CROPLAND – DRY CROP	90
IP2	IMPROVED PASTURE	80
NP3	REGULAR NATIVE PASTURE	80
OR2	PECAN ORCHARD	372
OR3	FRUIT ORCHARD	172

2010

NATIVE PASTURE

INCOME

Lease to graze	$ 5.00/Acre
Lease to hunt	$ 7.50/Acre
Total Income	$12.50/Acre

EXPENSES

Taxes ($80.00 @ $1.88/$100.00 Value)	$1.50/Acre
Fences	$2.00/Acre
Management (8%)	$1.00/Acre
Total Expenses	$4.50/Acre

NET TO LAND

Income less Expenses

$12.50
-$ 4.50

$8.00 Net to Land

Capitalization Rate 10%

V=I/R I=$8.00/Acre R=10%

Productivity Value per Acre = $80.00

2010

IMPROVED PASTURE

Gross Potential Income	$12.50/Acre	
Expenses:		
Taxes	1.50/Acre	
Fence	2.00/Acre	
Management (8%)	1.00/Acre	
Net Operating Income	$ 8.00/Acre	
Capitalization Rate	10%	
V=I/R	I=$8.00/Acre	R=10%

Productivity Value per Acre = $80.00

DRY CROP

Gross Potential Income	$13.50/Acre	
Expenses:		
Taxes	1.50/Acre	
Fence	2.00/Acre	
Management (8%)	1.00/Acre	
Net Operating Income	$ 9.00/Acre	
Capitalization Rate	10%	
V=I/R	I=$9.00/Acre	R=10%

Productivity Value per Acre = $90.00

2010

FENCING EXPENSE

5,280 FEET/MILE

640 ACRES = 1 MILE SQUARE

4 MILES = 21,120 FEET

$2.00/FT X 21,120 FT = $42,240

$42,240 – 640 ACRES = $66/ACRE

$66/ACRE – 33 YEARS = $2.00/YEAR

AGRICULTURAL HISTORICAL CODES AND VALUES

CODE	DESCRIPTION	2009	2008	2007	2006	2005	2004	2003
DC2	BEST CROPLAND – PEANUT, IRRIGATED	129	129	129	129	129	129	129
DC3	OTHER CROPLAND – DRY CROP	90	90	90	90	90	90	90
IP2	IMPROVED PASTURE	80	80	80	80	80	80	80
NP3	NATIVE PASTURE	70	70	70	70	70	70	70
OR2	PECAN ORCHARD	372	372	372	372	372	372	372
OR3	FRUIT ORCHARD	172	172	172	172	172	172	172

CODE	DESCRIPTION	2002	2001	2000	1999	1998	1997	1996
DC2	BEST CROPLAND – PEANUT, IRRIGATED	129	129	129	129	129	129	129
DC3	OTHER CROPLAND – DRY CROP	77	77	77	77	77	77	77
IP2	IMPROVED PASTURE	73	73	73	73	73	73	73
NP3	NATIVE PASTURE	70	58	58	58	58	58	58
OR2	PECAN ORCHARD	372	372	372	372	372	372	372
OR3	FRUIT ORCHARD	172	172	172	172	172	172	172

CODE	DESCRIPTION	1995	1994	1993	1992
DC2	BEST CROPLAND – PEANUT, IRRIGATED	129	129	125	81
DC3	OTHER CROPLAND – DRY CROP	77	77	71	70
IP2	IMPROVED PASTURE	73	73	67	60
NP3	NATIVE PASTURE	58	58	53	48
OR2	PECAN ORCHARD	372	372	336	81
OR3	FRUIT ORCHARD	172	172	163	81

REQUEST TO REMOVE AGRICULTURAL EVALUATION

PROPERTY OWNER: _____

ACCOUNT NUMBER (S): _____
_____

LEGAL DESCRIPTION OF TOTAL ACREAGE: _____

_____

_____

TO COMPLY WITH STATE HOME EQUITY LAWS, I HEREBY REQUEST THAT THE BROWN COUNTY APPRAISAL DISTRICT REMOVE THE AGRICULTURAL EVALUATION FROM THE ABOVE REFERENCED PROPERTY FOR THE TAX YEAR _____.

_____ _____
SIGNATURE DATE

LOANING INSTITUTION:

NAME: _____

ADDRESS: _____

_____

AGRICULTURAL EVALUATION REMOVED

_____ _____
BROWN COUNTY APPRAISAL DISTRICT DATE
403 FISK
BROWNWOOD, TX 76801
325/643-5676

BROWN COUNTY APPRAISAL DISTRICT
403 FISK
BROWNWOOD, TX 76801
325-643-5676

Name_____
Total Acreage_____
Date_____

Agricultural Use Survey
BROWN COUNTY

Native Pasture and Improved Pasture

Total acres of pasture land in your operation _____

		2009	2010
Do you lease out **IMPROVED PASTURE** for grazing?	_____	$____/acre	$____/acre
Do you lease out **IMPROVED PASTURE** for hunting?	_____	$____/acre	$____/acre
Do you lease out **NATIVE PASTURE** for grazing?	_____	$____/acre	$____/acre
Do you lease out **NATIVE PASTURE** for hunting?	_____	$____/acre	$____/acre
Do you lease out **CRP** for hunting?	_____	$____/acre	$____/acre

ONLY report **EXPENSES** if a LAND OWNER expense - PER ACRE

Tax	Land owner expense Y/N	_____	$____/acre	$____/acre
Fencing	Land owner expense	_____	$____/acre	$____/acre
Water or Wells	Land owner expense	_____	$____/acre	$____/acre
Management	Land owner expense	_____	$____/acre	$____/acre
Brush Control	Land owner expense	_____	$____/acre	$____/acre
Insurance (hunting)	Land owner expense	_____	$____/acre	$____/acre
Advertising (hunting)	Land owner expense	_____	$____/acre	$____/acre
Other_____	Land owner expense	_____	$____/acre	$____/acre
_____	Land owner expense	_____	$____/acre	$____/acre

COMMENTS:_____
_____
_____

CROPLAND

Total acres of cropland in your operation_____

How many acres do you have in Dry cropland?	_____		
How many acres do you have in Irrigated cropland?	_____		
Do you lease your cropland out?	_____		
Do you lease additional cropland?	_____		
Do you Share-lease?	_____		
Do you Cash-lease?	_____	$____/acre	$____/acre

BUSINESS PERSONAL PROPERTY

BUSINESS PERSONAL PROPERTY

INTRODUCTION

The Business Personal Property department of the Brown County Appraisal District is responsible for developing fair and uniform market values for businesses located in the district. The law requires that all property not specifically exempt be taxed. However, because personal property is easily concealed and frequently moved, the need to determine situs often makes personal property more difficult to tax than real property

Items not permanently affixed to real estate are generally considered to be personal property. To differentiate between real and personal property our appraiser must consider the manner in which the property is attached or secured in the location, the purpose for which it is used , and whether it is to remain permanently or be removed at some time. A general rule is that an item is personal property if it can be removed without serious injury to the real estate or to the item itself.

There are approximately 1700 business personal property accounts in Brown County.

The personal property staff consists of one appraiser and one clerical assistant.

PERSONAL PROPERTY DEFINED

The Property Tax code, in Sec 1.04 (04) defines personal property as "a property that is not real property". The code further describes two categories of personal property, tangible and intangible.

Tangible Personal Property is defined as any property that can be seen, weighed, measured, felt, or otherwise perceived by the senses. It does not include a document or other perceptible object that constitutes evidence of a valuable interest, claim, or right and has no negligible or no intrinsic value. Tangible property is taxable when used in the production income. Generally, the items are broken down into categories of fixed assets and inventory items. Fixed assets include but not limited to; inventory, furniture, fixtures, machinery, equipment, computer related hardware, signs, & vehicles. Also some leasehold items are considered to be personal property. The tax code requires that the tangible personal property be taxed at 100% of its market value.

Intangible Personal Property means a claim, interest (other than in tangible property), right, or other thing that has value but cannot be seen, felt, weighed, measured, or otherwise perceived by the senses, although it's existence may be evidenced by a document: i.e.—stocks, bonds, notes, licenses or permits, money, insurance or contracts. These items are generally not taxable.

PROCEDURES FOR DISCOVERY OF BUSINESS PERSONAL PROPERTY

Throughout the year the Personal Property Department gathers information on new businesses, businesses changing locations, expanding businesses, businesses closing and new owner information.

That information is obtained from various means:

- Comptroller's Sales Tax Information-downloaded twice monthly from the web-site to BCAD system. Also use the Comptrollers "out of business" list-effective Jan 1-Dec 31 of past year.
- Assumed Name Records from Brown County Clerk's Office-information gathered throughout the year.
- Brown County Vehicle Registration (for commercial vehicles)-obtained from Tax Assessor's office and effective January 1 of each year.
- City and County Permits for new or expanding businesses-gathered throughout the year.
- Mechanics Liens obtained from Brown County Clerk's Office-gathered throughout the year.
- Deed Records-for new owners or change in ownership information-gathered throughout the year.
- FAA website- to gather information on commercial planes with situs in Brown County-as of January 1 of each year.
- Phone Books & Community Directories
- Newspaper Articles & Advertising-
- Appraisal District Real Estate Appraisers
- Various other sources included but not limited to web-sites, renditions, and the property owners

On-site visits to the business by the appraiser are the main source of discovery. This is normally done between October 1 and March 1 of each year.

All information on new businesses that is obtained is noted on individual "Personal Property Inspection Report" sheets and integrated with the field cards on current accounts for verification in the field.

Any new information on existing accounts is entered into the computer on the existing account, making it available to the appraiser in the field when those cards are utilized.

DETERMINING SITUS

Since personal property is moveable it is most important to determine situs of the business personal property.

Personal Property is taxable by a taxing unit if:

Sec 21.02 Texas Property Tax Code—

(1) If it is located in the unit on January 1 for more than a temporary period.

(2) If it is located in the unit, even though it is outside the unit on January 1, if it is outside the unit only temporarily

(3) If it is normally returned to the unit between uses elsewhere and is not located in any one place for more than a temporary period; or

(4) The owner resides (for property not used for business purposes) or maintains the owner's principal place of business in this state (for property used for business purposes) in the unit and the property is taxable in this state but does not have a taxable situs pursuant to sec (1) through (3) of this subsection

BUSINESS PERSONAL PROPERTY

GENERAL PROCEDURE FOR FIELD INSPECTIONS

The bulk of business personal property discovery occurs while the appraiser is doing field work, normally during the period of October 1 to March 1 of each year. All business personal property accounts are subject to the following field procedure:

1. All new businesses must be inspected by the appraiser to gather the information required to support effective appraisals and appraisal reviews. In certain instances, the appraiser may need to contact the business to set up an appointment for a visitation.
2. All existing accounts must be checked as still being in business as of the field work date. This can be done either visually or by entering the place of business if the business activity cannot be determined from the outside.
3. All existing accounts with firm name changes will have the same inspection procedures required for new business personal property accounts.
4. Each appraiser is responsible for maintaining all information on existing accounts:
    a. Firm Name
    b. Location
    c. Mailing Address
    d. Owner Names- noting Corporation names or Partnerships
    e. Real Estate Parcel Account Numbers
    f. Jurisdiction Codes
    g. Sic Codes-to describe the type of business operation
    h. Quality & Density Factors & Percent Good-during the visit, these factors should be noted and based on the appraiser's perception of the quality and condition of the fixed assets.
    i. State Property Tax Division Codes- L1-Commercial Property

Note: All Industrial, Utilities, Pipelines & Railroad's are appraised by an outside firm, being Thomas Y Pickett & Company, Dallas, TX.

j. Vehicles-businesses should be checked during field work for any vehicles used for that business and checked against the Brown County Registration list.
k. Ownership Type- the different ownership types should be noted along with the owner name
    1. C (Corporations & Limited Liability Corporations/LLC)-the corporate name should be listed along with the firm name.
    2. I (Sole Proprietors)-the owner name for sole proprietorship should always be the individual's name that owns the business and should be listed with the business name.
    3. A (Associations) - The association's name should also be listed with the business name.
    4. P (Partnership) - a partnership can either be either or both of the persons or entities.
l. Square Footage- the appraiser is responsible to note the square footage of the business except for SIC codes that require # of units rather than square footage. Some of the examples of these businesses are beauty shops, barber shops, hotels, and motels.

As each day's field work is finished, the appraiser will then enter the information into the CAD computer system-personal property module from his field notes.

APPR GLJ

*DATE*_____

PERSONAL PROPERTY INSPECTION REPORT 2011

GBC
RRF
S_____
C_____

PROPERTY ID # P_____

TYPE OF BUSINESS_____ **SIC #**_____

BUSINESS NAME: _____

MAILING ADDRESS: _____

PRINCIPLE OFFICER: _____ TITLE_____

TELEPHONE: _____ FAX #: _____

SITUS: _____ RE LINK: R_____ LEGAL: _____

1. INVENTORY

EST AREA_____ SQ.FT. DENSITY L M H QUALITY L M H	*VALUE*

2. FURNITURE & FIXTURES

DESCRIPTION	*AGE*	*ORIG COST*	*TABULATION*	*VALUE*

3. MACHINERY & EQUIPMENT

DESCRIPTION	*AGE*	*ORIG COST*	*TABULATION*	*VALUE*

4. VEHICLES, TRUCKS, HEAVY EQUIPMENT

YEAR	*MAKE*	*MODEL*	*VEHICLE ID NUMBER*	*OTHER INFORMATION*	*VALUE*

5. MISC SIGNS, LIGHTING, ETC.

DESCRIPTION	*AGE*	*ORIG COST*	*TABULATION*	*VALUE*

6. LEASED EQUIPMENT

TYPE	*LESSOR*

7. FILING INFO

	COMMENTS:
COMPTROLLER ISSUE DATE:	
COMPTROLLER FIRST SALE:	
ASSUMED NAME RECORD #:	
ASSUMED NAME DATE:	
ASSMD NAME VOL & PAGE:	

Procedures for Accepting Renditions

Personal Property Department

BCAD uses the state approved rendition form. It is mailed out during the first two weeks in January of each year. A form is mailed to every current tax payer and each potential new business. Also, forms are handed to some property owners during field inspections. Also the declarations & other necessary information are mailed to owners of Special Inventory the last week of December.

Business Personal Property Renditions and Special Inventory Declarations are accepted by Brown County Appraisal District utilizing several methods.

1. The most used method is through the US Postal Service. BCAD begins to receive renditions very early in each year.
2. Renditions are faxed to BCAD.
3. Renditions are e-mailed to the Personal Property Appraiser.
4. Renditions are hand delivered at the front counter of BCAD by the property owner.

After receiving the rendition, they are filed alphabetically by business name in a file. The assistant to the Personal Property Appraiser then inputs the rendered information in the personal property module, making corrections in mailing addresses, coding for late renditions or any changes which does not affect the appraised value. The assistant also makes notes for the appraiser on any information not readily apparent that is necessary to the final value. The renditions are then passed to the appraiser who works the values of each rendition and finalizes the current appraised value.

The Special Inventory Declarations are also received by the four methods mentioned above and passed to the Personal Property Assistant for processing. The assistant inputs the information on the accounts and checks for accuracy. If a problem arises with the value submitted by the property owner, the assistant will contact the property owner by telephone, e-mail, or regular mail for confirmation on the values.

2010 RENDITIONS

Dear Taxpayer:

As owner of a business, state law requires that you render, for tax purposes, the personal property connected with your business which is or can be used in the production of income. This includes inventory, furniture, fixtures, machinery, equipment, signs, vehicles, and any other personal property which may fall in this category [Property Tax Code, Sec 22.01(A)].

Renditions must be filled out and returned to this office by **April 15, 2010.** If you fail to file a timely rendition, the tax code requires that the Chief Appraiser assess the personal property so it may be placed on the 2010 tax roll. A rendition form is enclosed for your convenience. We are requesting you attach a itemized list of all furniture, fixtures, equipment, etc, with cost new and year purchased.

If we are currently assessing you with a business which you have sold or closed, please let us know. However, if the closing date was after January 1, 2010, you are liable for the entire year's tax and must render.

If you have any questions, please feel free to call this office or come by and we will be glad to help you.

Thank you,

GENEVA JOHNSON, RPA

PERSONAL PROPERTY DEPT

Brown County Appraisal District

Brown County Appraisal District
403 Fisk
Brownwood, TX 76801
Phone: 325-643-5676

If business has been discontinued or sold, indicate date closed or sold ___/___/___

Signature: _____

If sold, new owner _____

CONFIDENTIAL BUSINESS PERSONAL PROPERTY RENDITION OF TAXABLE PROPERTY FOR JANUARY 1,

Owner Information

Owner Name and Address

Property ID:

Geo ID:

Telephone:

Legal Description:

This rendition covers property you own or manage and control as a fiduciary on January 1 of this year. You must file this rendition with the county appraisal district after January 1 and not later than April 15 of this year. On written request, the chief appraiser must extend the deadline to May 15. You may receive an additional 15-day extension if you request it in writing and show good cause for the extension. If the chief appraiser denies an exemption or an exemption applicable to a property on January 1 terminates during the tax year, you must file a rendition form within 30 days after the termination date. If you provide information substantially equivalent to a rendition to a company contracted with the appraisal district to appraise property, you are not required to file this rendition form. If your property is regulated by the Texas Public Utility Commission, Railroad Commission, the federal Surface Transportation Board, or Federal Energy Regulatory Commission, you are not required to file this rendition. The chief appraiser may request a copy of the annual regulatory report.

When required by the Tax Code or by the chief appraiser, the person rendering property shall use the model form adopted by the Comptroller of Public Accounts, or use a form containing information that is in substantial compliance with the model form if approved by the comptroller.

The chief appraiser may request, either in writing or by electronic means, that you provide a statement containing supporting information indicating how the value rendered was determined. The statement must:

1. summarize information sufficient to identify the property including the physical and economic characteristics relevant to the opinion of value, if appropriate, and the source of the information used;
2. state the effective date of the opinion of value; and
3. explain the basis of the value rendered. If your business has 50 or less employees, you may base the value estimate on the depreciation schedules used for federal income tax purposes.

You must deliver the statement within 21 days of the request.

Authorized agent's name

Present mailing address

City, town or post office, state ZIP code | Phone *(area code and number)*

Check the total market value of your property. ☐ Under $20,000 ☐ Over $20,000

If you checked "Under $20,000", please complete only Schedule A. Otherwise, complete Schedule B and/or C, whichever is applicable.

Check the following box if the information contained in the most recent rendition statement filed in a prior tax year is accurate with respect to the current tax year in accordance with section 22.01(1). ☐

When required by the chief appraiser, you must render any taxable property that you won or manage and control as a fiduciary on January 1. [Section 22.01(b), Tax Code] For this type of property, complete Schedule A, B, and/or C, whichever is applicable.

When required by the chief appraiser, you must file a report listing the name and address of each owner of property that is in your possession or under your management on January 1 by bailment, lease, consignment, or other arrangement. [Section 22.04(a), Tax Code] For this type of property, complete Schedule D.

Are you the property owner, an employee of the property owner, or an employee of a property owner on behalf of an affiliated entity of the property owner?
☐ Yes ☐ No

This form must be signed and dated. By signing this document, you attest that the information contained on it is true and correct to the best of your knowledge and belief. If you checked "Yes" above, sign and date on the first signature line below. No notarization is required.

signature _____ Date _____

If you checked "No" above, you must complete the following:
I swear that the information provided on this form is true and correct to the best of my knowledge and belief.

signature _____ Date _____

Subscribed and sworn before me this _____ day of _____, 20___

_____
Notary Public, State of Texas

SCHEDULE A: PERSONAL PROPERTY VALUED LESS THAN $20,000

List all taxable personal property by type/category of property (See "Definitions"). If needed you may attach additional sheets. Or, you may attach a computer-generated copy listing the information below. If you manage or control property as a fiduciary on January 1, also list the names and addresses of each property owner.

General property description by type/category	Property address or address where taxable	Good faith estimate of market value (optional)*	Property owner name/address if you manage or control property *as a fiduciary*

* "Good faith estimate of market value" is not admissible in subsequent protest, hearing, appeal, suit, or other proceeding involving the property except for: (1) proceedings to determine whether a person complied with rendition requirement; (2) proceedings for determination of fraud or intent to evade tax; or (3) a protest under Section 41.41, Tax Code.

NOTE: If you are a dealer/retailer of inventory that is subject to Sections 23.121, 23.124, 23.1241, or 23.127, Tax Code (alternate methods of appraising vehicles, vessels, outboard motors, and trailers, manufactured housing, and heavy equipment), list this type of property on the appropriate Dealer's Inventory Declaration rather than this schedule.

SCHEDULE C: INVENTORY

List all taxable inventory by type of property (example: merchandise, supplies, etc.). If needed you may attach additional sheets. Or, you may attach a computer-generated copy listing the information below. If you manage or control property as a fiduciary on January 1, also list the names and addresses of each property owner. If needed attach additional sheets. If you carry consigned goods, also list below the names and addresses of each consignor. If needed, attach additional sheets.

Property description by type/category	Property address or address where taxable	Estimate of quantity of each type	Good faith estimate of market value * (or)	Historical cost when new ** (and)	Year Acquired **	Property owner name/address if you manage or control property *as a fiduciary*

* If you provide an amount in the "good faith estimate of market value," you need not complete a "historical cost when new" and "year acquired." "Good faith estimate of market value" is not admissible in subsequent protest, hearing, appeal, suit, or other proceeding involving the property except for: (1) proceedings to determine whether a person complied with rendition requirement; (2) proceedings for determination of fraud or intent to evade tax; or (3) a protest under Section 41.41, Tax Code.

** If you provide an amount in a "historical cost when new" and "year acquired," you need not complete "good faith estimate of market value."

NOTE: If you are a dealer/retailer of inventory that is subject to Sections 23.121, 23.124, 23.1241, or 23.127, Tax Code (alternate methods of appraising vehicles, vessels, outboard motors, and trailers, manufactured housing, and heavy equipment), list this type of property on the appropriate Dealer's Inventory Declaration rather than this schedule.

Procedure for Waiving the Penalty for Failure to Timely File the Personal Property Rendition

Personal Property Department

Business Personal Property accounts that fail to render by April 15 of the current year, or by May 15 (allowable extension by written request received in office by April 15) are assessed a 10% penalty for late filing or not filing a required rendition.

The Texas Property Tax Code (sec. 22.28-22.30 was amended by Senate Bill 340

and became effective on January 1, 2004

If you fail to timely file a rendition or property tax report required by the Texas law, the chief appraiser must impose a penalty in an amount equal to 10% of the total taxes due on the property for the current year. If the court determines that you filed a false rendition or report with the intent to commit fraud or to evade the tax or you alter, destroy, or conceal any record, document or thing or present to the chief appraiser any altered or fraudulent record, document, or thing, or otherwise engage in fraudulent conduct for the purpose of affecting the outcome of an inspection, investigation determination, or other proceeding before the appraisal district, the chief appraiser must impose an additional penalty equal to 50% of the total tax on the property for the current tax year.

Penalty Waiver

Section 22.30 (a) permits the chief appraiser to waive these penalties if it is determined that the property owner exercised reasonable diligence to comply or has substantially complied with rendition requirements.

The owner must request the waiver in writing and provide any appropriate supporting documentation within 30 days of being notified of the penalty. The chief appraiser must then determine whether to waive the penalty, using the same considerations of the courts such as the property owner's compliance history; type, nature and taxability of the property involved; type of business involved; completeness of records; owner's reliance on appraisal district advice; changes in district policies affecting renditions; and any other relevant factor.

Section 22.30 (b) the chief appraiser shall notify the personal of his determination regarding the penalty waiver request after the considerations.

The owner may protest the failure or refusal of the chief appraiser to waive the penalty with the ARB under subsection (a) of sec 22.30 of the Property Tax Code.

Penalties in Property Tax Rendition Law

Late Filing	10% of property's annual taxes
No filing	10% of property's annual taxes
Fraud	50% of property's annual taxes
Tax evasion	50% of property's annual taxes

Filing Deadlines

The statutory deadline to file a rendition is April 15th. A property owner may file a written request on or before April 15 to request an extension of that due date. The Tax Code requires the Chief Appraiser to extend that owner's deadline to May 15th..

The Chief Appraiser may also extend the May 15th deadline another 15 days if the property owner can show in writing good cause for the additional time needed.

The law prohibits the Chief Appraiser from sending notices of appraised value, also called 25.19 notices, for business personal property until after the deadline for taxpayers to file renditions. For some taxpayers, this deadline could be late May.

If an owner fails to deliver a required rendition or requested information to an Appraisal Review Board (ARB) hearing, the owner has the burden of proving the property's value to the ARB rather than the appraisal district. If the property owner fails to provide sufficient evidence that convinces the ARB of the property's value, the ARB must determine the protest in favor of the CAD.

If the accounts have filed for an extension, the personal property department codes the account when the request is received. The penalty is added by the computer for each account not rendered before printing the current tax statement. The waiver of penalty on late filings is decided on a case by case basis.

VALUING PERSONAL PROPERTY

Just as in Real Estate appraisal, there are three recognized approaches to value in Business Personal Property. These are the Cost Approach, Market Approach, and Income Approach.

COST APPROACH-The cost approach is the most frequently used method in valuing person property. Original cost data is readily available and can be converted to a replacement cost new and then depreciated according to age and condition. Depreciation for ad valorem purposes differs from accounting for income tax purposes in that an item is felt to have value if it is still in use and producing income. The equipment is not carried down to a zero value.

Renditions submitted by the owners provide the best evidence for the cost approach. Unfortunately, many owners do not actually file their rendition or list all the equipment with the cost and year it was purchased. Then the appraiser is required to rely on various means, such as schedules in the personal property module or Marshall & Swift to find replacement cost new of the fixtures or equipment.

MARKET APPROACH-Sales of personal property can be used to estimate a value; however, it is more difficult to find truly comparable sales due to other factors involved in the sale, such as franchise names or real estate costs. This method is limited in its use.

INCOME APPROACH-The income is the least used approach and least reliable method for valuing personal property. It can be effective to value leased equipment when all of the income can be attributed to a single piece of equipment. This becomes a problem on items when there is a question of how much income is for goodwill or other forces.

The income approach is similar in application to that used in real property however; capitalization rates are higher as there is little or no residual value at the end of the useful life.

Note: Brown CAD now values the real property for motels, hotels, and some apartments on the income approach. The personal property is included in those values and not valued by the Personal Property Department. However, as income value may not be established in the first year of a new business, the personal property is billed separately until the real estate appraiser reappraises by the income method in the second year.

Commercial personal property consists of Inventory and Furniture, Fixtures, Equipment, and possibly Vehicles. It is not unusual to encounter personal property accounts that involve more than one business type. Nor is it unusual to find that available space within a particular business is not uniformly equipped or stocked.

The sales/appraisal system for Category “L” is designed to allow flexibility in separately valuing different parts to a single business.

If the owner did not render or submit enough information to complete an appraisal, we must find an alternate method to value the assets. The appraiser's judgment plays a large part in this method of valuing a property. From the on-site field visit, the appraiser will be able to judge the density and quality of the inventory, fixtures, and equipment. Then, depending on the type of business (may refer to the SIC code) and the square footage the business is using, a schedule may be introduced, or information from accepted cost guides, along with the depreciation, that will produce an accepted value for the current year.(Depreciation is applied only to furniture fixtures, and equipment, not to Inventory).

Vehicle values are taken from the NADA guide using the medium value, mileage may be applied toward the value if known.

Inventory is personal property that is bought and sold for the purpose of making a profit. Merchandise items are items, which are not being used for their intended or ultimate purpose. Merchandise Inventory can include stock-in-trade, consigned goods, goods in storage, leased areas of department stores, and supplies. The owner may be a primary producer, manufacturer, distributor, wholesaler, or retailer. The appraiser must know the level of trade of the items being appraised because each level of trade has a different value. The property normally increases in value as it progresses through production and distribution channels. The estimate of the retail market value is calculated by establishing the cost of the inventories to the retailer.

The appraiser should compare the final value to other "like" businesses to see if the value is fair and equal.

If a business has closed prior to January 1 of the current year and not reopened at another location, the account should be deleted. If it moves to another location within the CAD boundaries make the necessary changes as to situs and jurisdiction and possibly mailing address and leave the account active.

If a business changes owners, a new account should be set up and the old account deleted.

After finishing data entry for the current year, and prior to mailing Appraisal Notices, several edit listings are reviewed by BCAD personnel in the computer and by the Personal Property appraiser. Comparisons are done for previous and current years values. Exception list are verified by the personal property appraiser. Value totals are compared by jurisdiction for previous and current year appraisals. The editing process is repeated prior to certifying the appraisal roll to the taxing jurisdictions.

After all work is completed and the tax roll certified, the work papers and renditions are all filed alphabetically by business name, in individual folders for each business and retained by the personal property department in file cabinets.

BROWN COUNTY APPRAISAL DISTRICT
403 FISK
BROWNWOOD, TEXAS 76801
PHONE 325-643-5676
FAX 325-646-8918

2011 DEPRECIATION TABLE

5 YEAR LIFE ON COMPUTER EQUIPMENT
10 YEAR LIFE ON EVERYTHING ELSE

EFF AGE	YEAR	5 YR	10 YR	YEAR	EFF AGE
1	2010	85%	93%	2010	1
2	2009	71%	86%	2009	2
3	2008	56%	79%	2008	3
4	2007	39%	72%	2007	4
5	2006	30%	65%	2006	5
6	2005		58%	2005	6
7	2004		51%	2004	7
8	2003		44%	2003	8
9	2002		37%	2002	9
10	2001		30%	2001	10

DEPRECIATION SCHEDULE

BROWN COUNTY APPRAISAL DISTRICT

Economic Index	Age	*2	*	3	4	#	*5	6	7	*8	*10	11	*12	14	*15	@	*20	*30	Yr Acq'd.
1	1	40	68	78	83	75	85	87	89	90	91	92	93	94	95	97	96	97	2010
1.016	2	20	44	56	66	55	70	74	78	80	82	84	86	88	90	95	92	94	2009
1.032	3	10	28	35	49	40	55	61	67	70	73	76	79	82	85	92	88	91	2008
1.069	4		10	13	32	25	40	48	56	60	64	68	72	76	80	87	84	88	2007
1.099	5		5		15	15	25	35	45	50	55	60	65	70	75	85	80	85	2006
1.12	6		2			10	10	22	34	40	46	52	58	64	70	81	76	83	2005
1.134	7					5		10	23	30	37	44	51	58	65	77	72	81	2004
1.157	8					2			12	20	28	36	44	52	60	73	68	79	2003
1.187	9									10	19	28	37	46	55	68	64	77	2002
1.252	10										10	20	30	40	50	63	60	75	2001
1.26	11											12	23	34	45	57	56	73	2000
	12												16	28	40	51	52	71	1999
	13												10	22	35	45	48	69	1998
	14													16	30	38	44	67	1997
	15													10	25	30	40	65	1996
	16														20		36	63	1995
	17																32	61	1994
	18																28	59	1993
	19																27	57	1992
	20																26	55	1991
	21																25	53	1990
	22																	51	1989
	23																	49	1988
	24																	47	1987
	25																	45	1986
	26																	43	1985
	27																	41	1984
	28																	39	1983
	29																	37	1982
	30																	35	1981
	31																	33	1980

*2-VIDEO TAPES, VCR'S
*-$99,999 & BELOW-COMPUTERS
#$100,000 & ABOVE-COMPUTERS
*5-ELECTRIC GAS PUMPS, PASSENGER VEHICLES, ELECTRIC EQUIP, SECURITY SYS, ETC
*8-OFFICE EQUIP, SIGNS, FASTFOOD REST, CONV STORES, MOST RETAIL BUSINESS ETC
*10-MECHANICAL GAS PUMPS, CARWASH EQUIP, SOME RETAIL OPERATIONS, ETC
*12-FORKLIFTS, PALLET TRKS, CONSTRUCTION EQUIP, ETC
*15-INDUSTRIAL EQUIP, EXCAVATION EQUIP, ETC
*20-TANKS, PIPING, ETC
*30-SIGN POLES, BILLBOARDS

MOTOR VEHICLE INVENTORY

A Motor Vehicle Dealer means a person who holds a dealer's general distinguishing number issued by the Texas Department of Motor Vehicles under the authority of the transportation code. The Motor Vehicle Inventory means all motor vehicles held for sale by a dealer.

A dealer is presumed to be an owner of a dealer's motor vehicle inventory on January 1 if, in the 12 month period ending on December 31 of the preceding year, the dealer sold a motor vehicle to a person other than a dealer. The presumption created by this subsection is not rebutted by the fact that a dealer has no motor vehicles physically on hand for sale from dealer's motor vehicle inventory on January 1.

A declaration form is mailed out the last week of December to each motor vehicle dealer. Not later than February 1 of each year or, in the case of a dealer not being in business on January 1, not later than 30 days after commencement of business, each dealer shall file a declaration with the chief appraiser and the collector. If a dealer fails to file the declaration, he commits an offense punishable by a fine not to exceed $500. Each day he fails to file the declaration is a separate violation.

The declaration should have the following information:

1. Name and business address of each location at which the dealer owner conducts business
2. Each of the dealer's general license numbers issued by TXDOT
3. A statement that the dealer owner is the owner of a dealer's motor vehicle inventory
4. The market value of the dealer's motor vehicle inventory for the current tax year as computed under Section 23.121 of the property code.

Excluded inventory includes fleet sales or dealer sales (a transaction between dealers)

The special inventory tax statement must be filed each month by each dealer. The form is used to disclose ad valorem tax information with respect to each vehicle sold by the owner of a special inventory. Each month when the form is submitted to the tax collector, it must be accompanied by the payment of taxes which were collected at the time of the sales. This money is deposited in an escrow account for payment of taxes the following year.

The inventory tax statement must be submitted to the tax collector and the BCAD by the 10th day of each month. There are penalties which attach for failure to file this statement.

To calculate the **Motor Vehicle Aggregate Tax Rate**

Determine total of total tax rate for each taxing jurisdiction

To calculate **Unit Property Tax Value Factor**

Aggregate Property Tax Rate – 12 = Unit Property Tax Value Factor (UPTVF)

To calculate **Unit Property Tax Value** (UPTV)

Unit Sales Price X Unit Property Tax Value Factor

To determine **Special Inventory Totals**

Applicable Inventory from prior year – Excluded Inventory = Special Inventory

To calculate **Market Value of Special Inventory**

Total Sales from SI in Prior Year – 12 = Market Value

To determine **Market Value of SI for less than a 12 month period**

Market Value = Estimate by Chief Appraiser, extrapolating using sales data from prior year

This formula replaces the annual “physical count” of vehicle inventory located on the dealer’s lots January 1 of each year.

The last week in December, the personal property department of BCAD determines the County Aggregate Tax Rate for each taxing jurisdiction. This is entered on a form which is mailed out to each dealer of special inventory along with a Declaration, a corresponding Tax Statement, and a letter explaining the reason for the mail out.

BROWN COUNTY APPRAISAL DISTRICT
403 FISK
BROWNWOOD, TX 76801
915-643-5676 ext 103
FAX 915-646-8918
e-mail gjohnson@brown-cad.org

December 30, 2010

DEAR TAXPAYER:

ENCLOSED YOU WILL FIND SEVERAL FORMS THAT WILL ENABLE YOU TO RENDER YOUR SPECIAL INVENTORY FOR 2011.

A "SPECIAL INVENTORY DECLARATION" IS ENCLOSED THAT IS TO BE FILLED OUT AND SUBMITTED TO THIS OFFICE NO LATER THAN **FEBRUARY 1ST 2011.**

ALSO PLEASE NOTE THE "SPECIAL INVENTORY TAX STATEMENT", WHICH YOU MAY COPY AND USED TO PROVIDE US WITH THE INFORMATION ON YOUR MONTHLY SALES. THIS FORM MUST BE TURNED INTO THIS OFFICE **NO LATER THAN THE TENTH OF EACH MONTH**. ALSO ENCLOSED IS A LETTER INFORMING YOU OF THE TAX RATES FOR EACH TAXING ENTITY AND YOUR **NEW UPTV FACTOR** WHICH WILL BE IN EFFECT BEGINNING JANUARY 1ST 2011.

PLEASE NOTE:
THERE ARE PENALTIES APPLIED FOR LATE OR NON-PAYMENT. PLEASE CONSULT THE BACK OF THE MONTHLY STATEMENTS FOR THE AMOUNT OF THE FILING PENALTIES.

IF YOU HAVE ANY QUESTIONS, PLEASE FEEL FREE TO CONTACT THIS OFFICE. MY EXTENSION NUMBER AND E-MAIL ADDRESS IS NOTED ABOVE IN THE LETTERHEAD.

THANK YOU,

GENEVA JOHNSON,RPA
PERSONAL PROPERTY APPRAISER
BROWN CAD

BROWN COUNTY APPRAISAL DISTRICT
403 FISK
BROWNWOOD, TEXAS 76801

TAX RATES FOR 2010

(Used to Configure 2011 VIT Factors)

BROWN COUNTY GENERAL FUND	.4394
BROWN COUNTY ROAD & FLOOD	.0775
Total for County	.5169
CITY OF BANGS	.4465
CITY OF BROWNWOOD	.7452
CITY OF BLANKET	.2979
CITY OF EARLY	.5303
BANGS ISD	1.2075
BLANKET ISD	1.1050
BROOKESMITH ISD	1.1626
BROWNWOOD ISD	1.3147
EARLY ISD	1.3995
MAY ISD	1.1387
ZEPHYR ISD	1.3981

VIT FACTORS FOR 2011

BROWN COUNTY, BROWNWOOD SCHOOL, BROWNWOOD CITY - - .002147 or $2.15 per $1,000
BROWN COUNTY, BROWNWOOD SCHOOL - - - - - - - - - - - - - - - - - - .001526 or $1.53 per $1,000

BROWN COUNTY, EARLY SCHOOL, EARLY CITY - - - - - - - - - - - - - .002039 or $2.04 per $1,000
BROWN COUNTY, EARLY SCHOOL - .001597 or $1.60 per $1,000

BROWN COUNTY, BANGS SCHOOL, BANGS CITY - - - - - - - - - - - - - .001809 or $1.81 per $1,000
BROWN COUNTY, BANGS SCHOOL - .001437 or $1.44 per $1,000

BROWN COUNTY, BLANKET SCHOOL, BLANKET CITY - - - - - - - - - .001600 or $1.60 per $1,000
BROWN COUNTY, BLANKET SCHOOL - .001352 or $1.35 per $1.000