



2024 Mass Appraisal Report

Don Awalt, RPA/CTA

Chief Appraiser



**Freestone Central
Appraisal District**
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Fairfield TX 75840

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May 23, 2024

Members of the Freestone County Appraisal Review Board
218 N Mount Street
Fairfield TX

In accordance with the laws of the State of Texas and Uniform Standards of Professional Appraisal Practices (USPAP), I, with the assistance of my staff, have performed a diligent inquiry to ascertain all property subject to appraisal by the Freestone Central Appraisal District. Those properties have been appraised and listed on the appraisal rolls for each of the taxing jurisdictions within the district.

This report summarizes the appraisal considerations and opinions of me and my staff.

The market and taxable values presented in this report are representative of the values included on the Notices of Appraised Values delivered to property owners in April 2024.

Final values will be certified to all taxing jurisdictions once you have heard substantially all property owner protests and taxing unit challenges on or before July 25, 2024.

A handwritten signature in blue ink that reads 'Don Awalt'.

Don Awalt, RPA/CTA
Chief Appraiser

1.00 Introduction

The purpose of this report is to summarize the methods and techniques utilized by the Freestone Central Appraisal District (hereafter referred to as FCAD) in the valuation and revaluation of taxable property within Freestone County. This report is prepared in accordance with Standard 5 of the Uniform Standards of Professional Appraisal Practice, effective as of January 1, 2024.

The values reported herein have not been challenged or adjusted as the result of taxpayer filed protests before the Appraisal Review Board. Final values will be certified by the Chief Appraiser by July 25, 2024, and after the Appraisal Review Board has made final determinations on protested properties that comprise at least ninety-five percent (95%) of the appraisal roll.

FCAD is a central appraisal district formed by the Texas Legislature in 1979 and is charged with the appraisal of all taxable property within the taxing entities within the district's boundaries. It is responsible for providing appraised values for portions of taxing jurisdictions which are situated in Freestone County.

The district appraises all taxable property for the following taxing authorities:

- Freestone County,
- City of Fairfield,
- City of Teague,
- City of Wortham,
- Dew I. S. D.,
- Teague I. S. D., and
- Teague Hospital District

Additionally, the district provides appraisals of taxable property within Freestone County for the following entities whose territory extends into more than one county.

- City of Streetman,
- Buffalo I. S. D.,
- Fairfield I. S. D.,
- Oakwood I. S. D.,
- Corsicana I. S. D.,
- Wortham I. S. D.,
- Mexia I. S. D., and
- Fairfield Hospital District

The Texas Property Tax Code governs the legal, statutory, and administrative requirements of the appraisal district. It is governed by a board of directors appointed by the taxing units within its boundaries. The chief appraiser, appointed by the board of directors, is the chief administrator and chief executive officer of the appraisal district.

The appraisal district is responsible for local property tax appraisal and exemption administration for the fifteen taxing units situated in whole or in part within the county. Each taxing unit adopts its own tax rate to generate revenue to pay for such things as police and fire protection, public schools, road and street maintenance, courts, water and sewer systems, and other public services. The CAD also determines eligibility for various types of property tax exemptions such as those for homeowners, the elderly, disabled veterans, and charitable and religious organizations.

Section 23.01(b) requires the appraisal district to determine the market value of property according to generally accepted appraisal methods and techniques. Mass appraisal standards must comply with the Uniform Standards of Professional Appraisal Practice (USPAP).

The definition of market value as established by the State Property Tax code differs from the definition

established by USPAP, therefore, a ***jurisdictional exception*** applies.

The following definition of market value, Section 1.04 of the Texas Property Tax Code, means 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 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 able to take advantage of the exigencies of the other.

All taxable property is appraised at its market value as of January 1st unless it qualifies for a special valuation (i.e., open space agricultural, timber, or wildlife management). Inventory owners may request to have their property valued as of September 1 if the taxpayer files an application by July 31.

The purpose of and intended use of the appraisal performed by the Freestone Central Appraisal District is to estimate the market value for ad valorem tax purposes for the taxing entities located within the boundaries of FCAD as of January 1, 2024, which is the effective date of this appraisal.

FCAD's goal is to provide professional service to the tax paying public and the taxing entities. Thru its Chief Appraiser, the district promotes and adheres to the professional standards and ethics as set forth by:

- The Texas Department of Licensing (TDLR),
- The Property Tax Assistance Division of the Texas State Comptroller's Office (PTAD),
- The Uniform Standards of Professional Practices (USPAP), and
- The International Association of Assessing Officers (IAAO).

2.00 Area Analysis

The universe of properties appraised by the Freestone Central Appraisal District falls within the physical boundaries of Freestone County's 873 square miles.

The county is situated in east central Texas with its seat of Fairfield being situated approximately 90 miles south of Dallas, 150 miles north of Houston, and 60 miles east of Waco.

Most of the land is rural with agricultural production as the main use, making farming/ranching a notable occupation in the county. (*Source: Fairfield Industrial Development Corp.*)

Improvements can generally be classified as:

- Single family residences,
- Manufactured homes,
- Commercial buildings and personal property,
- Industrial buildings and personal property, and
- Farm/ranch associated buildings (sheds, barns, etc.).

Most areas of the county are un-zoned except for areas where developers have established minimum and maximum building type and size requirements. The City of Fairfield has ordinances for the future placement of manufactured homes relating to the quality and age of manufactured homes permitted within the city limits.

The district's topography is mostly comprised of low rolling hills in the south and eastern portion of the county turning to mostly flat land in the northern and western parts of the county. The land in Freestone County is in three dominant eco-regions:

- The Blackland Prairie in the western section,
- The Post Oak Savannah in the central section, and
- The East Texas Timberlands in the eastern section.

The district is responsible for establishing and maintaining appraisal records for 153,766 real, personal, mineral, and industrial property records within the district. A total of \$54,633,244 was added to the appraisal roll as:

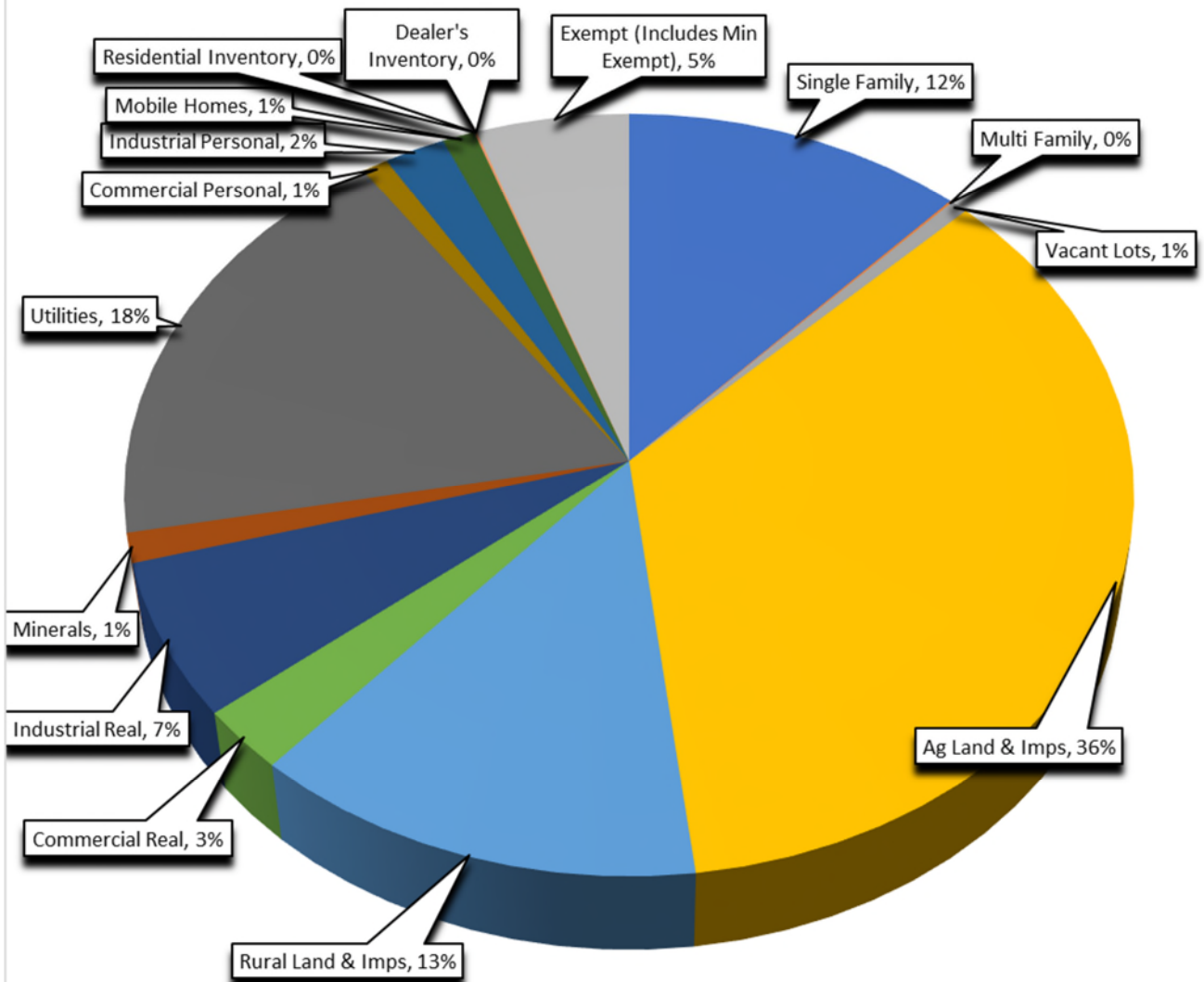
- \$47,725,633 in new improvements,
- \$6,907,611 in new personal property.

The 2024 appraisal roll as of this report date has a total market value of \$7,020,256,539, an increase of \$559,981,976 as compared to the certified value of \$6,460,274,563 for 2023.

The various properties in the county are classified, with total market value by class, as:

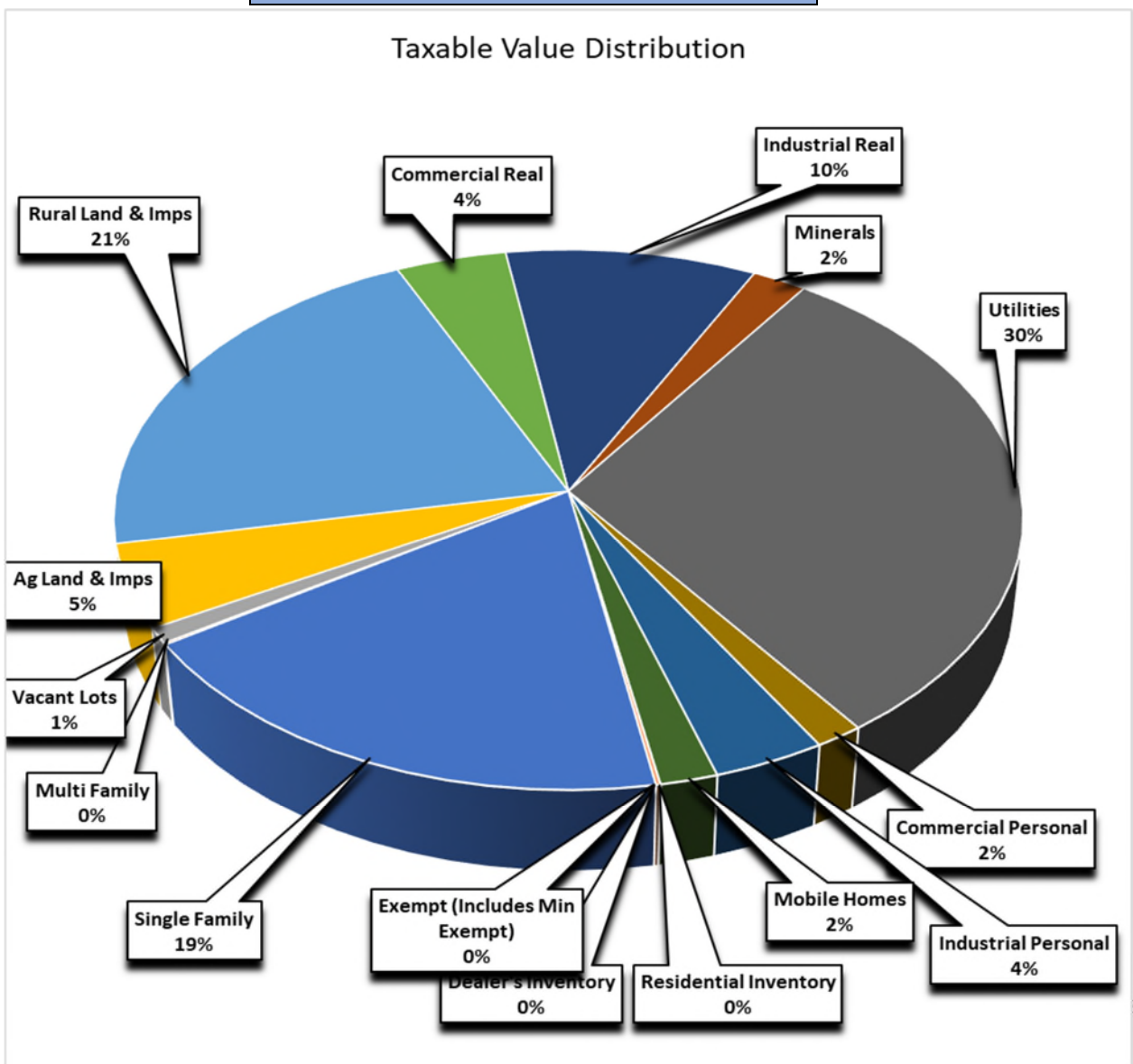
Category	Market
Single Family	838,622,491
Multi Family	5,415,519
Vacant Lots	42,437,755
Ag Land & Imps	2,494,635,314
Rural Land & Imps	945,653,717
Commercial Real	187,791,820
Industrial Real	461,199,549
Minerals	88,704,000
Utilities	1,293,988,195
Commercial Personal	50,031,463
Industrial Personal	150,309,339
Mobile Homes	79,560,082
Residential Inventory	385,164
Special Inventory	5,628,043
Exempt (Includes Min Exempt)	375,894,088
Total	7,020,256,539

Market Value Distribution



The Taxable Value Distribution below illustrates taxable values (for Freestone CAD) by property classification.

Category	Taxable
Single Family	762,162,330
Multi Family	4,159,864
Vacant Lots	36,818,936
Ag Land & Imps	204,732,575
Rural Land & Imps	870,606,997
Commercial Real	177,520,519
Industrial Real	403,169,906
Minerals	87,628,633
Utilities	1,244,385,258
Commercial Personal	50,007,733
Industrial Personal	148,464,649
Mobile Homes	76,114,129
Residential Inventory	380,059
Special Inventory	5,628,043
Exempt (Includes Min Exempt)	54,850
Total	4,071,808,859



of 05/20/2024 after all notices of appraised value have been generated.

Jurisdiction	Market	Taxable	Parcels
01County	7,020,256,539	3,904,292,141	153,763
10 Fairfield	502,947,991	354,062,291	4,867
12 Streetman	21,258,413	15,852,402	406
13 Teague	295,359,114	196,046,863	5,373
14 Wortham	81,917,785	54,250,710	960
30 Buffalo ISD	293,402,665	117,371,027	4,908
31 Fairfield ISD	3,482,137,096	1,679,666,492	43,271
34 Oakwood ISD	281,346,609	154,731,466	1,571
35 Corsicana ISD	20,258,406	8,104,384	43
36 Dew ISD	502,980,787	270,054,398	23,068
37 Teague ISD	1,875,245,954	949,209,636	92,207
38 Wortham ISD	561,378,704	265,536,722	2,946
39 Mexia ISD	3,488,538	3,296,278	16
60 Fairfield Hospital	3,482,137,096	2,016,229,531	43,271
61 Teague Hospital	1,875,245,954	1,118,377,081	92,207

Final values will be certified to the taxing jurisdictions after property owner protest hearings have been conducted and less than five percent of value is under protest. These values are subject to change up until that date.

3.00 Reappraisal Plan

While reappraising property, the Chief Appraiser, with the approval of the Board of Directors, is required to develop policy and procedure necessary to guide his staff in the performance of their duties in a manner that is compliant with state laws and adopted appraisal standards.

3.10 Plan Requirements

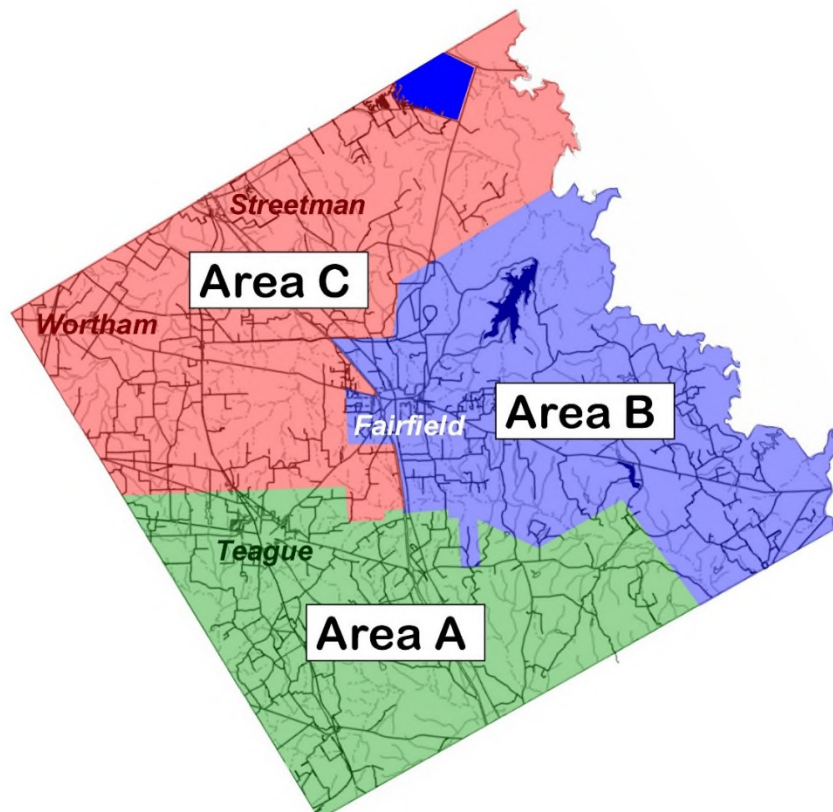
Section 6.05(i.) of the Property Tax Code requires the board of directors to adopt a reappraisal plan outlining the district's planned biennial appraisal activities by September 15 of even numbered years.

The Chief Appraiser submitted a proposed reappraisal plan to the board for consideration and, after conducting a public hearing on September 7, 2022, the plan was adopted for the 2023 and 2024 appraisal years.

Generally, the plan requires the Chief Appraiser to:

- Reappraise approximately one-third of the county each year to meet the statutory reappraisal requirements,
- Calibrate appraisal models (cost schedules) annually using available sales data so to achieve an acceptable appraisal level according to the requirements of the Standard on Ratio Studies adopted by the International Association of Assessing Officers (IAAO) and the Property Tax Assistance Division of the Texas Comptroller of Public Accounts (PTAD),
- Administer the application and granting of state approved special valuations and exemptions, and
- Maintain and enhance the district's mapping system.

For 2024, the district was charged with the responsibility of reappraising "Area B" which included areas in the central part of the county and included the cities and communities of Fairfield, Oakwood, and Butler. Other rural areas illustrated in the following map:



3.20 Plan Performance

The Chief Appraiser and his staff were able to complete the appraisal assignment as required by the reappraisal plan as adopted and amended by the board of directors.

During the scheduled reappraisals and on-site property inspections, appraisers validated all information and property characteristics listed on the property record cards and made updates as necessary.

Following is an example of the field record utilized by staff real estate appraisers in their on-site inspections:

CONFIDENTIAL APPRAISAL CARD FOR PRESTON CENTRAL APPRAISAL DISTRICT		Appraisal Year: 2020	
ACCT: 00003-00103-00000-000000	PARCEL TYPE: 1843/R	OWNER SEQ: R359391	Photo on File: No
SEC ACCT: 00003-00103-00000-000000	CAT CODE: ASR	OWNER INT: 1 000000	
OWNER: JASON	MS CODE: H HOME/STEAD	LEGAL: D AFRANT A-3	
GARCIA RICARDO & DIANA	DISABLED VBT: 0	CEILING YEAR: 0	
281 HWY 179 TEAGUE TX 75860-9668	CEILING VAL:		
RESHORN: 01SD	APPR YEAR: 2020	PROPERTY ADDRESS:	
RD TYPE: OIL	APPR DATE: 04/03/2020	431 HWY 179	
UTL TYPE: ESV	APPR NAME: JASON	GEN:	
ZONING: MAP: A10091012			
MFG: GPS: 31.5962216 -96.1			
AGENT: ROUTE CODE: 004542			
LOC CODE: 18	JUR CODE: 00 01 38 85		

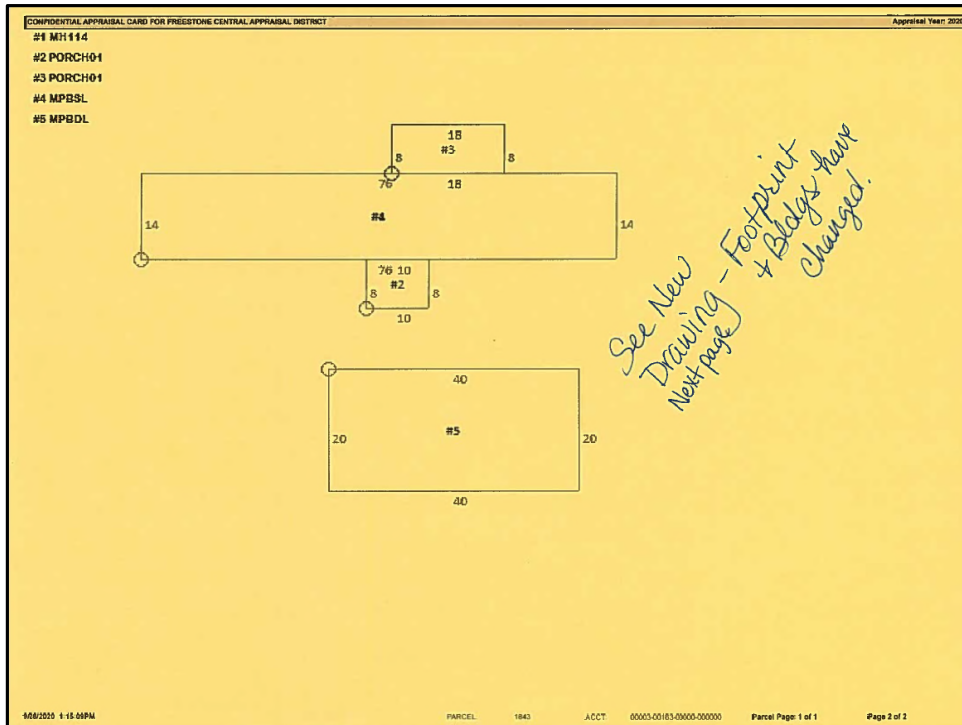
SEQ	CODE	SCHED DATE	SI	SI DATE	STATUS	APPRASER CODE	APPRASER NOTE

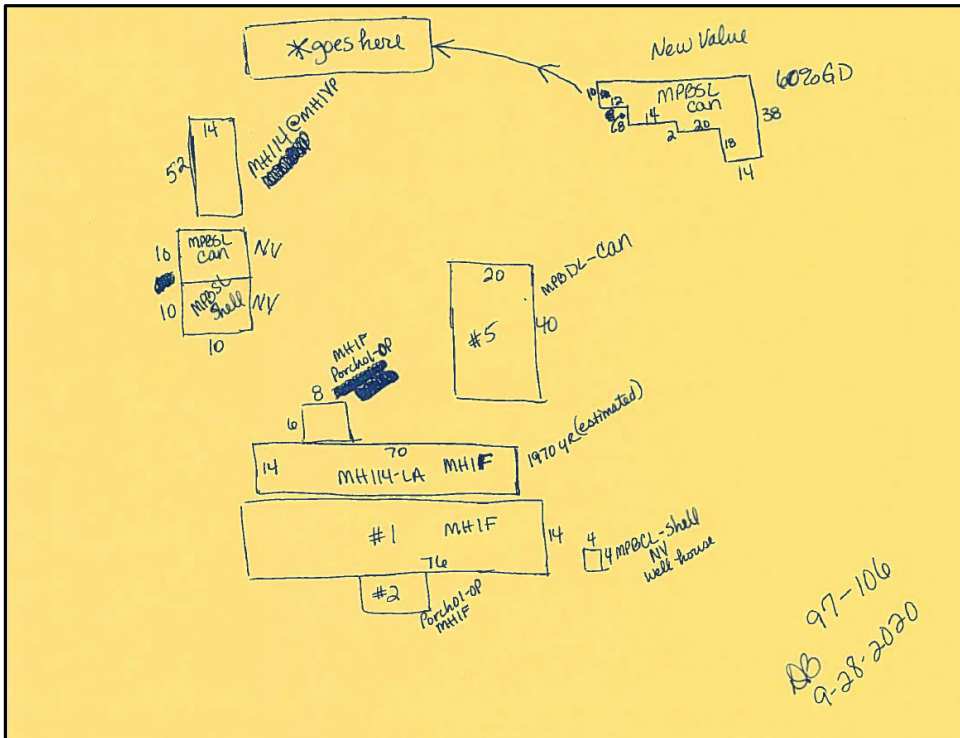
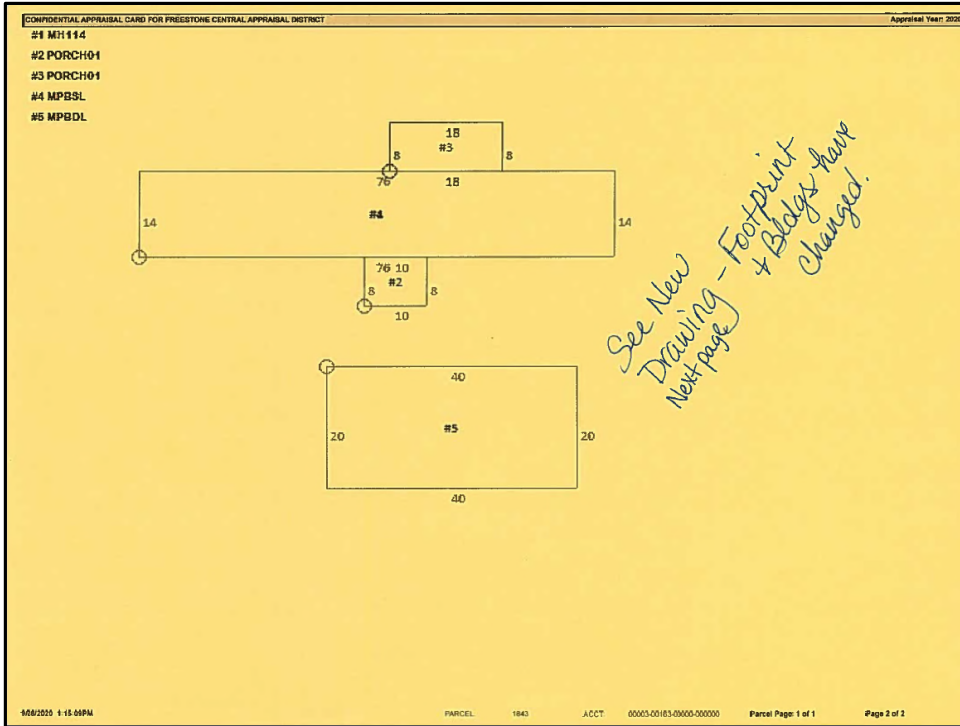
SEQ	ACRES	SQ FT	FRONT FT	REAR FT	FRONT FT AVG	DEPTH	DEP %	CLASS	COST	EXTRA	% RD	% GD	EXTRA	EXTRA	AMT VAL	CLASSCD	COST	EXTR TYPE	% GD	EXTRA	EXTRA	VALUE	CAT	
																								RENEW
1	1.0000	0.00	0.00	0.00	0.00	1.00			5,500.00	0.00	1.00	1.00	1.00	2,500	8,000									

SEQ	TYPE	CLASS	MS	YR BLT	EFF YR	ADD	CHGTH	NOTES	TTL AREA	COST	% GD	% FC	% EC	% CP	% CD	EXTRA	TOTAL VAL	CAT CODE
1	MH14	LA	Y	1970	0	50	MH1F		1,004	36.10	0.190	1.000	0.950	1.000	1.000	0	3,710	A
2	PORCH01	OPEN	Y	1999	0	21	MH1F		86	12.58	0.510	1.000	0.950	1.000	1.000	0	308	A
3	PORCH01	OPEN	Y	1999	0	21	MH1F		144	11.84	0.510	1.000	0.950	1.000	1.000	0	518	A
4	MPBSL	CON	Y	0	0	0			196	4.62	0.200	1.000	0.950	1.000	1.000	0	983	A
5	MPBSL	WALL	Y	0	0	0			820	12.18	0.400	1.000	0.950	1.000	1.000	0	3,823	ASR

ACRES	OWNERS ACRES	BARGER TRACT	SEC CODE	LAND USE	IMP HSE	IMP HSE	TOTAL MNT
1.0000	1.0000	1.0000		8,000	9,180	9,180	17,360
							16,114
							16,114
							1,000,000
							16,114
							"HOMESTEAD CAP APPLIED"

SEQ	COMMENTARY	VALUE	LAST
1	RTPRE-GABLE	0.00	
1	FURWOOD JOIST	0.00	
1	FENCE-PLAIN	0.00	
1	FIND-PIERCON FT	0.00	
1	TOP-LEVEL	0.00	
1	RCOV-METL CORRNG	0.00	
1	WALL-SCING	0.00	
1	DWAY-GRAVEL	0.00	
1	ILSCAPE-NONE	0.00	
1	RTPRE-GABLE	0.00	
1	RCOV-METL CORRNG	0.00	





After completion of the inspection pictures are taken (and appended to the worksheet prior to its archival) to document the observations of the appraiser. Pictures include a representation of the front view, back view, and any other buildings. Pictures are also taken of characteristics for which an appraiser may make an adjustment.



New properties were discovered from:

- City building permits,
- Material and Mechanic Liens filed in the County Clerk's Official Records,
- Mobile home installation reports (from Texas Department of Transportation),
- Utility connection reports,
- 911 address assignments,
- Septic system permits,
- Advertisements, and
- Renditions.

Land records of properties in the scheduled reappraisal area were reviewed by utilization of the most recent versions of aerial photography available from the United States Department of Agriculture (USDA), Google Earth, and Ortho & Oblique images purchased by the district from Eagleview/Pictometry. During this review, land records were updated to include:

- Soil classification (according to the Natural Resource Conservation Service (NRCS).
- Calculated acreage for ground cover.
- Calculated acreages affected by gas well pads and pipeline/electric transmission rights of way.

All business personal property (personal property used for the production of income) was scheduled for an on-site inspection. During these inspections, ownership of all property located at a business location, and its

ownership were verified and/or listed in the appraisal records. Inspections included the classification of inventories, furniture, and fixtures according to their quality and density so that the accuracy of owner rendition statements could be verified when received.

Appraisal models were updated to reflect Marshall Swift's Valuation Guidelines for residential, multi-purpose, and commercial buildings and appurtenances.

Final appraisal model calibration was performed in March and April prior to the preparation of notices of appraised values to ensure that the recently updated appraisal models (from Marshall Swift) were reflective of the local markets in Freestone County. Throughout the appraisal cycle, letters requesting sales information were sent to both buyers and sellers as ownership records were changed in the CAMA system. Additional sales information was obtained from the district's MLS subscription. Occasionally, sales information was received from closing statements and title policies provided by the property owners. This information was entered into the district's sales database in its CAMA system where sales ratio reports were run to identify areas and property classes that needed review and adjustment.

Exemption and special use valuation applications were mailed to taxpayers in January with explanations regarding the need to re-file applications. Throughout the year, parcels where the ownership or use had changed were flagged for the removal of the exemption/special valuation.

Applications received by the district were reviewed for qualifications by staff appraisers. Taxpayers were notified by certified mail when the application was denied or was applied partially to the property for which the application was made.

Documents received from the Texas Commission on Environmental Quality (TCEQ) were reviewed as received. Exemptions were granted on these properties when application was filed with and approved by the commission.

Available resources and staffing are discussed under the heading of **Resources** later in this report. **The district's mapping system** was updated weekly to reflect the most recent property ownership information in the district's CAMA system. The mapping department was responsible for obtaining necessary documents to make ownership changes to the mapping and appraisal records from the Freestone County Clerk's Office and from property owners.

4.00 Valuation Approach Requirements

General requirements for appraisals are found in Section 23.01 of the Texas Property Tax Code (PTC). Other requirements for special valuations for property (i.e., "ag" value, developer's residential inventory, dealer's special inventory, and others) are found in various other sections of the PTC.

This section of PTC says that "...all taxable property is appraised at its market value as of January 1." PTC Section 23.01(a)

The district must employ generally accepted appraisal techniques as recognized in the Uniform Standards of Professional Appraisal Practice (USPAP) (published by The Appraisal Foundation). As required by state law, policies and operational procedures must be developed and compliant with appraisal standards, theory, and methodology established by the International Association of Assessing Officers (IAAO) and the State Comptroller's Property Tax Assistance Division (PTAD).

All property should be appraised at its highest and best use. For real estate, this is defined as the most

reasonable and probable use of land that will generate the highest return to the property over a period of time. The use must be legal, physically possible, economically feasible and the most profitable of the potential uses. An appraiser's identification of a property's highest and best should be considered a statement of opinion and never a statement of fact.

In order to complete the highest and best use analysis of a property, an appraiser must estimate its highest and best use as if the land were vacant, ignoring the value and restrictions created by existing improvements and remembering that it is the highest value the land could have if it were available for any legal, physically possible and economically feasible kind of development.

State law requires the appraisal district to appraise the land and improvements of residence homestead parcels solely based on their value as a residence homestead regardless of highest and best use. *A jurisdictional exception from the USPAP standard applies to the appraisal of residential homestead properties.*

In a mass appraisal system, values should most often be determined by the application of a series of appraisal models for replacement cost and depreciation that have been tested against current market data; however, PTC section 23.0101 requires the district's appraisers to consider the most appropriate of the three approaches to value when determining a property's value:

- Cost Approach,
- Market (or Sales Comparison) Approach, and
- Income Approach.

Generally, land in the district should be appraised by the Market Approach but may be appraised by the Income Approach if the property is marketable as an income producing investment (i.e., RV parks, etc.).

Improvements should be generally appraised using the district's appraisal models. (Determining a value in this method creates a blending of the cost and market approaches to value.) Generally, the replacement cost new of a structure should be estimated and adjusted for:

- Age and condition of the property,
- Location (neighborhoods), and
- Observed functional or economic obsolescence.

However, the income approach to value may be the most appropriate approach considered for properties in which the most attractive reason for ownership is the production of income. This approach should be considered for properties such as hotels, motels, RV parks, self-storage units, warehouses, etc.

Business personal property should be appraised according to field observations and rendition reports filed by property owners. When original cost data is available, furniture, fixtures, machinery, and equipment should be valued by indexing the original cost to a current replacement cost then applying appropriate accrued depreciation according to the remaining economic life of the items. Inventories may be valued as rendered if the rendered value is reasonable when compared to field observations of quality and density. When no rendition is filed, appraisal models should be used to estimate value per square foot of business area according to quality and density ratings. Section 23.12 (a) of the Property Tax Code defines the market value of an inventory as the price for which it (inventory) would sell as a unit to a purchaser who would continue the business.

Oil, gas, utilities, and industrial properties are valued by an outside appraisal firm contracted to perform such services. The firm is contractually responsible for appraising these properties according to generally accepted appraisal techniques.

In the valuation of these properties, general considerations include:

- Projected production life of wells,
- Historical average gas prices and operating expenses,
- Current division orders (for current ownership and interest information), and
- The Comptroller's Price Adjustment Factor

(NOTE: A jurisdictional exception from the USPAP standard is taken in the application of the Price Adjustment Factor which limits the appraiser's opinion of market value.)

5.00 Valuation Requirements Applied

To assign values to properties that were representative of the local market, the district employed generally accepted appraisal techniques as outlined in the **Valuation Requirements Section** of this report.

In a mass appraisal system, values are typically determined by the application of an appropriate appraisal model and adjusted to certain individual characteristics of a property.

Residential and commercial properties were appraised utilizing appraisal models (cost schedules) based upon the Marshall Swift Valuation Service's published guidelines. Marshall Swift is a nationally recognized appraisal guide that is utilized by appraisers both in the private sector and in an ad valorem taxation environment. For these appraisal models to accurately represent the local market, they were tested and evaluated to validate their ability to generate values that meet the required standards. Adjustments to the models were made via the application of "neighborhood factors" that drive decreases/increases in the appraisal model for the various school districts, cities, and subdivisions in the district.

FCAD land appraisal models were developed from local market data obtained from buyer/seller letters and MLS reports.

Business personal property appraisal models were based upon those prepared by the Property Tax Division of the Texas Comptroller of Public Accounts. Values were estimated on the local level by incorporating modifiers by neighborhood (as defined earlier in this report) to adjust the cost to the local market.

The district also collected information regarding rental rates for commercial properties to develop its appraisal modes for various income producing properties.

Primary steps involved in the reappraisal process included:

- The gathering of sales information,
- Performance of local sales ratio studies,
- Review of most recent Property Value Studies performed by PTAD,
- Appraisal model calibration (testing of schedules),
- Field review of property,
- Administration of exemptions and special valuations,
- Notification of the taxpayer, and
- Certification of the appraisal roll to the taxing entities.

5.10 Performance Testing

In the calibration of the district's appraisal models, the Chief Appraiser and his staff performed a series of statistical tests in accordance with the Standard for Ratio Studies as adopted by the International Association of Assessing Officers (IAAO). The final report titled *FCAD Internal Appraisal Ratio Study for Appraisal Model Calibration as of January 1, 2024*, is attached as *Addendum 1* of this report.

Sales ratio studies were used to evaluate the district's mass appraisal performance. These studies not only provided a measure of performance but also were an excellent means of improving mass appraisal performance.

FCAD used ratio studies not only to aid in the revaluation of properties, including the calibration of appraisal models, but also to test the results of the Property Tax Division's *Property Value Study*.

5.11 Independent Performance Tests

Under the authority of Chapter 5 of the Texas Property Tax Code and Section 403.302 of the Texas Government Code, the State Comptroller's Property Tax Division (PTD) conducts a property value study (PVS) of each Texas school district and each appraisal district bi-annually. As a part of this annual study, the Property Tax Division of the Texas State Comptroller's Office is required to:

- use sales and recognized auditing and sampling techniques.
- review each appraisal district's appraisal methods, standards, and procedures to determine whether the district used recognized standards and practices (MAP Review).
- evaluate the validity of school district taxable values in each appraisal district and presume the appraisal roll values are correct when values are valid; and,
- determine the level and uniformity of property tax appraisal in each appraisal district.

The methodology used in the property value study includes stratified samples to improve sample representativeness and techniques or procedures of measuring uniformity. This study utilizes statistical analysis of sold properties (sales ratio studies) and appraisals of unsold properties (appraisal ratio studies) as a basis for assessment ratio reporting. For appraisal districts, the reported measures include median level of appraisal, coefficient of dispersion (COD), the percentage of properties within 10% of the median, the percentage of properties within 25% of the median, and price-related differential (PRD) for properties overall and by state category (i.e., A, B, C, D, and F1 are directly applicable to real property).

Eight independent school districts are situated in whole or part in Freestone Central Appraisal District for which appraisal rolls are annually developed. The preliminary results of this study are released in January in the year following the year of appraisal. The results of this study will be certified to the Education Commissioner of the Texas Education Agency (TEA) in the following July of each year for the year of appraisal. This outside (third party) ratio study provides additional assistance to the CAD in determining areas of market activity or changing market conditions.

PTAD conducted a Property Value Study (PVS) in the district in 2023 for all ISDs. The PVS results reported that the appraisal levels in all school districts were within the agency's confidence interval and that local values will be reported to TEA for 2023-2024.

5.12 Pilot Studies

Pilot studies were utilized to test new or existing procedures or valuation modifications in a limited area (a sample of properties) of the district and were also considered whenever substantial changes were made. These studies, which included ratio studies, were performed to reveal whether the new system was producing accurate and reliable values or whether procedural modifications were required.

FCAD coordinated its discovery and valuation activities with adjoining appraisal districts. Numerous field trips, interviews and data exchanges with adjacent appraisal districts were conducted to ensure compliance with state statutes.

5.13 Valuation Analysis (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, 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. FCAD updated its appraisal models for residential improvements to those values published by Marshall Swift Valuation Service for January 1, 2024.

Sales ratio studies are conducted which record the appraisal summary statistics before and after model modification. These statistics, including but not limited to the median, mean, and weighted mean, standard deviation, and coefficient of dispersion, provide the district's appraisers a tool by which to determine both the level of and uniformity of appraised value on a stratified basis. The level of appraised values is determined by the weighted mean for individual properties within an area. Review of the standard deviation and coefficient of dispersion discerns appraisal uniformity within and between stratified neighborhoods.

Each neighborhood is reviewed annually by the district through sales ratio analysis. 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 district an excellent means of judging the present level of appraised value and uniformity of the sales. The appraisal staff, 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, or whether the level of market value in a neighborhood is at an acceptable level.

5.14 Market Adjustments or Trending Factors

Neighborhood (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.

Market, or location adjustments (neighborhood and/or economic) were applied uniformly within neighborhoods to account for location variances between market areas. Once the market-trend factors were applied, a second set of ratio studies were generated that compares recent sales prices with the proposed appraised values. From this set of ratio studies, the staff judged the appraisal level and uniformity for neighborhoods, school districts, and the appraisal district.

The cost approach to value was 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 were typically developed based on the Marshall Swift Valuation Service. Cost models included the derivation of replacement cost new (RCN) of all improvements. These included comparative base rates, per unit adjustments and lump sum adjustments. This approach also employs the sales comparison approach in the valuation of the underlying land value.

Appraisal models were modified by these factors utilizing the following formula:

$$MV = (LV * RF * OLA) + (AIV * NH)$$

where:

- | | |
|----|---|
| MV | Represents the market value of the whole property |
| LV | Represents the unadjusted value of the land as determined by applying the appropriate land appraisal model to the parcel's land area. |

RF	Represents the modification factor (applied to land only) typically assigned for location or topography adjustments
OLA	Represents a modification factor (applied to land only) assigned at the appraiser's discretion to make further adjustments as a "cost to cure" the condition.
AIV	Represents adjusted improvement value as determined by the model formula for improvement valuation (discussed further in the valuation of improvements section below)
NH	Represents the neighborhood location factor that adjusts the value of the improvements only for location.

5.15 Final Valuation Models

Based on the market data analysis and review discussed previously, models are calibrated and finalized. The calibration results were keyed into the model schedule tables in the CAMA system for utilization on all parcels in the district. Results of the internal property value study conducted by FCAD appraisal staff are attached to this report in *Addendum 4*.

5.20 Valuation of Real Estate

5.21 Land

The district's methodology for determining land values includes the adjustment of the appraisal model for each parcel according to its:

- Location (neighborhood),
- Outside influences affecting property,
- Physical characteristics that deviate from the expected appraisal model,
- Tract size,
- Utility availability, and
- Other deviations that are observed by the appraiser that influence the application of the appraisal model.

Appraisal models for land were divided into neighborhoods according to geographic location based upon market sales analysis. FCAD has identified areas where the market indicated delineation from the otherwise typical price per acre. The county's three distinct eco-regions have definite characteristics that affect not only the soil productivity but also affect the element of "eye appeal" to potential buyers. Sales of property in the Post Oak Savannah and East Texas Timberland portions of the county are more plentiful than those in the Blackland Prairie section. It appears that the sections of the county where varieties of pine, and oak and other evergreen and hardwood trees either scatter or cover tracts are more desirable to the non-resident property owners (usually from metropolitan areas of the state) for recreational purposes such as hunting or hobby farming.

Appraisal models for the valuation of land were divided into classifications according to geographic location. Land was priced according to this schedule unless it fell into another pricing area that was more specific to that geographic location, i.e., a pricing table for a specific subdivision. FCAD maintained and published its land appraisal models in its *Appraisal Manual for the Appraisal of Land* on its local intranet. Color keyed maps provided definitions of general area and specific neighborhood price codes and costs.

Special consideration was given to land that has outside influences that affect it. For example, property that was located inside or near one of the towns usually was given a higher price per acre because of its highest and best use consideration as were properties where commercial influences were present.

When property characteristics deviated from the expected appraisal model, appraisers adjusted for those characteristics that affected a property's usefulness such as severe erosion, lack of public access, and other physical or economic factors. Standard adjustments were suggested by the district's schedules for deviation also published in FCAD's *Manual for the Appraisal of Land* as published on its in-house local intranet. Other variations from the pricing schedules were made via "flat value". Calculations for estimating the flat value and proper notation supporting the deviation from the appraisal model were attached by appraisers to the property record as maintained in the district's CAMA system.

The mathematical function of interpolation (the process of estimating the outcomes in between sampled data points) in the valuation of "typical land" was used in the CAMA system to determine unique costs based upon exact tract sizes. In using this function, parcels would only use the posted schedule cost when the acreage (or larger tract acreage) was an exact match to the acreage stored in the cost table. In all other instances, the CAMA system calculated exactly what the estimated cost was based upon the acreage ranges and costs stored in the table. For example, if a land cost for 10 acres was \$12,000/acre and the land cost for 20 acres was \$8,000, then the appraised cost for a 15-acre tract was estimated at the interpolated cost of \$10,000/acre (because it was exactly halfway between the two data points).

Home-site property that were situated outside of city boundaries had an additional flat cost of \$2,500 added to the land value for contributory value added for the presence of utilities including water, telephone, and septic systems.

Occasionally, additional adjustments were made from property characteristics observed by the appraisers. Such adjustments and deviations from the appraisal model were made typically after collective collaboration between the appraisers as to the amount of deviation adjustment necessary to compensate for the loss of or increase in property value.

5.22 Improvements

FCAD valued improvements (buildings and other improvements on and to land) via a series of appraisal models that categorized structures according to construction type, quality, and intended use. These appraisal models were developed based upon Marshall Swift Valuation Guidelines as published for January 1, 2024, and modified for local markets (neighborhoods) using various sources, including local sales information.

General categories include schedules for:

- Site Built Single Family Homes
- Mobile Homes
- Multi-Purpose Storage Buildings
- Commercial Buildings
- Miscellaneous Improvement schedules
- Business Personal Property

In the valuation of these properties, appraisers must consider the effects of

- Construction Quality
- Accrued Depreciation (based upon effective age and condition ratings)
- Economic Neighborhoods
- Functional Obsolescence, and
- Other observed deviations from the appraisal model.

The district also maintained percent good tables to estimate depreciation on structures based on their age (or effective age) and condition as rated by physical inspection by reviewing staff appraisers.

Additional consideration was sometimes given for a loss of value due to external economic factors which

have an adverse effect on the property (i.e., garbage dumps next door). These allowances for economic or functional obsolescence were made on a case-by-case basis and were expressed as the professional opinion of the reviewing appraiser. Likewise, additional consideration was sometimes given to structures that were incomplete. The district developed a schedule that estimates the degree of completion based upon the presence/absence of various building components. Reasons for the extra allowances were noted on the parcel record in the district's CAMA system.

The basic formula for estimating market value that was used is:

$$MV = LV + (SF * C * WH * \%GD * \%FC * \%EC * NH)$$

Where:

- MV represents market value,
- LV is the cost of land, valued as if vacant and at its highest and best use,
- SF is the square footage of the area type,
- C indicates the area cost from the district's appraisal model,
- WH represents a factor to be applied when the wall height exceeds that which is typical for the construction type. %GD represents an age and condition rating from field evaluation,
- %FC represents any functional obsolescence found in the property, making it less physically desirable by design, and,
- %EC is the appraiser's estimate of value lost due to economic conditions that may exist outside the property. Market or location adjustments (neighborhood factors) are applied uniformly within neighborhoods to account for location variances between market areas in the NH field.

Following are summaries of some of the significant considerations in the valuation of the cited appraisal models.

5.23 Single Family Homes

Residential Valuation Appraisal Models are divided into six dominant construction types:

- Frame,
- Brick,
- Plywood,
- Synthetic Plaster,
- Steel, and
- Log.

Each of these construction types was further divided into nine different quality types with Type 1 being the lowest quality and Type 9 being the highest quality. These appraisal models were used universally throughout the district. An extensive review and revision of the residential appraisal models was performed for 2023. Data characteristics of newly constructed and recently sold residential properties were compared to the cost guidelines of *Marshall & Swift Valuation Service*. The results of this comparison were analyzed using statistical measures, including stratification by quality and construction type as well as review of estimated building costs plus land to sales prices. As a result of the analysis, appraisal models for these properties were adjusted.

To further refine the appraisal model for these properties, *market area (or neighborhood) factors* were reviewed and adjusted to reflect the effect of property location more accurately regarding the appraisal model.

These codes were statistically reviewed in the district's 2024 internal ratio study and adjusted in compliance with the state legislative mandates determining market value as well as uniformity of appraisal while remaining within the required confidence interval.

The mathematical function of interpolation (the process of estimating the outcomes in between sampled data points) was implemented in the valuation of site built residential property. In using this function, building records would only use the posted appraisal model cost per unit when the total square footage for the building class was an exact match to the footage stored in the cost table. In all other instances, the CAMA system calculated exactly what the estimated cost should be based upon the square footage ranges and costs stored in the table. For example, if the total living area (LA) of a type 3 brick house (RB03) was 1350 square feet and the district's cost tables record cost for 1300 square feet living area at \$53.81 and 1400 square feet at \$53.01, then the appraised cost for 1350 square feet of living area was estimated at the interpolated cost of \$53.41 (because it was exactly halfway between the two data points).

Residential appraisal models were cost-based tables modified by actual data from the county. The cost reflected the actual replacement cost new of the subject. Market research indicated that the common unit of comparison for new residential construction as well as sales of existing housing was the price paid per square foot. The value of extra items (fireplaces, swimming pools, etc.) was based upon its contributory value to the property. This value was estimated by the price per square foot or the value of the item as a whole. This data was extracted from the market by paired sales analysis when data was available, and through conversations with local appraisers and brokers.

FCAD depreciation tables were divided into eight different condition ratings with a percentage loss of value assigned according to the "effective age" of the structure. (Effective age differs from the chronological age in that effective age considers the additional life that a structure has gained from remodeling or extensive repair. For example, a house that was built in 1922 may have an effective age of 1990 after extensive repair has been done to the foundation, roof repair, and the addition of a modern kitchen and bathrooms and central heating and air.) The eight condition ratings range from *excellent condition* where all items that can normally be repaired or refinished have recently been corrected to *unsound* where the building is unsound and practically unfit for use. The interior condition of a structure was assumed to be like the exterior. When requested by a property owner, an interior inspection was made by appointment.

Foundation failure occurs to varying degrees and values were adjusted (by schedule) after an appraiser's inspection. Allowances were made, based upon the cost to cure, for foundation problems that adversely affect the property.

Incomplete improvements were listed on the appraisal records according to their degree of completion, according to the district's schedule for such.

Other allowances for economic or functional obsolescence were made on a case-by-case basis.

5.24 Treatment of Residence Homesteads

Texas law mandates limits of taxable value increases on property that receives a residence homestead exemption. While the market value may be increased according to the local real estate market, the taxable value of the property is subject to limitation (*homestead cap*) beginning in the second year a property receives the exemption. The value for tax purposes (appraised value) of a qualified residence homestead will be the lesser of:

- the market value; or,

- the preceding years appraised value:
 - plus, ten percent for each year since the property was re-appraised.
 - Plus, the value of any improvements added since the last appraisal.

Values of capped properties were recomputed. When a capped property is sold, the cap automatically expires on January 1st and is removed from the parcel. The home is reappraised at its market value for 2024 to bring its appraisal into uniformity with other properties.

As required by state law, the appraisal district appraised the land and improvements of residence homestead parcels solely upon the basis of their value as a residence homestead regardless of highest and best use.

When rendered as such, contiguous properties owned by developers that were unoccupied and never produced income for the owner were appraised as residential inventory. Properties receiving this special valuation in 2023 that were sold prior to January 1, 2024, were appraised at market value without the benefit of the special valuation.

FCAD includes and maintains appraisal models, along with scheduled adjustments to the appraisal model (age/condition/depreciation tables, percent complete guidelines, etc.) for single-family homes in its *Manual for the Appraisal of Single-Family Residences* on its local intranet.

5.25 Manufactured Housing

FCAD mobile home appraisal models were based upon *Marshall & Swift Valuation Service's* cost guidelines and were set to reflect the values reported by this source.

As a means of testing accuracy of the values, the district also used *NADA Mobile Home Cost Guide* as a reference.

The appraisal model for manufactured homes was divided into five dominant construction classes with Class 1 being the lowest quality and Class 5 being the highest quality. Appraisal models include costs for both the manufactured home main (living) areas and tag along units.

The mathematical function of interpolation was applied to these appraisal models in the same manner as that of single-family homes discussed above, allowing for an adjusted cost based upon the total living area of these properties.

Depreciation schedules based upon the three construction quality ratings were applied to the estimated replacement costs for these properties. Appraisers assigned a condition rating ranging from good to poor, to adjust values for exceptional or deferred maintenance. In some cases, the effect of depreciation was sped up or slowed down by the adjustment of the effective age of the structure.

Other allowances for economic or functional obsolescence were made on a case-by-case basis.

Manufactured housing homeowners that qualified the structure as a residence homestead were allowed the same value increase limitation as site-built single family homestead properties.

The district maintains its appraisal models in its *Manual for the Appraisal of Mobile Homes* and publishes it on its local intranet.

5.26 Multi-Purpose Buildings

The district's appraisal model for multi-purpose buildings includes structures with a primary purpose of storage of miscellaneous items, such as equipment, hay, or other items.

FCAD classified multi-purpose utility buildings on three dominant factors:

- **Construction orientation** – considering whether the structure is site-built or constructed from a prefabricated building kit.
- **Construction material quality** – considering the quality of the type of material used in the construction of the structure (ranging from cheap or economy to good materials); and,
- **Quality of workmanship** – considering whether the structure was constructed in an amateur or professional grade manner.

These structures range from amateur constructed pole barns and sheds with one (or no) wall of low-quality material to professionally constructed metal buildings with 26-gauge metal siding on all walls. In determining the market value of multi-purpose utility buildings, FCAD developed and maintained an appraisal model based upon the conditions of the local market.

Value was estimated on these properties by appraiser through:

- Classification of the property according to its relationship to the defined appraisal model (i.e., quality of construction),
- Consideration of any size factors (i.e., square footage and height),
- Adjustments for any deviation from the defined appraisal model:
 - missing or added components,
 - accrued depreciation (based upon age and observed condition ratings),
 - any functional obsolescence,
 - identification of neighborhood location and influences.

FCAD includes and maintains appraisal models, along with scheduled adjustments to the appraisal model) for these structures in its *Manual for the Multi-Purpose Buildings* on its local intranet.

5.27 Commercial (Generally)

Properties where the motivation to own the property was based upon the property's ability to generate income were typically appraised considering the income approach to value as described in Section 5.28 of this report.

In instances where income/expense data was not available or applicable to the property the district utilized its appraisal models and/or *Marshall & Swift Commercial Estimator Software*.

FCAD's appraisal model for these properties was divided into three dominate construction types:

- Masonry,
- Steel frame, and
- Wood frame.

Classes were further refined by identifying the exterior finish of the structure as masonry, steel, or wood. Each of these construction types was divided further according to quality of construction:

- Cheap
- Low
- Average, or
- Good

Buildings in this category typically include an appraisal model for:

- Main areas that are typically enclosed, and
- Canopy areas that may or may not be supported by posts.

The mathematical function of interpolation was applied to the main areas of these appraisal models, allowing for an adjusted cost based upon the total area of these properties.

Depreciation schedules were based upon life expectancy guidelines for the various construction and building types, including tables for adjustments for life expectancies ranging from 15 to 50 years, and further

adjusted for condition ratings from excellent to very poor.

Other allowances for economic or functional obsolescence were made on a case-by-case basis.

5.28 Income Producing Commercial Property

FCAD estimated the whole market value of properties by the income approach to value when sufficient data was available for consideration.

Typically included in this group are:

- Hotels/motels,
- RV parks,
- Self-Storage Units, and
- Other commercial properties where leasehold interest is typical.

Use of the income approach in property valuation allowed the district to consider the effects of the local economy and the economic benefits (or liabilities) of owning a property whose primary purpose was to generate income.

Generally, the basic formula for determining a value by the income approach is:

$$\frac{\text{Net Income}}{\text{Cap Rate}} = \text{Value}$$

Where:

- Net Income is the gross potential income that has been adjusted for vacancy and collection losses as well as other acceptable operating expenses.
- Rate is the capitalization rate (of return) on the real estate investment based upon the income that the property is expected to generate. This rate can either be developed using the local market (when adequate sales of property type are available for analysis) or from subscription services that have been deemed as reliable.

5.29 Miscellaneous Improvements

The district's miscellaneous appraisal models included value tables for structures such as decks, retaining walls (bulkheads), piers, boat slips, pools, greenhouses, sheds, barns, parking areas, and other assorted improvements that are typical to the area.

While these items are subject to loss of value due to age and condition, the reviewing field appraiser typically was allowed the discretion of assigning a percent of value lost due to physical wear and tear.

Appraisal models were based upon professional labor supervised by a contractor or job supervisor. For non-professional workmanship, the value was typically reduced by 15 to 30 percent.

When no appraisal model existed in the FCAD cost tables for an improvement, the district typically relied upon *Marshall & Swift Valuation Guide*. Costs from the guide were modified to reflect the local market via the applicable neighborhood code. When this manual method of estimating value was used, appraisers attached their calculations to the parcel record, clearly discussing in detail the assumptions and modifications used to estimate the value. Values of this nature are "flat values" in the district's CAMA system.

5.30 Valuation of Business Personal Property

The business personal property appraiser reviewed all renditions as they were filed and performed field reviews of new and un-rendered businesses.

In establishing values for business personal property, the appraiser considered the intended use of the property (held for resale or used in the operation of the business). Additionally, the appraiser considered the level

of trade in which the property was held. Level of trade is determined prior to the appraisal of inventory because the value of the inventory varies depending on the level of trade:

- primary producer,
- manufacturer,
- wholesaler,
- retailer.

5.31 Machinery, Equipment, Furniture & Fixtures

When original cost information was available for machinery, equipment, furniture, and fixtures used in connection with businesses, the original cost was indexed forward to reflect the current replacement cost for the items, using the following formula:

$$(Present\ Index/Former\ Index) * Known\ Cost = Present\ Cost$$

Once the current replacement cost new was estimated, the appraiser estimated the appropriate depreciation to the item according to its age and expected service life. The district's life expectancy guidelines are those adopted by the Texas Property Tax Assistance Division (PTAD). These tables are maintained along with the cost index factors in its CAMA system and in the district's cost manuals.

In instances where no value was rendered or the rendered value was clearly lower than field observed quality and density ratings, the appraiser used the district's appraisal models to estimate values for these items based upon those ratings. These appraisal models were adapted by the district from the PTAD Field Appraiser's Guide and have had local modifiers applied to them to make them representative of the local market.

5.32 Inventory

Inventories were appraised according to rendered values when those values were reasonable when compared to field observations of appraisers for quality and density of the inventory. In instances where the rendered value was clearly lower than field observed quality and density ratings, the appraiser used the district's appraisal models to estimate values for inventories based upon those ratings. These appraisal models were adapted by the district from the PTAD Field Appraiser's Guide and have had local modifiers applied to them to make them representative of the local market.

5.33 Dealer's Special Inventory Property

Dealer's inventories that qualify for valuation as a special inventory were appraised based upon the monthly sales reports submitted by the property owners to the CAD and to the Freestone County Tax Assessor/Collector's office.

As provided by law, the market value of such an inventory on January 1 is the average of monthly sales for the preceding year.

5.40 Valuation of Mineral, Utilities, & Industrial Real & Personal Property

The district has a contract with Pritchard & Abbott, Inc. for the appraisal and valuation of all minerals, utility, and industrial parcels as specified in the district's 2023-2024 Reappraisal Plan.

5.50 Circuit Breaker Value Limitation

Starting in 2024, real property valued at \$5 million or less is limited to an appraised value increase of 20 percent. This applies only to real property that is not eligible and qualified for a homestead exemption and

therefore eligible for the 10 percent homestead cap limitation, or property that has qualified and is appraised with a special valuation for agricultural or timber use. The property must be owned for one year prior to the appraisal date (the owner must have title to the property on January 1st of the year preceding current appraisal year). When the property is sold or the ownership changes, the limitation is removed. The Texas Legislature has authorized the Circuit Breaker Limitation for the years 2024-2026.

As provided by law, the district has applied the limitation to property types that meet the criteria.

6.00 Resources

To accomplish the requirements of the laws of the state and the district's adopted reappraisal plan, adequate resources that meet the profession's professional standards must be provided by the district.

Generally, those resources are classified as:

- Staffing,
- CAMA system,
- GIS mapping system, and
- Other miscellaneous resources including
 - National Automobile Dealers Association (NADA) Mobile Home Cost Guide,
 - Marshall & Swift Valuation Guides (Commercial & Residential),
 - Realty Rates.Com, and
 - LexisNexis.

6.10 Staffing

To accomplish the requirements of the laws of the state and the district's adopted reappraisal plan, an adequate staff with appropriate tools is necessary.

Staff resources are generally categorized as:

- Administrative,
- Appraisal,
- Taxpayer Assistance,
- Mapping, and
- Records Management.

6.11 Administrative Staff

The administrative staff of the appraisal district was responsible for oversight and supervision of all aspects of the daily operation.

Don Awalt, RPA/CTA/CCA, served as the district's Chief Appraiser. Mr. Awalt is certified by the Texas Department of Licensing (TDLR) as a Registered Professional Appraiser. Additionally, he is designated as a Certified Tax Administrator by the Institute of Certified Tax Administrators, an entity of the Texas Association of Assessing Officers and as a Certified Chief Appraiser by the Texas Association of Appraisal Districts. Mr. Awalt employed and directed the district's staff, oversaw all aspects of the appraisal district's operations, and performed either directly or through the district's staff a variety of operations.

The Chief Appraiser's responsibilities include:

- Discovering, listing, and appraising properties.
- Making determinations on exemption and special use requests:
- Organizing periodic reappraisals; and,
- Notifying taxpayers, taxing units and the public about matters that affect property values.

Additionally, the Chief Appraiser was responsible for adherence to appraisal standards adopted by the

Property Tax Assistance Division (PTAD), the International Association of Assessing Officers (IAAO) and the Uniform Standard Professional Appraisal Practices (USPAP) as well as the laws of the State of Texas as codified in the Property Tax Code and the Texas Constitution.

Jason Moore, RPA, served in the capacity of Deputy Chief Appraiser, assisted the Chief Appraiser in the administration of the district. Mr. Moore was responsible for the maintenance and verification of property sales data received by the district for model calibration. He was responsible for the scheduled review and inspection of all land and agricultural/timber/wildlife management properties. Additionally, Mr. Moore aided the Chief Appraiser in appraisal model calibration by reviewing and analyzing sales information received by the district. He also served as the district's Mapping Coordinator.

Carol Clark, as the Chief Appraiser's Administrative Assistant was responsible for the maintenance of the district's:

- financial records,
- personnel records, and
- Board of Director's records,
- Appraisal Review Board records,
- Ag Advisory Records, and
- All other administrative records.

6.12 Appraisal Staff

FCAD staff appraisers were responsible for the valuation of all real and personal property accounts. The property types appraised included commercial, residential, agricultural, and business personal property. All appraisers, including those whose services were contracted to the district, were required to be designated as (or working toward designation) as Registered Professional Appraisers with the Texas Department of Licensing.

Debbie Hunt, RPA, and **Coltin Bottoms (Until May 2024), Level III Appraiser**, were responsible for on-site inspections of improved real properties as assigned in the reappraisal plan. They also conducted informal hearings with property owners who were responding to appraisal notices. Additionally, they will be preparing and presenting evidence before the Appraisal Review Board during the 2024 protest season.

Tina Gilley-Lee, Level II Appraiser, was responsible for the appraisal of all business personal property located in the district. Titled as the Business Personal Property Appraiser, her duties included on-site inspections and review of all rendition reports filed with the district by owners of personal property used for the production of income.

Joe Barrow, Trent Neely (re-assigned as Level I Appraiser May 2024), Lettie Hightower, Erin Simpson, and Jazmin Espinoza in their roles as appraiser's assistants, went with and assisted the appraisers in the performance of on-site property inspections and performed data entry in the CAMA system. They also help preview upcoming properties scheduled for inspection via Oblique and Ortho imagery.

The appraisal and valuation of minerals, utilities, and industrial properties is performed under the contracted services of **Pritchard & Abbott, Inc**, a firm specializing in the appraisal of complex properties.

6.13 Taxpayer Assistance Staff

Rachel Ethridge was the first person the public met when contacting the district either in person or by telephone. She supplied general information to the public, guided them in access to the district's public records, and assisted them in the filing of various applications and reports required by the district. Rachel is the primary person responsible for qualification verification and application of homestead exemptions.

6.14 Mapping Staff

Melissa Marberry is the district's mapper. She is responsible for all cadastral mapping functions and maintenance of the district's digital mapping/geographic information system. Additionally, Ms. Marberry is responsible for maintenance of ownership records in the CAMA system.

6.15 Records Management

The Chief Appraiser is the district's designated custodian of records and is responsible for the preservation of the district's records according to its adopted Records Management Plan.

Desiree Frasier served as the Records Management Coordinator and managed the daily electronic preservation of the district's records. Ms. Frasier handles responding to open records requests and for the recording of the district's documents in its electronic archival system.

6.20 Computer Resources

Each employee's workstation has a networked personal computer for access to the district's appraisal database (CAMA), and geographic database (GIS). Forms received (and generated) by the district are maintained in an electronic format on the district's computer server as the district is moving toward a paperless environment.

6.21 Computer Assisted Mass Appraisal System (CAMA)

The district is currently licensing Pritchard & Abbott's Paragon Appraisal Software to aid in its computer assisted mass appraisal system (CAMA). The software allows the district to perform mathematical value calculations based upon used defined property classifications. Age and condition tables allow for automated uniform depreciation of improvements based upon appraiser field observations. In addition, the software stores all current cost schedules, photographs, and documents relating to a parcel.

6.22 Geographic Information Systems (GIS)

The district is currently maintaining its digital mapping data in ESRI GIS software, which provides viewing capabilities for the staff and public. Mapping data includes NRCS soil capability maps for:

- Pasturelands,
- Timberlands, and
- Croplands/Orchards.

The district also acquired overhead oblique and ortho imagery from EagleView/Pictometry for 2023. Imagery was flown exclusively for Freestone CAD, digitally rectified to the Texas State Plane Coordinate System at a six-inch (per pixel) resolution.

6.23 Other Resources

The district's website (freestonecad.org) makes information available to the public via the internet including detail property characteristic data, various district forms, general information about the district, and a link to the Property Tax Division's pamphlet *Taxpayer's Rights, Remedies, and Responsibilities*.

Appraisal manuals and schedules developed and utilized by the district are maintained and published on a local intranet hosted by the personal computer network.

7.00 Limiting Conditions & Certification

The appraised value estimates provided by the district are subject to the following conditions:

- The appraisals were prepared exclusively for ad valorem tax purposes.
- The property characteristic data upon which the appraisals are based is assumed to be correct: Exterior inspections of the property appraised were performed by staff resources as time allowed.
- Validation of sales transactions were attempted through questionnaires to the sellers and buyers, realtors, fee appraisers, and personal interviews with buyers and sellers.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the properties that are subject of this report other than my interests in my residence (parcel 55581), agricultural property (parcel 8225), and various producing royalty interests (listed under owner ID 18980)
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the taxing jurisdiction, the amount of the value estimate, 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 (USPAP), Property Tax Assistance Division of the Texas State Comptroller of Public Accounts (PTAD), the Texas Department of Licensing (TDLR), and the International Association of Assessing Officers (IAAO).
- My staff appraisers have made a physical inspection of each property located in the county according to the district's plan for periodic reappraisal as well as those parcels for which a property owner has requested an inspection, or which reflect a new improvement value.
- I have attached a list of staff providing significant mass appraisal assistance to me in Addendum 3.

I, Don Awalt, Chief Appraiser for the Freestone Central Appraisal District, solemnly swear that I have made or caused to be made a diligent inquiry to ascertain all property in the district subject to appraisal by me, and that I have included in the records all property of which I am aware of at an appraised value which, to the best of my knowledge and belief, was determined as required by the laws of the State of Texas.



Don Awalt, RPA/CTA
TDLR # 69620
Chief Appraiser
Freestone Central Appraisal District

May 23, 2024

Date

Addendum Index

- 1 FCAD Internal Ratio Study
- 2 General Market Trend Indicators
- 3 List of Individuals Providing Significant Mass Appraisal Assistance to Preparer

FCAD Internal Ratio Study Analysis Report For Values Appraised as of January 1, 2024

The information which follows is based upon recaps of value as they appeared after all lawfully required Notices of Appraised Value were delivered to property owners by the Chief Appraiser.

“If the property tax is to be fair and provide adequate revenue for local government, mass appraisal must produce accurate appraisals and equitable assessments. The primary tool used to measure mass appraisal performance is the ratio study.”
IAAO, *Property Appraisal and Assessment Administration*.

FCAD has performed this internal ratio study to test and calibrate our mass appraisal models, and to ensure that the level of appraisal within the district meets acceptable standards of accuracy. This study is based on appraised values, sale price data, and other property data collected by the district. Sales data used in the study span the 15-month period, January 2023 through the 1st quarter of 2024.

"Local jurisdictions should use ratio studies as a primary mass appraisal testing procedure and their most important performance analysis tool. The ratio study can assist such jurisdictions in providing fair and equitable assessment of all property. Ratio studies provide a means for testing and evaluating mass appraisal valuation models to ensure that value estimates meet attainable standards of accuracy. Ratio study reports are typically included as part of the written documentation used to communicate results of a mass appraisal and to comply with Standard Rule 5-7(b.) of the Uniform Standards of Professional Appraisal Practice (USPAP). IAAO, *Standard on Ratio Studies – 2013, Part 1, Sec. 2.4*

*USPAP 2018-2019
Standards Rule 5-7*

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.

The overall level of appraisal of Freestone Central Appraisal District is stated as follows:

		95% Confidence Interval	
		Lower	Upper
Mean	1.02	0.99	1.03
Median	1.00		
Weighted Mean	1.00		
Coefficient of Dispersion	11.11		
Price-related Differential	1.02		
Absolute Deviation	39.08		
Standard Deviation	0.15		
Number of Sales	351		
	0.62		

Overall Ratio taken from PA PC Ratio Recap Report

All Classes of Property

Outlier Ratios Statistically	Less than	Greater than
Trimmed	.62	1.44

Sales from 01/01/2023 - 04/01/2024

Data Assembly

The chief appraiser and staff of FCAD continually collect and analyze sales data of properties that have sold within the district. Sales are screened as valid or invalid based upon the *IAAO Standard on the Verification and Adjustment of Sales* as guidance. Sales that do not meet the test of an “arm’s length” transaction are not marked as “valid,” and therefore are not included in the study. An exception being foreclosure sales of residential properties. Typically, foreclosure sales, where a bank or lending institution is the seller, are not considered to be “arm’s length” transactions. Pursuant to Texas Property Tax Code section 23.01(c), a Chief Appraiser, in appraising residence homesteads, may not exclude from consideration the value of neighboring properties simply because they were subject to a foreclosure sale.

Sources of sales information include.

- Sales letters to buyers and sellers of property.
- Owner’s closing statements or other real estate transaction documentation
- Information from real estate brokers and agents and independent appraisers.
- The district also subscribes to and receives sales information from the Metrotex Association of Realtors’ Multiple Listing Service.

Methodology

Ratio studies are the primary means by which appraisal performance is measured. In a ratio study, appraised values are compared against indicators of market value, usually sales prices. If appraisal performance is good, appraised values should be closely related to sales prices.

$$\text{Ratio} = \text{Appraised Value} \div \text{Sale Price}$$

Ideally the middle (median) or average (mean) ratio should be near 1.00, and the individual ratios should be relatively uniform or consistent.

“In analyzing appraisal level, ratio studies attempt to measure statistically how close appraisals are to market value on an overall basis. While theoretically desired level of appraisal is 1.00, an appraisal level between 0.90 and 1.10 is considered acceptable for any class of property (* Appraisal level for each type of property shown should be between .90 and 1.10, unless stricter local standards are required). However, each class of property must be within 5 percent of the overall level of appraisal of the jurisdiction.” *IAAO Standard on Ratio Studies, Part 1, Sec. 9.1*

Price Trend Analysis

After all sales information has been entered into the district’s database, the chief appraiser and staff analyze the local market trends indicated by the sales to determine the need, if any, for time adjustments to the sales data. Price trends were developed using sales ratio trend analysis. In the method, sales prices over the time frame selected for analysis are compared against appraised values for the most recent appraisal year. Since the appraisal reflects a common, fixed date, and the sales prices reflect transaction dates, an upward trend in sale/appraisal (S/A) ratios indicates price appreciation and a downward trend indicates price deflation. The graphs in [exhibit 1](#) show the direction and magnitude of the trends for the property categories analyzed.

Treatment of Outliers

A common issue in ratio studies is the treatment of outliers, which are atypically low or high ratios that have the potential to distort several appraisal performance measures.

In addition to eliminating extremely low or high ratios, IAAO outlier trimming guidelines were used in determining ratio trim points based upon the inter-quartile range, which represents the difference between the 75th and 25th percentiles of a distribution. With these guidelines in mind, trim points for each property category with sufficient sales were determined by an examination of ratio distributions. The percentage of sales excluded as ratio outliers is discussed in conjunction with the ratio analysis in [exhibit 2](#).

Stratification

Stratifying, or dividing properties within the scope of the study into two or more groups helps identify the level of appraisal between property groups. Properties are stratified based upon:

- Total value range.
- Neighborhood.
- Property use.
- Land cover type.
- Improvement quality of construction and construction type.

And any other grouping that would facilitate a more detailed picture of appraisal performance.

Stratified analysis of appraisal performance is discussed in detail in [exhibit 5](#).

Statistical Analyses

There are two primary aspects of appraisal performance: level and uniformity. Appraisal level or, central tendency relates to how close overall appraisals are to market value. Uniformity or variability relates to the consistency or equity of appraised values.

Measures of Central Tendency

“Estimates of appraisal level are based on measures of central tendency. They should be calculated for each stratum and for such aggregations of strata as may be appropriate. Several common measures of appraisal level should be calculated in ratio studies, including the median ratio, mean ratio, and weighted mean ratio.” *IAAO Standard on Ratio Studies-2013 Part 1, Sec. 5.3*

Mean = average of the ratios. It is calculated by summing the ratios and dividing by the number of ratios.

Median = the middle ratio when the ratios are arrayed in order of magnitude. The median always divides the data into two equal parts and is less affected by extreme ratios than the other measures of central tendency. The median is the generally preferred measure of central tendency for evaluating overall appraisal level.

Weighted Mean = the value-weighted average of the ratios in which the weights are proportional to the sales prices. The weighted mean gives equal weight to each dollar of value in the sample, whereas the median and mean give equal weight to each parcel.

Confidence Interval = consists of two numbers (upper and lower limits) that bracket a calculated measure of central tendency for the sample. A 95 percent confidence interval would mean, for example, that one can be 95 percent confident that the population parameter (measure of central tendency) falls in the indicated range.

Measures of Variability

“Measures of dispersion or variability relate to the uniformity of the ratios and should be calculated for each stratum in the study. In general, the smaller the measure of variability, the better the uniformity.” *IAAO, Standard on Ratio Studies -2013, Part1, Sec.5.4*

Coefficient of Dispersion (COD) = the most generally useful measure of variability or uniformity is the COD. The COD measures the average percentage deviation of the ratios from the median ratio.

Price-related Differential (PRD) = a statistic for measuring regressively (high-value properties under appraised) or progressivity (high-value properties over appraised)

The International Association of Assessing Officers Standard on Ratio Studies – 2010, table 1-3, indicates the acceptable range of COD's as follows:

Type of property – General	Type of property – Specific	COD Range
Single-family residential	Newer or more homogeneous areas	5.0 to 10.0
Single-family residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing	5.0 to 20.0
Vacant Land	All types	5.0 to 25.0

FCAD is primarily a rural district with most single-family residential neighborhoods falling in the heterogeneous category due to differences in age and quality of construction. The standard also states that “PRDs for each type of property should be between .98 and 1.03 to demonstrate vertical equity.

Final reconciliation of the data indicates that FCAD's overall level of appraisal, indicated by the measures of central tendency, is acceptable and within the mandated 95% confidence interval. Also, the level of variability (uniformity) is acceptable as indicated by the measures of variability.

The following exhibits further document the testing and analysis of the level of appraisal performed by the Chief Appraiser and staff in conducting a ratio study of the appraised values of classes and categories of properties within the district's jurisdiction with sufficient data for reliable testing.

Exhibit Table of Contents

Exhibit 1	Recap of all sales.
Exhibit 2	Time adjustment and sales trend analysis.
Exhibit 3	Outlier analysis and trimming.
Exhibit 4	Effect of foreclosure sales on ratios.
Exhibit 5	Stratified Ratio Analyses.
Exhibit 6	Overall Ratio Distribution.

Exhibit 1

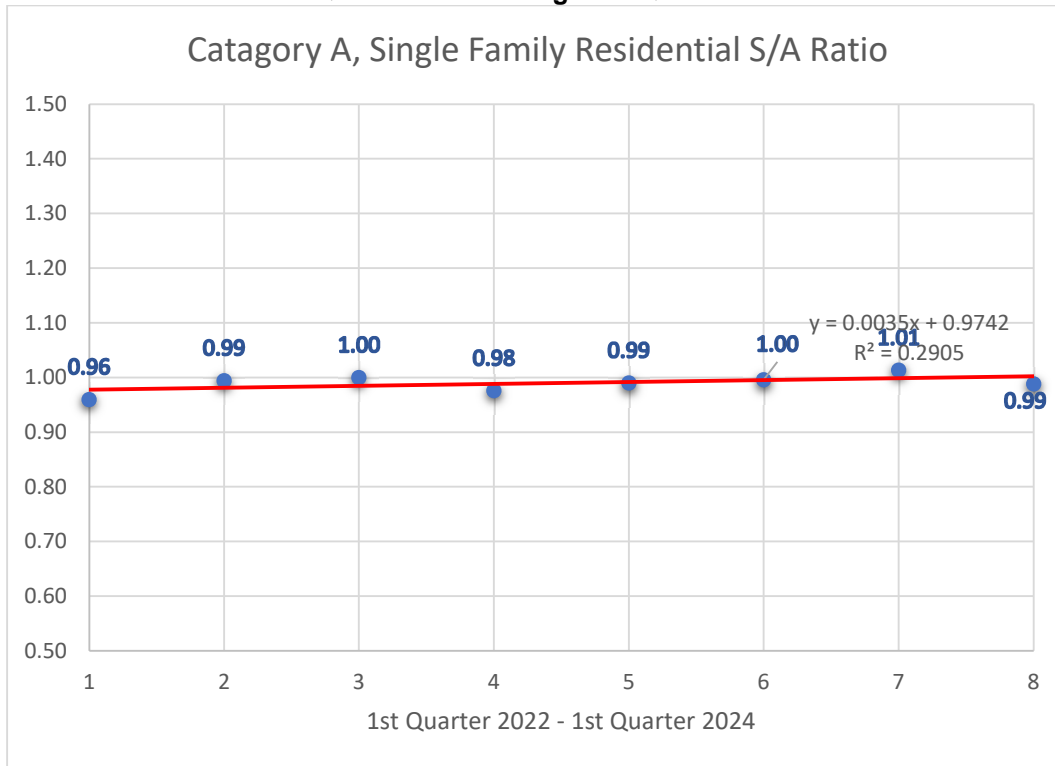
Sale Ratio Recap Summary

Description	Current	Sale	
Sum of Current Ratio	356.8818	312.5404	Sum of Sale Ratio
Total Number Sales	351	351	
Low Ratio	0.6568	0.1103	
Highest Ratio	1.4382	4.6180	
Range	0.78	4.51	
Mean	1.0168	0.8904	
Median	1.0020	0.8620	
Absolute Deviation	39.0818	95.2634	
Average Deviation	0.1113	0.2714	
Standard Deviation	0.1526	0.4184	
Coefficient of Dispersion	11.1122	31.4856	
Total Sale Prices	80,206,203	80,206,203	
Total Mkt Value	80,251,507	73,552,790	
Weighted Mean	1.0006	0.9170	

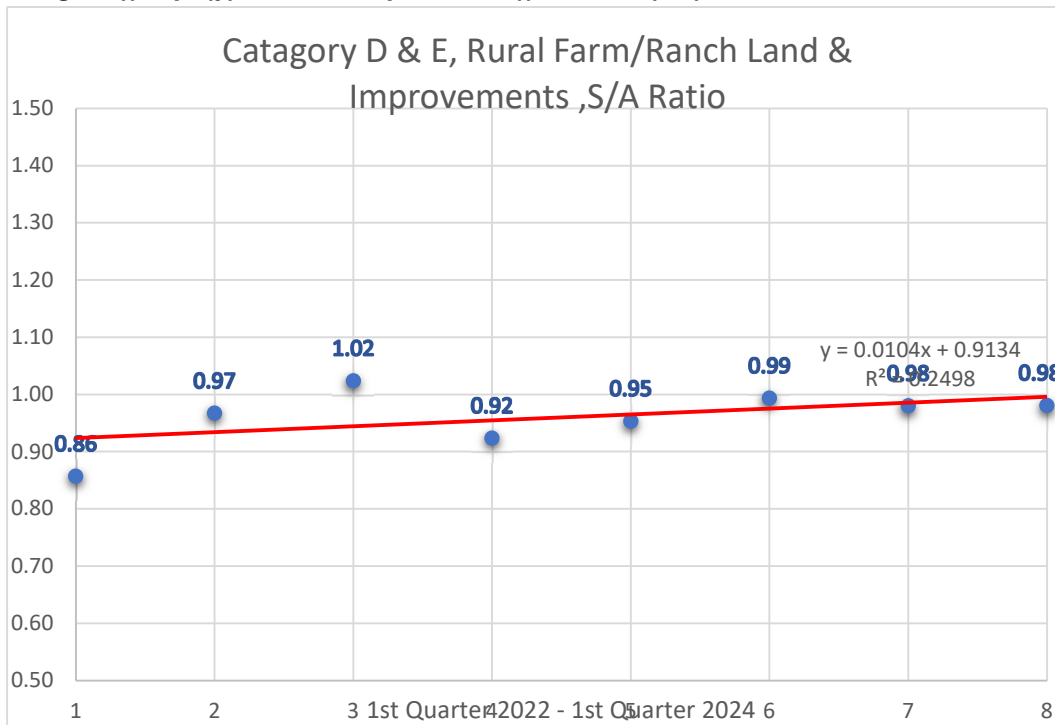
Sales of all categories of properties between January 1st, 2023, through the first quarter of 2024. This recap shows that at the time of sale, these properties were appraised at a median of .8620 or 86.20% and a weighted mean of .9170 or 91.70% of what they sold for. The preliminary valuations for 2024 show a current median of 1.0020 or 100.20% and a current weighted mean of 1.0006 or 100.06% of what they sold for.

Exhibit 2

**Sales Trend Analysis
1st Quarter 2022 through 1st Quarter 2024**



Rate of change = ((slope(y) * 100 * # of periods) = ((.0035*100) *8) = 2.8% increase over the time period.



Rate of change = ((slope(y) * 100 * # of periods) = ((.0104 * 100) * 8) = 8.32% increase over the time period.

Median ratios are the least affected by outliers when comparing ratios. This indicates a trend of increasing sale prices.

Exhibit 3

Outlier Analysis and Trimming

All Valid Sales

Outlier Calculation overall sales			# of Sales	394		
Mean	1.10		# of Outliers	43.00		
Median	1.01		% Trimmed	11%		
Wt Mean	1.02					
Standard Dev.	0.51					
Upper Quartile	1.13					
Lower Quartile	0.93					
Inter Quartile Range	0.20					
Lower Boundary	0.62	The lower quartile minus (1.5 times the IQR)				
Upper Boundary	1.44	(1.5 times the IQR) plus the upper quartile				

Outliers were identified using the quartile function. Sales with an appraisal to sale ratio less than .62 or more than 1.44 were identified as outliers in the study. This would result in 11% of observations being discarded. Outlier analysis was performed for multiple categories and neighborhoods. The above is used as an example.

Exhibit 4

Effect of Foreclosure Sales

Foreclosure sales, or sales where a bank or lending institution is the seller, are identified and studied to determine their effect on the market. Typically, "REO" (Real Estate Owned) or "foreclosure" sales are not considered "arm's length" sales, or sales between a willing buyer and a willing seller. But, in some instances when there is a sufficient volume of foreclosure sales, these sales have a great influence on defining the market in that area. Furthermore, pursuant to Texas Property Tax Code section 23.01(c)

"Notwithstanding Section 1.04(7) (C), in determining the market value of a residence homestead, the chief appraiser may not exclude from consideration the value of other residential property that is in the same neighborhood as the residence homestead being appraised and would otherwise be considered in appraising the residence homesteads because the other residential property:

- (1) was sold at a foreclosure sale conducted in any of the three years preceding the tax year in which the residence homestead is being appraised and was comparable at the time of sale based on relevant characteristics with other residence homesteads in the same neighborhood; or
- (2) has a market value that has declined because of a declining economy."

Freestone CAD has identified and studied the effect of these sales on the overall market of single-family residences, and to verify and document adherence to law.

After statistical outliers were removed, there were no foreclosure sales included in the study.

Exhibit 5

Stratified Ratio Analyses

Stratified by Property Use Category Code

Property Use Category	Description	Observations	Mean	Median	Wt. Mean	PRD	Standard Deviation	COD	95% Confidence Lower & Upper Limits	
A	Single Family Residential	151	1.01	1.01	1.00	1.01	0.1352	10.2057	0.98	1.03
B	Multi Family	-	-	-	-	-	-	-		
M	Personal Property Manufactured Homes	2	1.03	1.03	1.03	1.00	0.08	5.15	0.93	1.14
C	Vacant Lots	46	1.00	1.00	1.00	1.00	0.1629	10.0465	0.95	1.05
D & E	Farm & Ranch Land and Improvements	137	1.03	1.01	1.00	1.03	0.1653	12.1436	1.01	1.06
F	Commercial	15	1.00	1.00	1.01	0.99	0.1599	10.5721	0.92	1.08
L	Business Personal Property	-	-	-	-	-	-	-		

Some classes of property with insufficient data for a reliable test

Stratified by Building Type
Only building types with sales shown

Bldg. Type	Observations	Mean	Med	WM	COD	PRD
RB03	29	1.00	1.05	0.98	14.17	1.02
RB04	27	1.04	1.03	1.03	9.37	1.01
RB05	16	1.04	1.02	1.01	11.81	1.03
RB06	10	0.99	1.02	0.98	6.71	1.01
RB07	6	1.04	0.99	1.02	6.45	1.02
RB08	4	1.07	1.05	1.05	7.76	1.02
RF01	7	1.08	1.03	1.07	14.43	1.01
RF02	30	1.05	1.04	1.01	11.30	1.04
RF03	39	1.00	1.01	0.99	7.69	1.01
RF04	13	1.00	0.98	0.98	8.30	1.02
RF05	4	1.06	1.07	1.05	3.31	1.01
RF06	2	1.02	1.02	1.02	0.50	1.00
RF08	1	1.23	1.23	1.23	-	1.00
RL04	1	1.05	1.05	1.05	-	1.00
RL05	1	1.02	1.02	1.02	-	1.00
RS01	1	1.00	1.00	1.00	-	1.00
RS02	2	1.04	1.04	1.07	8.94	0.97
RS03	1	1.27	1.27	1.27	-	1.00
RS04	3	0.93	0.89	0.90	8.79	1.03
RP03	1	1.23	1.23	1.23	-	1.00
MH1	9	1.10	1.09	1.03	14.50	1.07
MH2	15	0.99	0.98	0.98	15.07	1.01
MH3	5	0.96	1.03	1.01	11.41	0.94
MH4	2	0.94	0.94	0.94	0.93	1.00

Category A – Single Family
Stratified by School District & Value Range

31 - FAIRFIELD I.S.D.

	Value From	Value To	Number of Properties	Number of Sales	Mean	Median	COD	Weighted Mean	PRD	Appraised Value	Indicated Value
STRATUM #1	0	68,543	927	5	0.9216	0.9071	13.6413	0.9308	0.9901	29,482,311	31,672,706
STRATUM #2	68,681	176,831	1,179	30	1.0564	1.0430	12.6884	1.0139	1.0419	140,137,134	138,214,136
STRATUM #3	176,857	320,539	609	39	0.9862	1.0046	7.9177	0.9801	1.0062	140,122,322	142,966,390
STRATUM #4	320,695	839,942	286	13	0.9840	1.0020	8.9091	0.9746	1.0096	139,566,161	143,197,750
STRATUM #5	845,008	4,274,908	103	5	1.0603	1.0221	8.0501	1.0432	1.0164	140,947,236	135,105,793
ALL			3,104	92	1.0093	1.0109	10.2327	0.9973	1.0120	590,255,164	591,845,447

37 - TEAGUE I.S.D.

	Value From	Value To	Number of Properties	Number of Sales	Mean	Median	COD	Weighted Mean	PRD	Appraised Value	Indicated Value
STRATUM #1	0	41,708	428	2	1.0807	1.0807	23.4431	1.0332	1.0460	9,200,774	8,905,501
STRATUM #2	41,714	111,437	573	8	1.1014	1.0455	10.8812	1.0740	1.0256	43,772,528	40,757,704
STRATUM #3	111,599	163,641	324	15	0.9767	0.9649	8.1286	0.9654	1.0117	43,731,383	45,298,476
STRATUM #4	163,764	239,608	221	11	0.9945	0.9961	8.5643	0.9835	1.0111	43,797,217	44,530,967
STRATUM #5	239,740	955,098	138	5	1.0574	1.0211	6.7476	1.0514	1.0057	44,187,631	42,026,908
ALL			1,684	41	1.0207	1.0044	10.0730	1.0013	1.0194	184,689,533	184,454,344

38 - WORTHAM I.S.D.

	Value From	Value To	Number of Properties	Number of Sales	Mean	Median	COD	Weighted Mean	PRD	Appraised Value	Indicated Value
STRATUM #1	0	37,888	131	0	0.0000	0.0000	0.0000	0.0000	0.0000	2,303,108	2,303,108
STRATUM #2	38,267	97,311	161	7	0.9516	0.9528	14.0008	0.9252	1.0285	11,056,176	11,949,930
STRATUM #3	97,511	139,011	95	1	0.8760	0.8760	0.0000	0.8760	1.0000	10,992,385	12,548,136
STRATUM #4	139,040	200,094	68	4	0.9903	1.0270	5.9275	0.9857	1.0047	10,958,352	11,117,587
STRATUM #5	200,332	490,445	44	3	1.0902	1.0951	1.1141	1.0908	0.9994	11,375,982	10,428,703
ALL			499	15	0.9846	1.0065	11.0157	0.9967	0.9878	46,686,003	46,839,679

36 - DEW I.S.D.

	Value From	Value To	Number of Properties	Number of Sales	Mean	Median	COD	Weighted Mean	PRD	Appraised Value	Indicated Value
STRATUM #1	5,500	40,704	16	1	0.9497	0.9497	0.0000	0.9497	1.0000	373,184	392,949
STRATUM #2	43,042	118,631	25	0	0.0000	0.0000	0.0000	0.0000	0.0000	1,838,320	1,838,320
STRATUM #3	124,077	159,777	13	1	0.9278	0.9278	0.0000	0.9278	1.0000	1,861,594	2,006,384
STRATUM #4	162,104	260,046	9	0	0.0000	0.0000	0.0000	0.0000	0.0000	1,843,611	1,843,611
STRATUM #5	284,314	391,635	7	0	0.0000	0.0000	0.0000	0.0000	0.0000	2,264,809	2,264,809
ALL			70	2	0.9388	0.9388	1.1664	0.9320	1.0072	8,181,518	8,778,453

34 - OAKWOOD ISD

	Value From	Value To	Number of Properties	Number of Sales	Mean	Median	COD	Weighted Mean	PRD	Appraised Value	Indicated Value
STRATUM #1	10,300	32,500	7	0	0.0000	0.0000	0.0000	0.0000	0.0000	144,169	144,169
STRATUM #2	32,500	69,416	16	1	0.9739	0.9739	0.0000	0.9739	1.0000	808,195	829,835
STRATUM #3	75,220	140,383	8	0	0.0000	0.0000	0.0000	0.0000	0.0000	808,836	808,836
STRATUM #4	157,850	203,890	4	0	0.0000	0.0000	0.0000	0.0000	0.0000	684,669	684,669
STRATUM #5	261,617	385,197	3	0	0.0000	0.0000	0.0000	0.0000	0.0000	979,078	979,078
ALL			38	1	0.9739	0.9739	0.0000	0.9739	1.0000	3,424,947	3,516,650

Stratified by Neighborhood

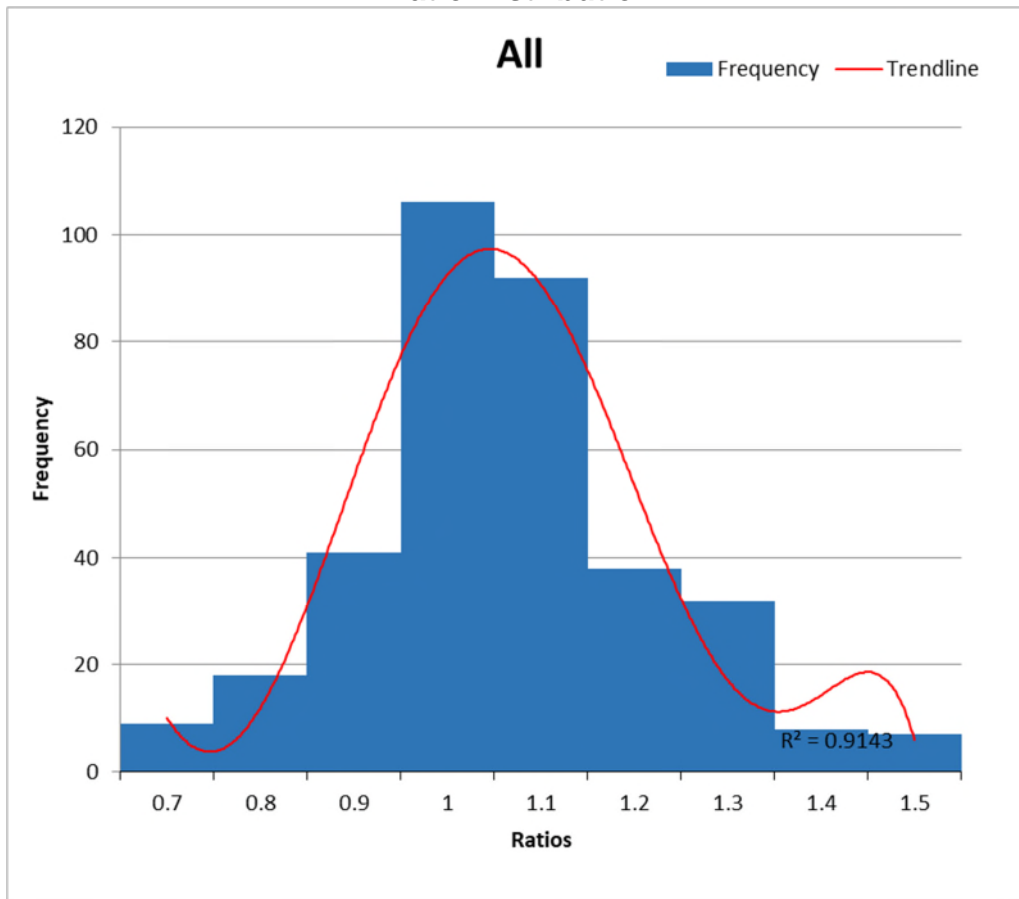
Code	Type	Neighborhood	Observations	Mean	Median	COD	Weighted Mean	PRD
Rural School District\Rural Subs (Category A*, D*,E* - with HS Improvements)								
BISD	Residential/Farm & Ranch	RURAL BISD	3	1.03	1.16	15.30	1.02	1.01
DISD	Residential/Farm & Ranch	RURAL DISD	10	1.00	1.01	9.62	1.03	0.97
OISD	Residential/Farm & Ranch	RURAL OISD	1	0.97	0.97	-	0.97	1.00
BISD - DISD - OISD	Residential/Farm & Ranch	RURAL BISD, DISD, OISD COMBINED	14	1.00	1.01	12.00	1.02	0.98
FISD	Residential/Farm & Ranch	RURAL FISD	22	1.03	1.03	10.09	1.00	1.02
WILD	Residential/Farm	WILDWOOD	8	1.11	1.06	16.48	1.04	1.07
WESTR	Residential/Farm	WESTWOOD RESTRICTED	3	1.02	1.01	2.20	1.02	1.00
WESTU	Residential/Farm	WESTWOOD UNRESTRICTED	3	0.99	0.93	15.15	0.97	1.02
WESTR - WESTU	Residential	WESTWOOD COMBINED	6	1.00	1.00	9.54	1.00	1.00
TISD	Residential/Farm & Ranch A&E	RURAL TISD -INCLUDES MISD	24	1.07	1.02	10.78	1.02	1.05
WISD	Residential/Farm & Ranch	RURAL WISD- INCLUDES CISD	6	1.00	1.00	16.25	0.95	1.05
TISD - WISD		RURAL TEAGUE & WORTHAM COMBINED	30	1.05	1.02	10.83	1.01	1.04
All Category Codes								
FRES	Residential	FAIRFIELD CITY RESIDENTIAL	24	1.02	1.06	12.95	1.01	1.01
TOAKS	Residential	THOUSAND OAKS SUBDIVISION	6	0.98	0.97	3.74	0.97	1.00
CHILD	Residential	CHILDS ADDN (MEADOWBROOK, NW,WC)	7	1.00	0.99	8.33	1.01	0.99
EASTV	Residential	EASTVIEW ADDN	3	1.01	0.95	9.74	0.97	1.04
LOTT	Residential	LOTT VILLAGE ADDN	0	-	-	-	-	-

CHILD-EASTV-LOTT-TOAKS	Residential	CHILDS-EASTV-LOTT-TOAKS COMBINED	16	0.99	0.98	7.21	0.99	1.00
FWOOD	Residential	FRIENDSWOOD	0	-	-	-	-	-
GAM	Residential	GREEN ACRES/MOREHEAD/GOLDEN CONDO	2	0.98	0.98	7.32	0.98	1.00
LWOOD	Residential	LAKWOOD	4	0.96	0.96	8.67	0.96	0.99
OAK	Residential	OAKFOREST FAIRFIELD	1	1.16	1.16	-	1.16	1.00
WILLO	Residential	WILLOW CREEK FARMS	3	0.96	1.03	9.29	0.93	1.03
OAK - WILLO	Residential	OAK FOREST-WILLOW CREEK COMBINED	4	1.01	1.05	10.08	0.96	1.05
RLAKE	Residential	REDS LAKE	1	1.00	1.00	-	1.00	1.00
BLAKE	Residential	BURLESON LAKE	1	1.00	1.00	-	1.00	1.00
Teague Area Residential (Category A*)								
TRES	Residential	TEAGUE CITY RESIDENTIAL	32	1.02	1.01	10.86	1.00	1.02
LOVPK	Residential	LOVERS LANE/PARKWOOD ADDN	2	0.86	0.86	26.44	0.85	1.01
CEAST	Residential	COUNTRY EAST ADDN	2	0.99	0.99	3.39	0.99	0.99
CEAST - LOVPK	Residential	CEAST LOVPK COMBINED	4	0.92	0.99	13.15	0.93	0.99
TLAKE	Residential	TEAGUE HUNTING & FISHING CLUB	4	0.96	0.97	7.08	0.94	1.03
Streetman/Wortham Area Residential (Category A*)								
SRES	Residential	STREETMAN CITY RESIDENTIAL	3	1.06	1.12	8.26	1.01	1.05
WRES	Residential	WORTHAM CITY RESIDENTIAL	13	0.99	1.05	11.23	1.00	0.99
SRES - WRES	Residential	STREETMAN / WORTHAM COMBINED	16	1.00	1.05	11.15	1.00	1.00
RC Lake Area Residential (Category A*)								
RCRES	Residential	OFF WATER RESIDENTIAL RICHLAND AREA	6	0.99	0.98	9.66	1.01	0.98
SOAK	Residential	SOUTHERN OAKS	6	1.04	1.01	8.20	0.98	1.06
WAT1	Residential	BEST WATERFRONT RICHLAND CHAMBERS	2	0.98	0.98	14.35	0.99	0.98
WAT2	Residential	GOOD WATERFRONT RICHLAND CHAMBERS	2	0.93	0.93	10.65	0.89	1.05

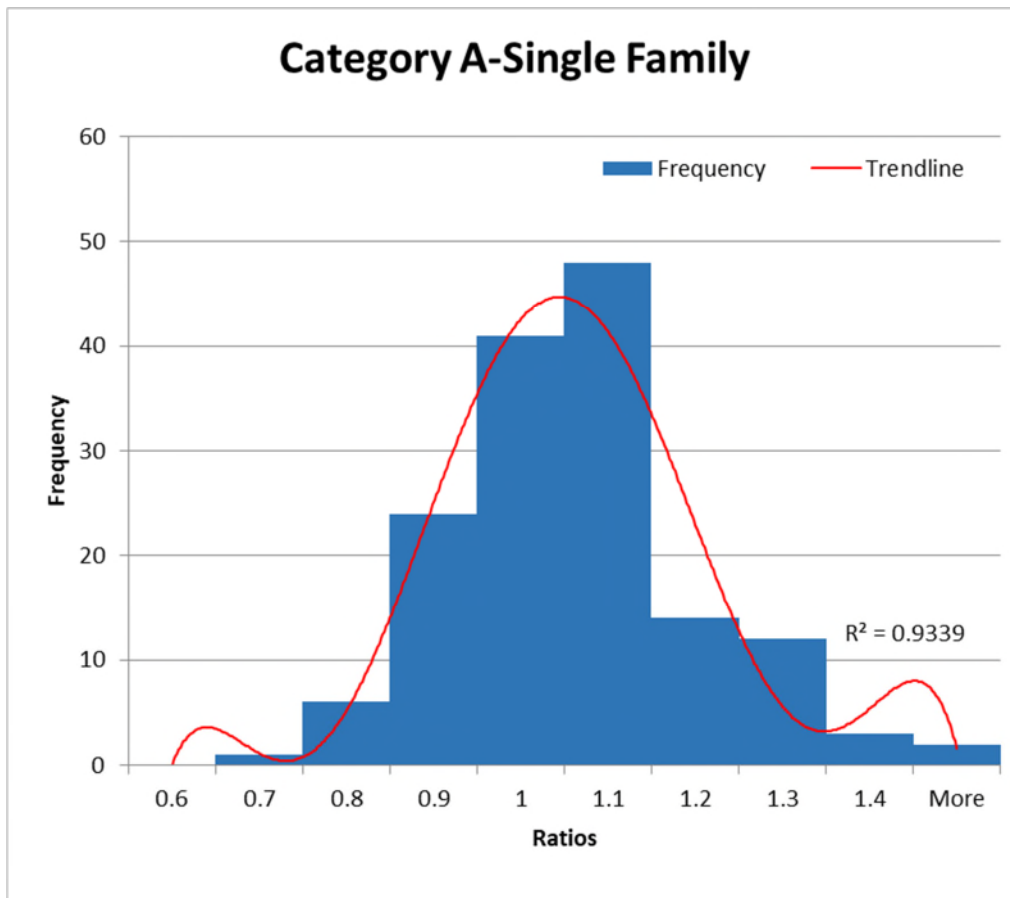
WAT3	Residential	CHANNELVIEW RICHLAND CHAMBERS	0	-	-	-	-	-
WAT1 - WAT2 - WAT3	Residential	WAT1-WAT2-WAT3 Combined	4	0.96	0.94	12.81	0.96	0.99
SS1	Residential	SEPT SOUND BEST WTR	2	1.12	1.12	9.13	1.12	1.01
SS2	Residential	SEPT SOUND GOOD WTR	1	0.89	0.89	-	0.89	1.00
SS3	Residential	SEPT SOUND CHANNEL	0	-	-	-	-	-
WNES1	Residential	WILDERNESS BEST WATERFRONT	1	0.95	0.95	-	0.95	1.00
WNES2	Residential	WILDERNESS GOOD WATERFRONT	0	-	-	-	-	-
WNES3	Residential	WILDERNESS WATERVIEW	5	0.98	1.00	5.41	1.01	0.97
WNES1 - WNES2 - WNES3		WILDERNESS COMBINED	6	0.98	0.99	5.36	0.99	0.99
WNES - WAT - SS		ALL WATERFRONT COMBINED	13	0.99	1.00	8.90	1.00	0.98
Commercial Category (F*)								
FCOM	Commercial	FAIRFIELD COMMERCIAL	4	0.89	0.87	18.03	0.97	0.92
RCCOM	Commercial	COMMERCIAL RICHLAND CHAMBERS AREA	1	1.29	1.29	-	1.29	1.00
RRCOM	Commercial	RURAL COMMERCIAL	2	0.95	0.95	4.41	0.99	0.97
SCOM	Commercial	STREETMAN COMMERCIAL	0	-	-	-	-	-
TCOM	Commercial	TEAGUE COMMERCIAL	4	0.93	1.03	12.50	0.98	0.96
TCOTS	Commercial	TEAGUE COMMERCIAL - OTS	3	0.71	0.59	26.16	0.75	0.94
WCOM	Commercial	WORTHAM COMMERCIAL	3	0.97	0.95	5.00	0.98	1.00

Exhibit 6

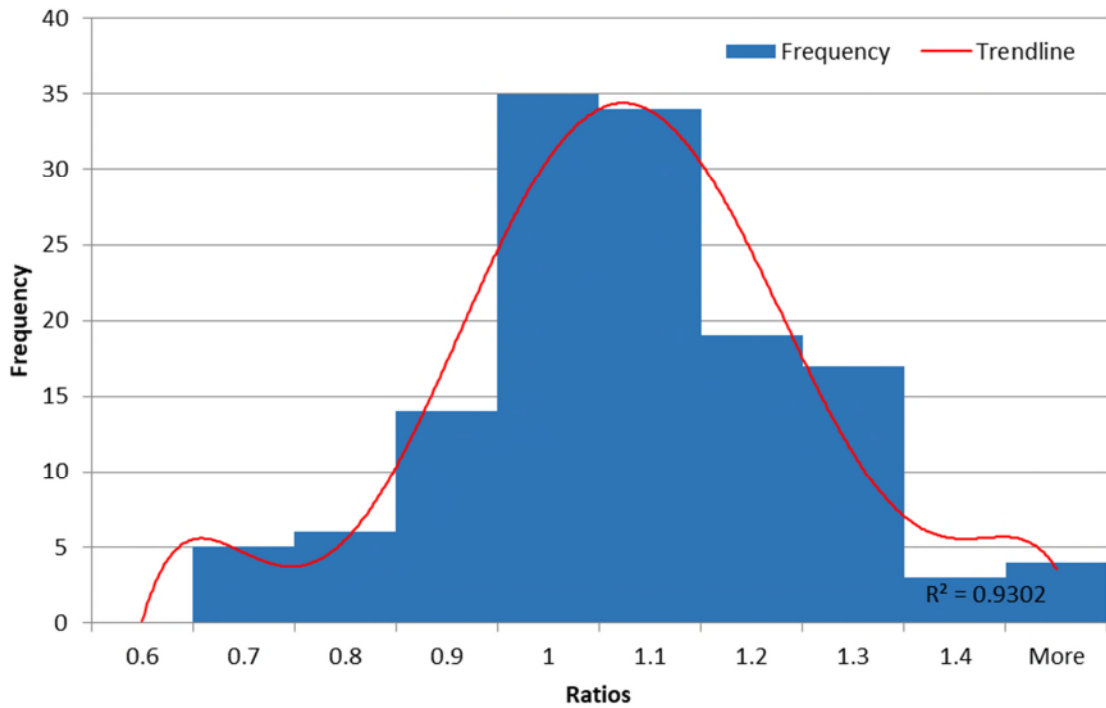
Ratio Distribution



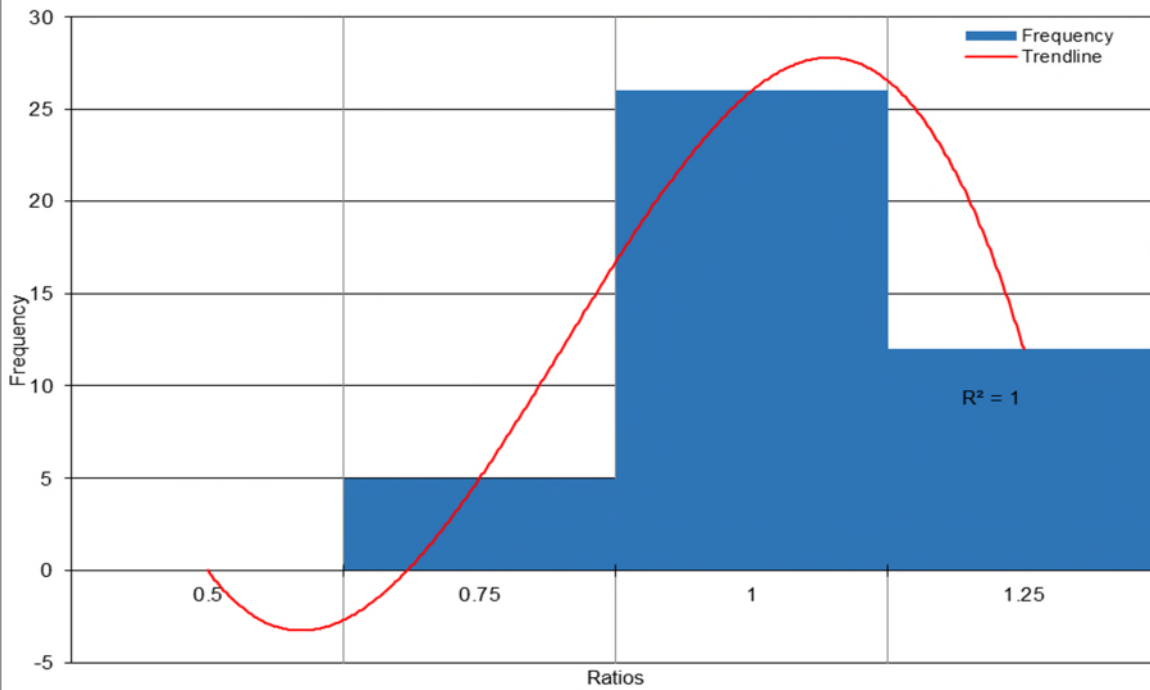
Category A-Single Family

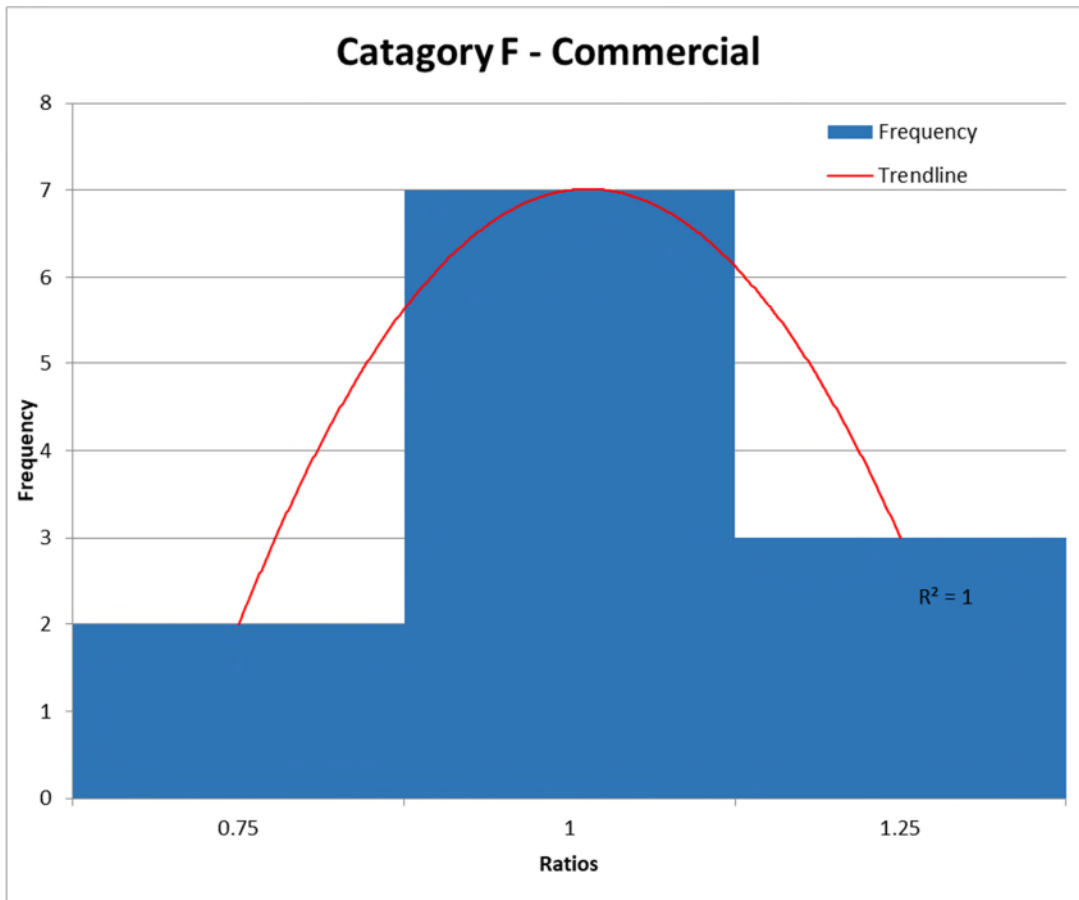


Category D/E-Farm and Ranch Land & Improvements



Category C - Vacant lots





A frequency distribution shows how often each different value in a set of data occurs. A histogram is the most used graph to show frequency distributions.

All graphs indicate normal distributions of the Appraisal / Sale Ratios in the categories tested. Other categories, with limited sales for credible analysis, not displayed.

2024 General Market Trend Indicators

Data based on 2023 sales information.

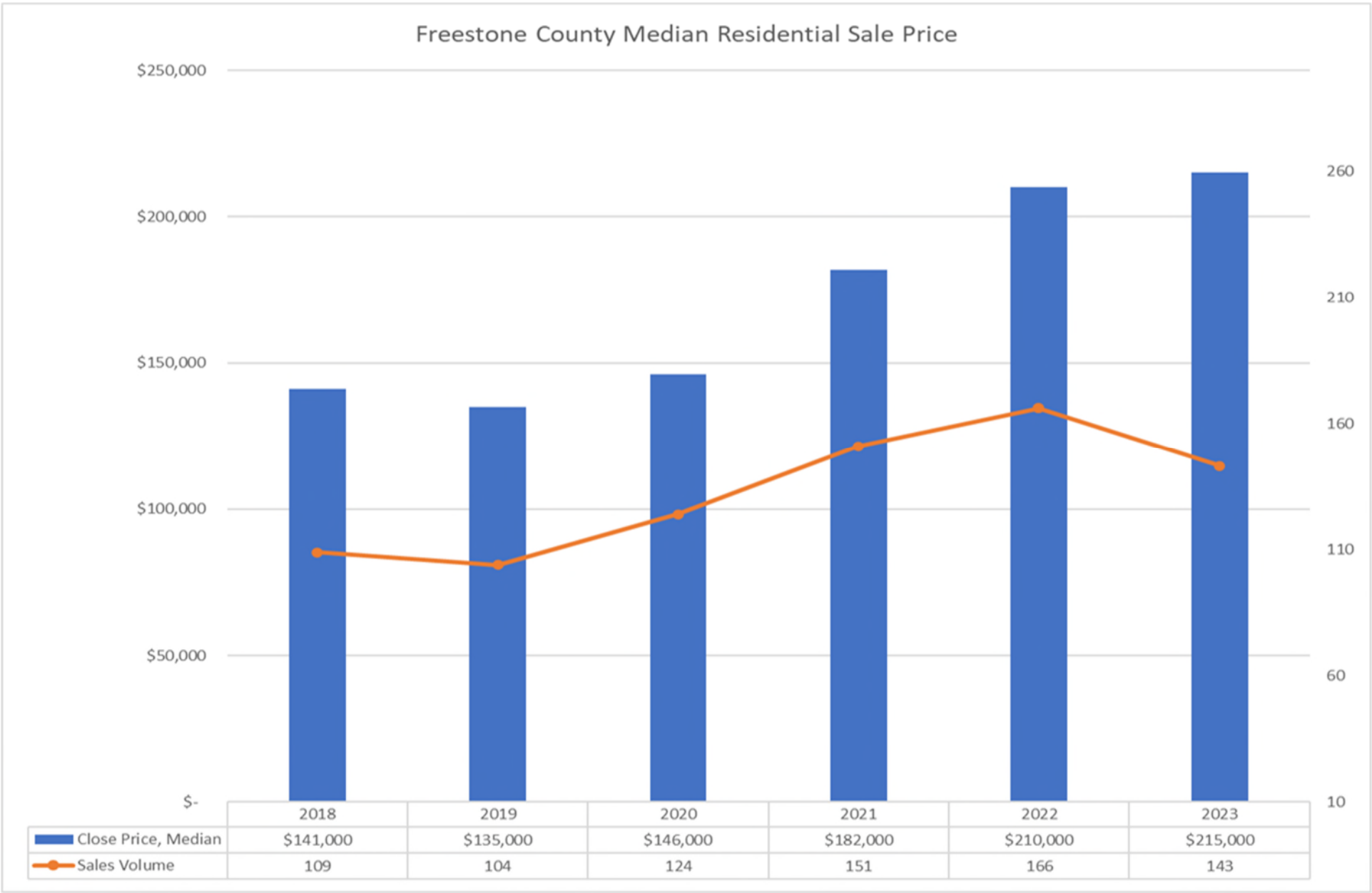


Chart of the median sales price of single-family residential properties sold in Freestone County 2018-2023. The year over year increase between 2022 and 2023 was 2.38% and sales volume decreased by -13.86%.

Freestone County Median Manufactured Home Sale Price

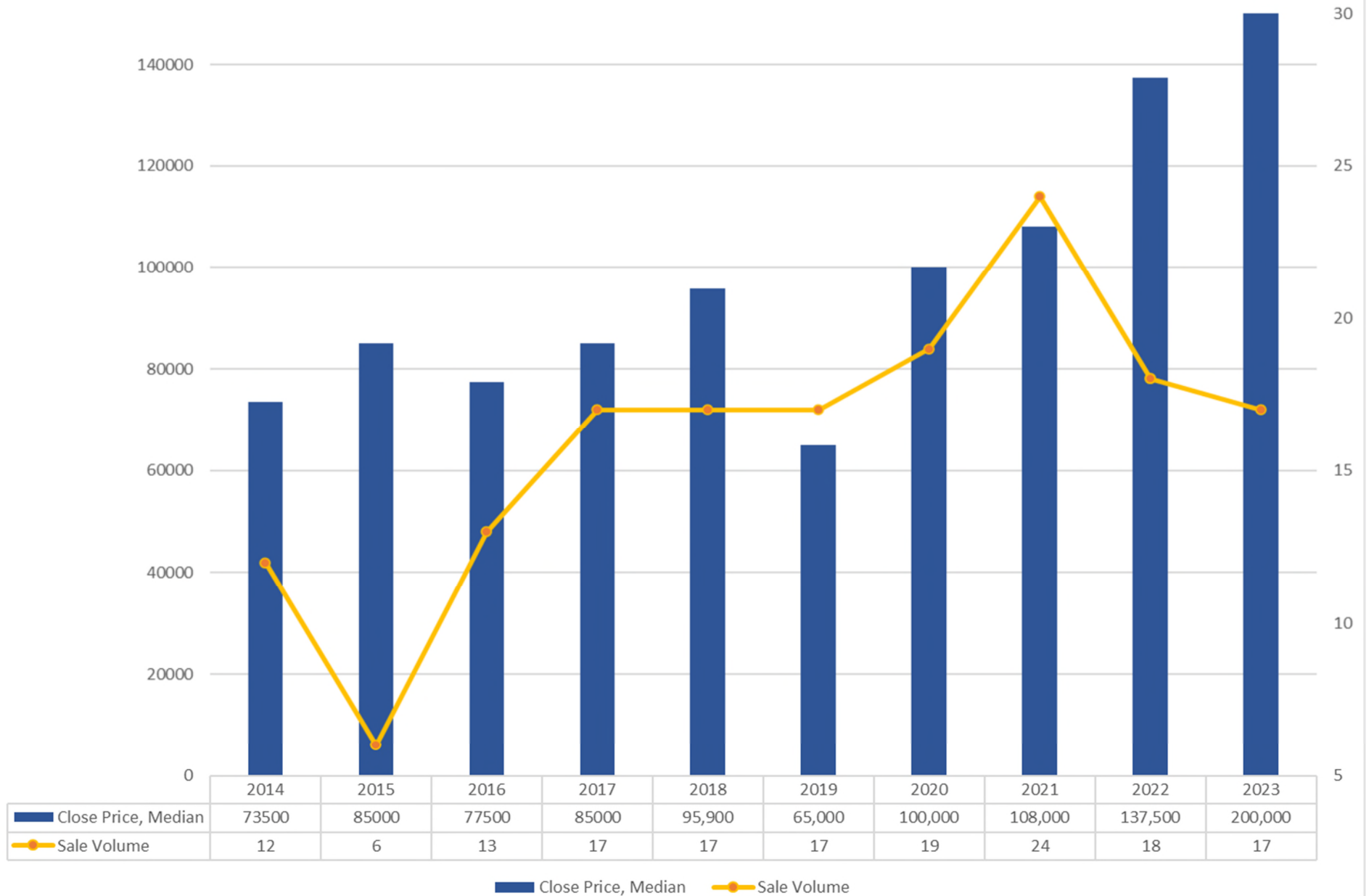
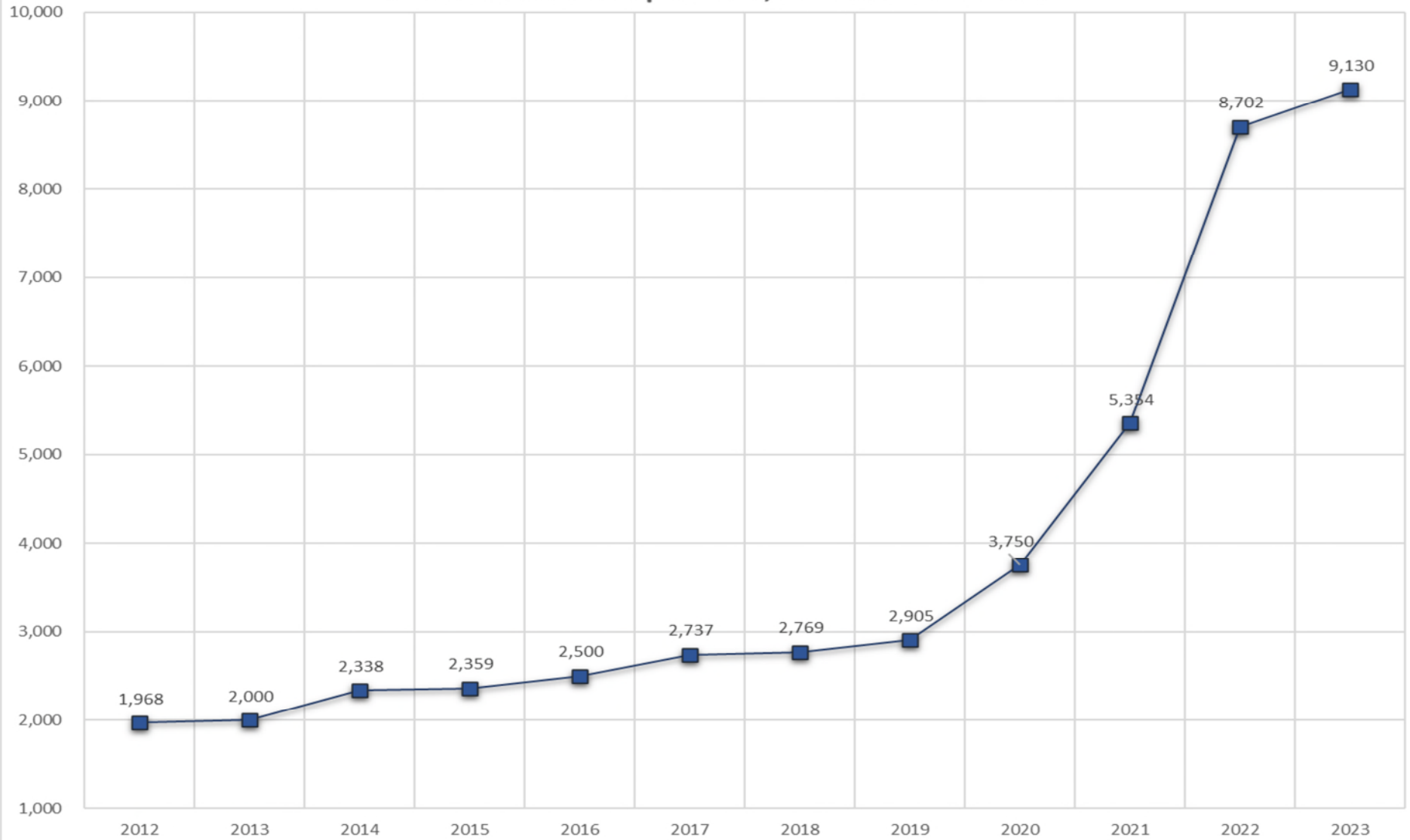


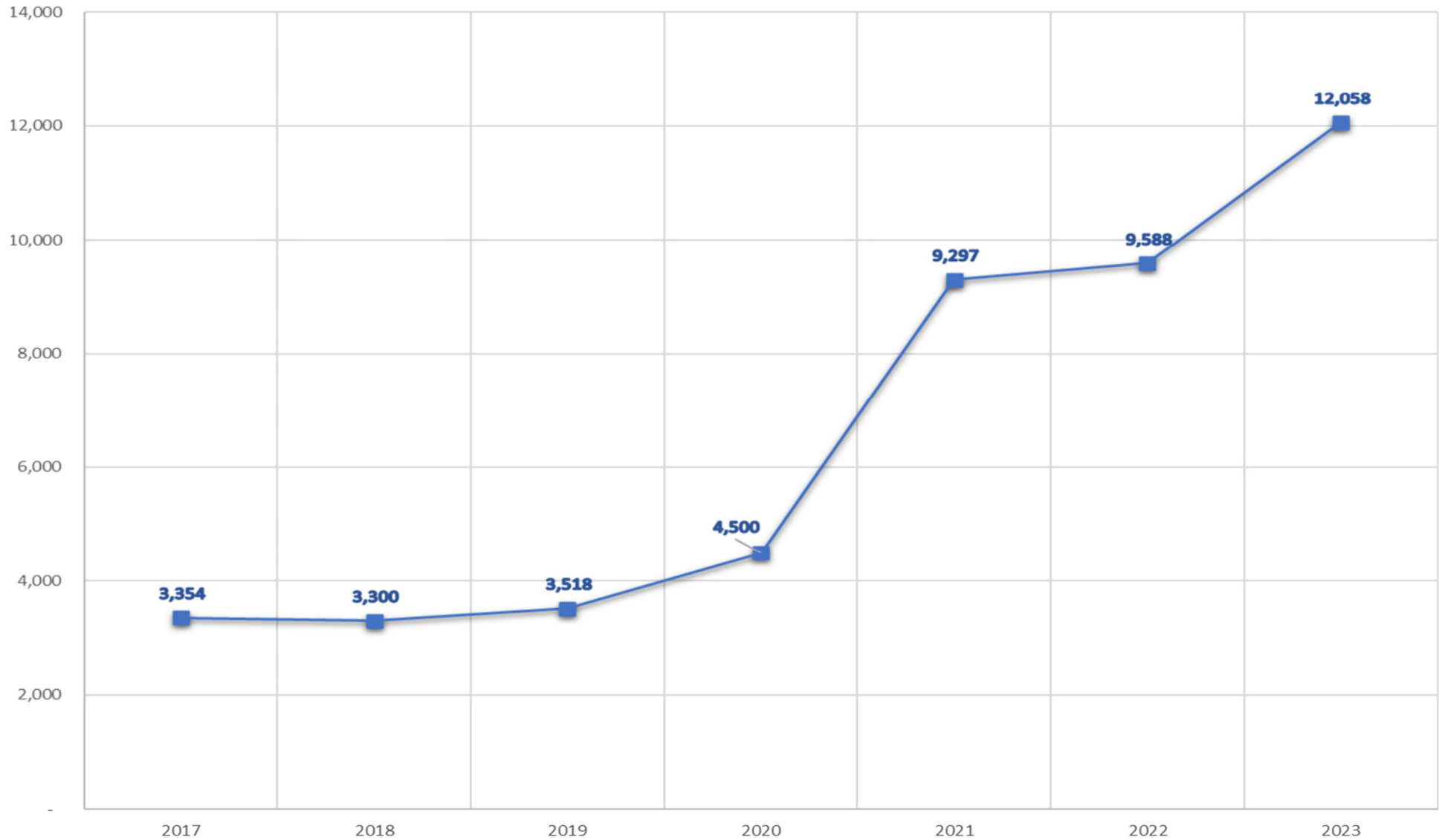
Chart of the median sale price of Manufactured Homes in Freestone County for the years 2014-2023. The year-over-year increase between 2022-2023 is 45.45%. Sales volume from 2022-2023 decreased by -5.56%.

Median Sale Price per Acre, D1 Land 2012-2023



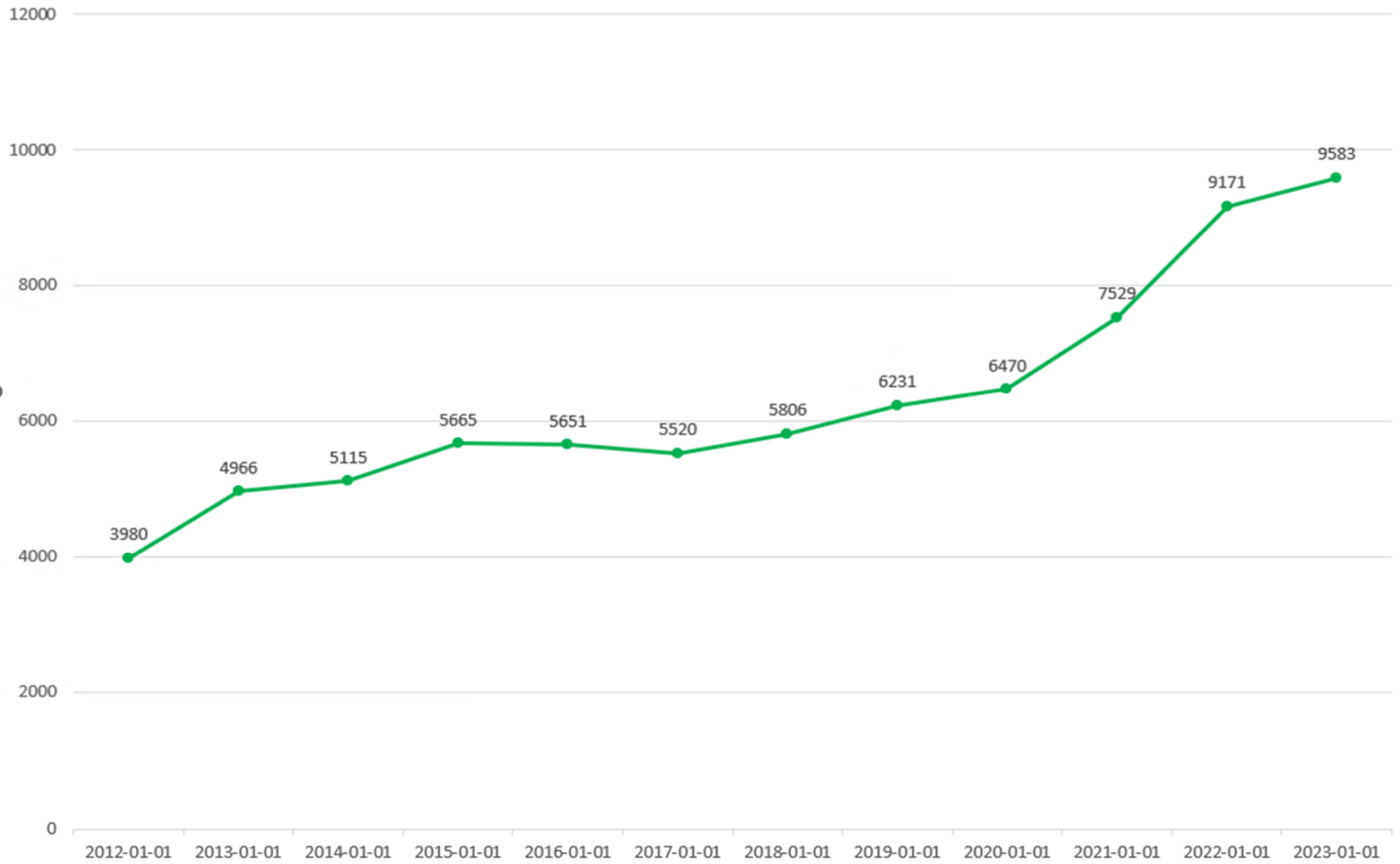
The median sales price per acre of Freestone County rural land sales for the last 11 years. This does not represent any particular sale but is a median of the sales price per acre of all rural land sales that qualified for Open-Space “Ag, Timber, Wildlife” valuation, that occurred for the given year.

Median Sale Price per Acre, D1 Land, Up to 20 acres 2017-2023



The median sales price per acre of Freestone County rural land sales of tracts up to 20 acres in size, for the last 7 years. This does not represent any particular sale but is a median of the sales price per acre of all rural land sales that qualified for Open-Space "Ag, Timber, Wildlife" valuation, that occurred for the given year.

Texas Nominal Price Per Acre



State of Texas nominal sale price per acre of land for 2012-2023. Combined data from all areas of the State of Texas.

Information from Texas A&M University, Texas Real Estate Center, Rural Land Data.

Individuals Providing Significant Mass Appraisal Assistance

Name	Type of Assistance
<p>Chief Appraiser Don Awalt RPA/CTA/CCA TDLR # 69620</p>	<ul style="list-style-type: none">• Analyzed sales information in preparation for appraisal model calibration (cost schedules, neighborhoods, etc.)• Assisted staff in application of appraisal practices and laws governing exemptions and special valuations.• Performed appraisals on income producing properties when income approach to value was considered.• Supervised GIS development and maintenance.• Assisted appraisers in providing explanations to property owners for proposed appraised values and adjusted as needed based upon observations.• Reviewed appraisal adjustment reports generated from property owner inquiries as needed to ensure legitimacy of adjustments.
<p>Deputy Chief Appraiser Jason Moore RPA TDLR # 75365</p>	<p>Ensured that on-site inspection schedule was completed according to reappraisal schedule.</p> <ul style="list-style-type: none">• Performed on-site inspections of improved properties.• Analyzed sales to assist with appraisal model calibration.• Reviewed results of staff on-site inspections for proper application of appraisal models.• Performed reviews of land records through examination of CAD GIS maps, USDA Soil Survey Maps, and available aerial photography.• Reviewed applications for Open Space Land Valuation for pasture, cropland, timberland, and wildlife management for completeness and qualifying activities.• Corresponded with applicants as needed to process open space applications.• Made on-site inspections of properties of open space qualifications.• Provided explanations to property owners for proposed appraised values and adjusted as needed based upon observations.

Name	Type of Assistance
<p><i>Business Personal</i></p> <p>Tina Gilley Class II Appraiser TDLR # 76691</p>	<ul style="list-style-type: none"> • Performed on-site inspections of business personal property parcels. • Reviewed rendition statements from property owners to ensure that all personal property used for the production of income was properly listed on the appraisal roll. • Assisted appraiser and their assistants on proper application of the appraisal model for real estate parcels. • Reviewed exemption applications for qualifications and supervised correspondence when additional information was needed for approval, modification, or denial. • Provided explanations to property owners for proposed appraised values and adjusted as needed based upon observations.
<p><i>Real Improvements</i></p> <p>Debbie Hunt RPA TDLR # 75538</p> <p>Coltin Bottoms Class III Appraiser TDLR # 76519</p>	<ul style="list-style-type: none"> • Performed on-site inspections of improved parcels as assigned. • Performed CAMA data entry to modify records as a result of inspections. • Provided explanations to property owners for proposed appraised values and adjusted as needed based upon observations.
<p><i>Mineral/Utility/Industrial</i></p> <p>Pritchard & Abbott</p> <p>Contracted Professional Valuation Firm</p>	<ul style="list-style-type: none"> • Appraised all mineral, utility, industrial, and utility properties in the district in accordance with their reappraisal plan activities. • Provided explanations to property owners for proposed appraised values and adjusted as needed based upon observations.