



Grayson Central Appraisal District

2024 MASS APPRAISAL SUMMARY REPORT

Identification of Subject: The property subject to this report is all real property and tangible personal property, unless specifically exempted, located within the boundaries of the Grayson Central Appraisal District, hereinafter referred to as "GCAD" or "District".

Effective Date of Appraisal: The effective date of this mass appraisal is January 1, 2024, unless otherwise specified as in the case of some inventories, which may qualify for appraisal as of September 1 in accordance with Section 23.12, Texas Property Tax Code, hereinafter referred to as TPTC. The date of this appraisal report is July 31st, 2023.

Purpose and Intended Use of Appraisal: The purpose of this mass appraisal is to estimate the market value of all taxable property in an equitable and efficient manner for ad valorem tax purposes in accordance with the laws of the State of Texas.

Legal Requirements: This mass appraisal is made within the provisions of the TPTC.

Administrative Requirements: This mass appraisal is conducted in accordance with the reappraisal policy of GCAD and the methods and procedures described in the appraisal manuals of the District. Furthermore, the District subscribes to the standards of The Appraisal Foundation known as the *Uniform Standards of Professional Appraisal Practices* in accordance with Sec. 23.01(b) of the TPTC.

Definition of Market Value: Market value for purposes of this mass appraisal is as defined by the Texas Property Tax Code, §1.04(7), and is as follows:

"Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

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

In regards to inventory held as part of a business, §23.12(a) of the Texas Property Tax Code further provides, in part; "Except as provided by Sections 23.121, 23.124, 23.1241, and 23.127, the market value of an inventory is the price for which it would sell as a unit to a purchaser who would continue the business."

Identification of Properties: The descriptions of the properties included in this appraisal are included in detail within the appraisal records of GCAD. These descriptions include, but are not limited to the legal description, situs location, ownership and detailed listing of the characteristics of the properties.

Property Rights to be Valued: Most properties are appraised in fee simple interest unless otherwise required by the Texas Property Tax Code. However, restrictions, easements, encumbrances, etc., are considered on an individual basis. Fractional interests or partial holdings are appraised in fee simple for the total property and divided proportionately based on the pro-rated interests.

Assumptions and Limiting Conditions: The District has taken reasonable steps to secure adequate funding; however fiscal restraints do impact the mass appraisal process. Limited resources and personnel are available to perform the appraisals; therefore, it is not possible to physically inspect every property included on the appraisal roll every year. When physical inspections are conducted on real property, they are generally performed with exterior review only. It is assumed that the interior conditions are consistent with the exterior condition. When physical inspections were made for the valuation of personal property, inspections are made of the entire facility if allowed by the owner or management of the business.

This mass appraisal has been made under the following additional assumptions and limiting conditions:

- It is assumed that the title to the properties is good and merchantable.
- No liability is assumed for matters of a legal nature.
- Assumptions made in the report are based on the best knowledge and judgment of the appraiser and are believed to be typical of the market.
- All properties are appraised as if free and clear of any or all liens or encumbrances, unless otherwise stated.
- Existence of hazardous materials or other adverse environmental conditions are not considered, unless otherwise indicated.
- Any drawings, photographs, plans or plats are assumed to be correct and are included solely to assist in visualizing the property.
- It is assumed that there is full compliance with all applicable federal, state and local regulations and laws, unless otherwise noted.
- No responsibility is assumed for hidden or unapparent conditions in the property that may affect its value.
- It is assumed that all required licenses, certificates of occupancy, consents or other administrative authority from local, state or federal governments can be obtained or renewed for any use on which the value estimate contained in this report is based.

- A specific survey and analysis of properties to determine compliance with the provisions of the Americans with Disabilities Act has not been performed and possible non-compliance has not been considered in valuing these properties.
- While it is believed all information included in the appraisal is correct and accurate; the appraiser does not guarantee such.

This report may not be used for any purpose or by any person other than the party to which it is addressed without the written permission of the Grayson Central Appraisal District.

Scope of Appraisal: The scope of the appraisal relates to the nature of the appraisal assignment and the extent of collecting, confirming, and reporting the data, which provides the basis for the estimate of value.

The three generally accepted approaches to value are considered in estimating the market value for each property, with the most appropriate method given the greatest emphasis.

A market modified cost approach is generally considered the most appropriate for newer single family residential and most owner occupied commercial since this method reflects the actions of buyers and sellers in the market, with some exceptions. This approach, commonly known as the principle of substitution, is based on the principle that a buyer will not pay more for a property than the cost of acquiring a vacant site and constructing a substitute structure of comparable utility, assuming no costly delays in construction.

The sales comparison method is used for vacant lots and land because it reflects the actions of the market place. Where there are no vacant lot sales, an allocation by abstraction is used to value land. Since these properties typically do not produce any income, the income approach to value is given minimal emphasis. The income approach is, however, typically used on lot inventory.

The income approach to valuation is considered the most appropriate for typical income producing properties where data is available. This approach is based on the principle of anticipation where value equals the present worth of anticipated future benefits to be derived from the property.

In the event a property is unavailable for inspection and the owner has not supplied any information, the appraiser has estimated the measurements and condition of the improvements.

Personal property is typically appraised utilizing the cost approach to value. The market approach is used for some categories of personal property when available.

All appraisal estimates are made in compliance with requirements as provided in the Texas Property Tax Code.

This report is applicable to the following property types: single family and multifamily residential, vacant lots and acreage, farm and ranch properties, commercial and industrial properties, mineral, utility, business personal property and mobile homes.

Personnel Resources: The Grayson Central Appraisal District staff is budgeted for 47 full-time employees in 2024 within the departments listed below.

- 2 - Administrative (including Chief Appraiser)
- 6 - Departmental Directors
- 19 – Administration, Support Services, Information Technology
- 20 – Appraisal Services

The Chief Appraiser, Deputy Chief Appraiser and directors are responsible for overall planning, organizing, staffing, coordinating, and supervising GCAD and the appraisal activities. The appraisal duties are divided among three departments: Residential, Commercial, and Business Personal Property. The Residential Department is responsible for appraising all residential housing, and mobile homes (outside of commercial parks) in the District. The Commercial Department is responsible for appraising most commercial, industrial, utility, multi-family real property, excluding 4-plexes and smaller in the District. Land is appraised by both the residential and land appraiser. The Business Personal Property Department appraises business personal property as well as mobile homes inside commercial parks. The Administration/Customer Service Department is responsible for exemptions, owner addresses, deeds, data entry, and first response to the property owner. Several support staff are responsible for data entry and verification of data as well as ARB hearing processing. The Chief Appraiser, Deputy Chief Appraiser and all appraisers are registered with the Texas Department of Licensing and Regulation and are required to obtain an RPA designation by the required deadlines.

The Grayson Central Appraisal District contracts with Capitol Appraisal Group Inc. to appraise some industrial personal property, industrial real property, utility properties (Category J) and mineral accounts (Category G). GCAD also contracts with Eagle Appraisal and Consulting Services, Inc. to assist with agricultural valuation.

Data Collection and Verification Resources: The Grayson Central Appraisal District is responsible for approximately 109,000 real, mineral, utility and personal property accounts covering approximately 979 square miles. GCAD is responsible for appraising property for 16 school districts, 15 cities, 4 Municipal Utility Districts (MUDs), 2 special districts and Grayson County. Appraisal records are maintained in a Computer-Assisted Mass Appraisal (CAMA) system.

Property characteristic data are recorded for each property to be appraised. Resources for the discovery, describing and listing of property include, but are not limited to the following: field inspections by appraisal staff, renditions, deed records, sales tax permits, plat records and assumed name certificates filed for record with the Grayson County Clerk's office, city building permits, local fee appraisers, builders and realtors, newspaper publications, various subscriptions or services, maps and other appraisal records of the District.

Construction costs are gathered from available sources including, but not limited to the Marshall and Swift Valuation Service and local builders and developers for use in the cost approach to value.

Information for the sales comparison approach is gathered from properties within the appraisal district through the mailing of questionnaires to grantors and grantees, utilization of the local Multiple Listing Service (MLS), and all other available sources deemed reliable. Sales data is entered into the "Sales Module" of the appraisal database making it available for use by the appraisal staff. Sales are checked for validity by appraisal or clerical staff.

Rental rates, expenses and occupancy rates are gathered on income producing properties to determine market data for use in the income approach to value through questionnaire mailings, owner filed property reports and telephone surveys.

Information relating to business personal property is collected during the normal discovery/inspection process and through owner filed renditions and property reports. Costs are also researched for personal property using various source documents and guides.

General trends in new construction techniques, construction costs, interest rates and other pertinent data are gathered from various sources such as trade journals, Marshall and Swift Valuation Service, university real estate research centers and any other sources deemed appropriate and reliable.

Preliminary Analysis: A ratio analysis is performed for all types of property to determine the accuracy of schedules and properties that require visual inspection or reappraisal.

Area Analysis: Subject properties located in Grayson County, Texas. The District appraises property in 16 school districts across Grayson County, three of which overlap into adjoining Fannin, Denton and Collin Counties.

Neighborhood Analysis: Neighborhood analysis examines how economic, social, physical and governmental forces affect property values. The effects of these factors are used to identify neighborhoods. Properties whose values are influenced by the same economic, social, physical and governmental forces are grouped as neighborhoods. Included in the neighborhood analysis is the consideration of patterns of development and property use. Neighborhoods typically experience a three-stage cycle: development, stability, and decline.

Highest and Best Use: Highest and best use is the reasonable use of vacant land or improved property, which when physically possible, legally permissible, financially feasible and most productive, results in the highest value for the property. For improved properties, the highest and best use determination of a site is made both as if the site is vacant and as improved. The highest and best use for residential property is normally its current use. This is due in part to the fact that residential development, in many areas, through use of deed restrictions and zoning, precludes other land uses. Texas Property Tax Code Section 23.01(c) provide exceptions in that market value for a residential homestead shall be determined solely on the basis of the property's value as a residence homestead, regardless of highest and best use.

Data Collection and Validation: Appraisers are assigned areas to drive out and work annually. Although most inspections are performed as a drive-by, properties with changes such as additions, swimming pools, and etc. are conducted by an on-site

inspection or aerial photography. Properties where physical data has been questioned or requires reviewing, inspections may include confirming the dimensions of structures and/or a complete interior and exterior inspection. The field appraiser determines the extent of the inspection needed. A walk-through inspection is made on all new construction if possible. Physical characteristics such as size, condition, quality of construction, detail and property amenities are determined during inspections. Additionally, size is confirmed through sources such as building permits, construction plans and realtor information. All available and reliable resources are used in pursuit of accurate characteristic data for each property.

Recently sold properties, with high variances from typical sales ratios are site inspected to ensure proper classification and accurate characteristic descriptions prior to being used in ratio studies or being used to develop market value adjustment factors. They are also checked for any enhancements made prior to sale that may update effective age or change over all depreciation since the last inspection and appraisal.

Depreciation: Depreciation is the loss in value of an improvement or personal property item due to physical deterioration, functional obsolescence and/or economic obsolescence. Each property, during the on-site review process, is assigned a depreciation factor based on the observed physical condition of the property. Additional adjustments may be made to the property for functional or economic obsolescence if conditions so warrant. Personal property is depreciated using the Marshall and Swift tables that encompass a remaining life and effective age approach.

Testing: Appraised values to sale price ratio studies are conducted to determine the accuracy of values in the District. The ratios are performed by school district, neighborhood, use type and/or state code where sales information is available. Stratification is performed to help in determining if certain valued properties need to be reappraised.

Appraisal Staff: The following appraisal staff members assisted in the preparation of this report.

APPRAISER	TDLR#	ROLE
RONALD ROWE	74201	Deputy Chief
JOEL HENDRY	72225	Director of Appraisal
DEBBIE SMITH	76060	Administrative
TRENN LAYNETTE WAW	71306	Administrative
TROY BRENT MAHANA	74178	BPP
DANIEL PYRON	75715	BPP
JOHN FAITH	71874	BPP
LESLIE COX	76868	Commercial Land
CHAD LEASURE	73991	Commercial
TRACIE ANN DAVIS	77496	Commercial
MICHAEL ELLIOTT	74242	Land / Agricultural
BRAD W DURHAM	74221	Residential

AARON PAUL TATYREK	76882	Residential
JENNIFER HIGHTOWER	72517	Residential
JIMMY HUBBARD	72426	Residential
MERANDA TAYLOR	75998	Residential
JASON WILBURN	76197	Residential
SANDRA KAY VARGA	77182	Residential
BRUCE DYLAN BIVENS	77208	Residential
KELLI MECHELLE SOUTH	77534	Administrative

Certification:

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

- The statements of fact contained in this report are true and correct.
- The reported analysis, 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 the subject of this report, except for those properties that are personally owned, and I have no personal interest with respect to the parties involved.
- I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have not made a personal inspection of the property that is the subject of this report.
- The GCAD staff provided significant professional assistance to the person signing this report.



Shawn Coker, Chief Appraiser/Chief Administrator
Grayson Central Appraisal District