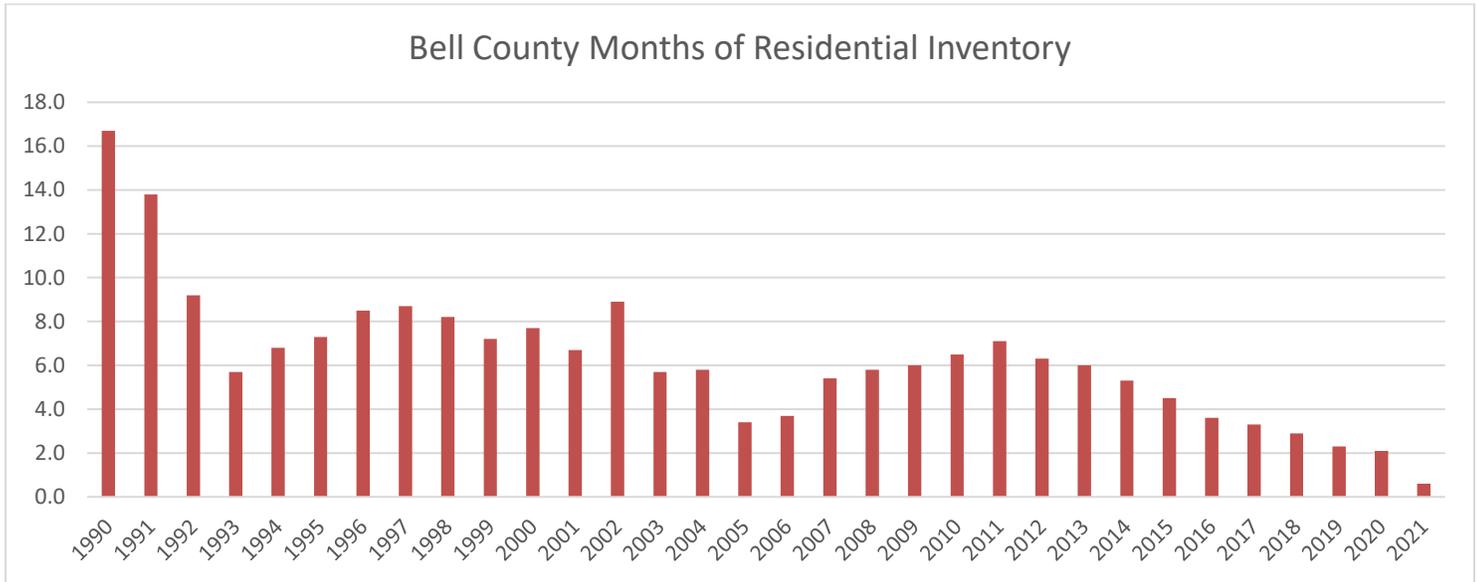




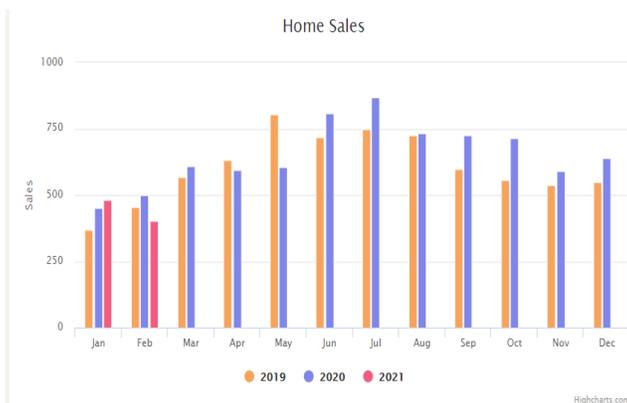
## Residential Appeal Information & Evidence

### 2021 Bell County Real Estate Market Information

Even with COVID-19 pandemic in 2020, the real estate market was still very strong throughout this state, to include Bell County, and sale prices were continuing to increase again. The Temple Board of Realtors reported that the available inventory of homes was at 0.4 months as of February 2021 in Bell County. This is the lowest ever inventory in Bell County since 1990, when this information began to be documented and is again a decrease from the prior year at 2 months. A typical stable market has an inventory level of 6 months.



Also reported by the Texas A&M Real Estate Center is market activity specific to Bell County. Home sales in 2020 dipped in April and May during the initial pandemic shutdown, but then picked up and surpassed 2019 monthly sales per for the rest of the year. This trend continued into 2021, with exception of the slowdown in February caused by the winter storms. Since 2016, the number of sales and average sales price continued to climb even through 2020, when the number of sales and average sales prices reached the highest point since being recorded in 1990. Average sales price increased over 12% in 2021 from 2020 (\$189,305 to \$212,342)



Texas A&M Real Estate Center

## 2021 Bell County Real Estate Market Information

If these indicators of record low inventory, and high demand continue to increase as they have these last few years at record paces, the prices will continue to increase as they did throughout 2020. Similarly to the real estate market, the Tax Appraisal District of Bell County (TADBC) has increased residential values over most areas. TADBC is required to value all properties at 100% of market value (Texas Property Tax Code 23.01(a)). Our values reflect current conditions in the local real estate markets.

TADBC measured over 3,100 new homes in Bell County, and increase of nearly 13% from 2020 and the most since recording this statistic. In 2021, average home values increased over 13% also, from \$181,843 to \$205,888.

## Sales Information & Evidence Descriptions

### ***What is market value?***

Market value is defined in Section 1.04(7) of the Tax Code as "the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

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

Per Texas Property Tax Code 23.01 through 23.013, the tax code explains the allowance and definition of the three methods of appraisal: cost, income, and market data comparison. For land and residential properties, Tax Code 23.0103 states, "*if the chief appraiser uses the market data comparison method of appraisal to determine the market value of the real property, the chief appraiser shall use comparable sales data and shall adjust the comparable sales to the subject property*". Additionally, it should be noted that appropriate adjustments to the comparables for a host of possible **differences from the subject** such as size, aggregate acreage, class, footprint, amenities, topography, etc., unless the slightest chance of 'identical/exact' sold properties exist, must be made with reasonable knowledge and caution.

### **Residential Data:**

For requestors of residential property, the included supplemental data will be:

- A comparable sales report will be included if market value is protested. The report follows the traditional sales comparison approach to value. In analyzing recent sales that are comparable in size, type of construction, and age within the given neighborhood or market area, an appraiser will utilize the comparable sales report to determine if the noticed appraised value is valid or requires an adjustment. To arrive at a total value range, dollar adjustments are made for the differences between the property being valued (Subject) and the comparable properties (Comp 1, Comp 2, etc....) that have sold. This information in turn helps the appraiser arrive at a total value range. The attached sheet illustrates the subject and comparable properties adjusted relative to the subject property.
- An equity comparable report will be included if equity (how the property is appraised compared to similar properties) is protested. The format is similar to the comparable sales report and follows the guidelines of Texas Property Tax Code 41.43(b)(3). Properties comparable to the subject are selected and appropriately adjusted for the differences to determine if the property is equitably appraised or requires a value adjustment.

This enclosed packet of information is intended to satisfy a public information request per Texas Property Tax Code 41.461. Please be advised that the following data may include all sales for a specified property type for a specified time frame. This data can be used as comparable sales presented in the formal Appraisal Review Board hearing, but not limited to all the data used in determining a final market value. Some comparables may not be arms-length transactions, or apply to multiple properties, or have occurred after the appraisal period; therefore, they may or may not be valid comparable indicators. Note: 'Sales information' within this packet are to be considered confidential and used only for the purposes of value determination on the property protested.

### **(Market) Comparable Sales Grid Explained**

The sales price of each comparable is adjusted to the subject and the sum of positive and negative adjustments is shown in the grid as "Net Adjustments". The net adjustment amount is then added to or subtracted from the sales price of that comparable, with the result of this calculation being the indicated value for each comparable used. "Subject's Indicated Value" via the sales comparison approach. Typically, a sales comparison grid will include at least three comparable sales, sometimes more, and after the adjustment process there will be an indicated range of value shown at the bottom of the grid. The indicated value is then divided by the living area of the subject property to derive an indicated value per square foot of the subject property. The indicated value range and/or indicated value per square foot range is compared to the current market value appraisal of the subject property to determine if the current appraisal is reasonable and supported by comparable sales. The results are then listed in the Median Value per square foot and Median Value for the subject property.

### **(Market) Comparable Sales Grid Explained**

Property specific information is identified on the comparable sales report: (all differences are as compared to the subject property).

**Prop ID:** A quick reference identification number assigned to each property.

**Situs:** The physical address that has been assigned to the property.

**Neighborhood Adj:** The assigned neighborhood and actual amount of the difference of neighborhood adjustments for locational differences.

**Adj. Sale Price:** The sales price of the property plus or minus any adjustments.

**Sale Date:** The date of the sale of the property.

**Land Value Adj:** The land value of the property and the difference of the value of the land value.

**Class:** Indicates the quality of construction of the property.

**Class Adj:** The adjustment for difference in quality of construction.

**Living Area:** Outside measurement of living area (rounded to the nearest foot)

**Actual Year Built:** Indicates actual year built.

**Effective Year Built Adj:** The effective year built of the property and adjustment for the difference of effective year built.

**Segments & Adj:** Listing of all segments for each property and adjustments differences in the segments, to include size adjustments.

**Adj. Sale Price:** The sales price of the property plus or minus any adjustments.

**Segment Adj Subtotal:** The subtotal of adjustments for differences in segments to include size adjustments.

**Net Adjustment:** The total of all adjustments

**Indicated value:** The adjusted sales price which is the sales price plus or minus net adjustments to make it like the subject as if it sold on January 1.

**Indicated value/ SQFT:** The adjusted sales price divided by the subject's living area.

**Median Value / SQFT:** The median, (middle) value of all comparable properties indicated (adjusted) values divided by the subject's living area.

**Median Value:** The median value of the comparable properties.

## **Equity Comparable Sales Grid Explained**

The appraised (market) value price of each comparable is adjusted to the subject and the sum of positive and negative adjustments is shown in the grid as “Net Adjustments”. The net adjustment amount is then added to or subtracted from the appraised (market) value of that comparable, with the result of this calculation being the indicated value for each comparable used. “Subject’s Indicated Value” via the equity comparison. Typically, an equity comparison grid will include at least three comparable properties, sometimes more, and after the adjustment process there will be an indicated range of value shown at the bottom of the grid. The indicated value is then divided by the living area of the subject property to derive an indicated value per square foot of the subject property. The indicated value range and/or indicated value per square foot range is compared to the current market value appraisal of the subject property to determine if the current appraisal is reasonable and supported by comparable sales. The results are then listed in the Median Value per square foot and Median Value for the subject property.

## **Equity Comparable Grid Report Explained**

Property specific information is identified on the equity grid report:

**Prop ID:** A quick reference identification number assigned to each property.

**Situs:** The physical address that has been assigned to the property.

**Neighborhood Adj:** The assigned neighborhood and actual amount of the difference of neighborhood adjustments for locational differences.

**Market Value:** The property’s current appraised value.

**Market Price/SQFT:** The market (appraised) value of a property divided by the square footage of the improvement.

**Land Value Adj:** The land value of the property and the difference of the value of the land value.

**Class:** Indicates the quality of construction of the property.

**Class Adj:** The adjustment for difference in quality of construction.

**Living Area:** Outside measurement of living area (rounded to the nearest foot).

**Actual Year Built:** Indicates actual year built.

**Effective Year Built Adj:** The effective year built of the property and adjustment for the difference of effective year built.

**Segments & Adj:** Listing of all segments for each property and adjustments differences in the segments, to include size adjustments.

**Market Value:** The property’s current appraised value.

**Segment Adj Subtotal:** The subtotal of adjustments for differences in segments to include size adjustments.

**Net Adjustment:** The total of all adjustments

**Indicated value:** The adjusted market (appraised) value of the property which is the market (appraised) value plus or minus net adjustments to make it like the subject.

**Indicated value/ SQFT:** The adjusted market (appraised) value divided by the subject’s living area.

**Median Value / SQFT:** The median, (middle) value of all comparable properties indicated (adjusted) values divided by the subject’s living area.

**Median Value:** The median value of the comparable properties.

**Median Value / SQFT:** The median, (middle) value of all comparable properties indicated (adjusted) values divided by the subject’s living area.