



Protesting Property Value in 2021

The most effective tax relief for Texas property owners!



V4.20.21

Introduction to Abbreviations

The following are used throughout this booklet.

- ARB = Appraisal Review Board
- CAD = County Appraisal District
- CPA = Comptroller of Public Accounts
- GCTO = Galveston County Tax Office
- TAC = Tax Assessor Collector

Texas Taxes 101

The property tax process has four phases:

- ⇒ **appraisal** (determination of value by CADs)
- ⇒ **equalization** (protesting CAD value)
- ⇒ **assessment** (tax rate adoption, billing by TAC)
- ⇒ **collection** (by TAC)

Taxes are assessed or calculated as follows:

$$[(\text{Value} - \text{Exemptions}) \div \$100] \times \text{Rate} = \text{Tax Levy}$$

CADs appraise property at the January 1st market value. Appraisal notices are mailed to all new owners and if the tax liability will increase at the current tax rates. **You do NOT have to receive a notice to protest.**

This document will guide you through the **equalization** process. A successful appeal does NOT guarantee lower taxes if the value increased substantially (for homesteads protected by the 10% appraisal cap) or tax rates increase.

Your Rights As A Property Owner

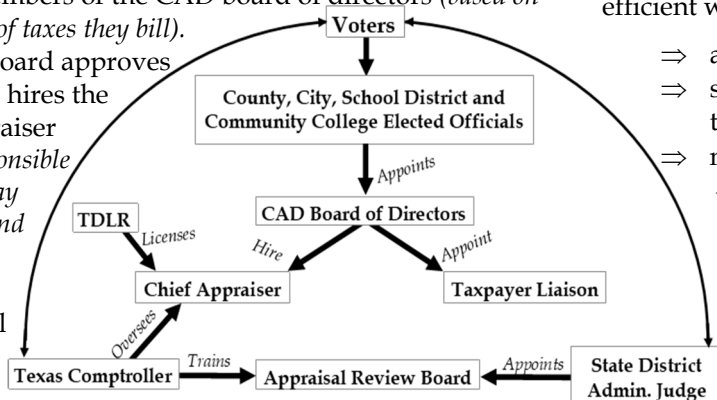
You have the right to protest any adverse action by the CAD concerning your property. The most common are:

- ⇒ denial of an exemption
- ⇒ failure of the chief appraiser or ARB to deliver notice
- ⇒ any action taken by the chief appraiser, CAD or ARB that adversely affects you/increases your tax liability

Who's Who in the Appraisal & Equalization Process?

Voters elect government officials (county commissioners, school boards, city councils, community college regents) who appoint members of the CAD board of directors (based on the amount of taxes they bill).

The CAD board approves the budget, hires the Chief Appraiser (who is responsible for day-to-day operations and staffing), adopt the Reappraisal Plan and



appoint the Taxpayer Liaison Officer (addresses citizen concerns). The State District Administrative Judge (elected) appoints the ARB in most counties. The Texas Department of Licensing and Regulation (State agency overseen by Governor appointed board) licenses appraisers. The Texas CPA (elected) has oversight of CADs through the property value/ratio study, Methods and Assistance Program and adopting uniform standards.

The Process

You have until May 15th or 30 days from the date of the notice to call and schedule an informal conference with a CAD appraiser, file an online protest or mail the protest form. If mailing form, the ARB hearing could be held the same day unless you exercise your right to a one-time reschedule. This should be done before the hearing.

Staff appraisers conduct the informal conference. This is when the majority of reductions occur resulting from corrections of the records or physical depreciation being reported. The appraisers have the authority to reach an agreement without the need for an ARB hearing. If not satisfied with the proposal, you may protest to the ARB.

ARB members are residents of the County and receive CPA developed training. They are paid by the CAD and may be removed if they fail to attend hearings, do not meet eligibility requirements or if there is evidence of repeated bias or misconduct.

If you are not satisfied with the ARB decision, you may file suit in District Court or request binding arbitration.

Obtain Information

THIS YEAR – the GCAD is requiring everyone to file a formal protest in order to have an informal meeting (which will be scheduled 15 minutes in advance of the ARB hearing). When mailing the form, include a request for documents used to determine the value at the same time (sales can only be provided when filing a formal protest but other documents may be obtained at any time). The most efficient way to obtain these records is via email:

- ⇒ appraisal card (property details including sketch)
- ⇒ sales (including land sales) and other data used to value your property
- ⇒ neighborhood and plat maps

Whether or not you decide to protest the value, obtain a copy of the appraisal card and confirm the information accurately reflects your improvements (measure the exterior) including the condition. Improvement codes used on the card are listed on page 9.

Insure all exemptions you are entitled to are included (such as the homestead, over-65, disabled person or disabled veteran or surviving spouses of each).

Market Value Protest

The appraisal district assumes all property in the area it defines as the “neighborhood” (definition on page 5) have the same quality of construction and features and are in the same condition. If sales occur in the neighborhood, values increase/decrease. After reviewing the appraisal card for accuracy, determine which properties you are being compared to. (See sample appraisal card on page 6 – the map ID is circled in blue or may also be found on the CAD website on the property “home page” under the Location information as shown below:

Account			
Property ID:	168945	Legal Description:	ABST 20 PEF
Geographic ID:	3470-0000-0004-000	Zoning:	SFR
Type:	Real	Agent Code:	A0114700
Property Use Code:			
Property Use Description:			
Location			
Address:	810 MYRTLEWOOD DR FRIENDSWOOD, TX 77546	Mapscod:	
Neighborhood:	FRIENDSWOOD ESTATES SUBD	Map ID:	70-D
Neighborhood CD:	3465		
Owner			

Neighborhood maps are available on the GCAD website at http://galvestoncad.org/index.php/Shape_Files. Find your property – your neighborhood includes those of the same color. If 10% of the properties sell over a three year period in your neighborhood, the value will increase.

If your property is not “ready to sell” (is not in similar condition or have similar features of those selling) or requires repairs, take photographs, make a list and obtain cost estimates. If you are unsure of what the market is demanding, contact a friendly real estate agent and have him or her help define needed updates, attend an open house or visit real estate websites for listings (this is your competition). Sites such as Homewyse.com make it easy to determine ballpark costs of specific updates or repairs. This analysis is typically adequate for an online or informal protest.

Use the Protest Spreadsheet (available at GCTO website at the bottom of the homepage or use the paper version included on pages 10 and 11). Perform an analysis of other properties in the neighborhood (GCAD provides this in the packet of documents) or use other sales that you find, adjusting the “comps” by adding or subtracting for differences (see example in the spreadsheet and on pages 6 and 7). The worksheet includes formulas that perform many of the calculations for you. Focus on differences!

The date of value is January 1 so if you made repairs or updates after January 1, present the cost or receipts as the basis for reducing the value. In the event of a disaster, you are now Constitutionally entitled to apply for a

temporary exemption within 105 days of the disaster declaration. Additional information is available on the GCTO and GCAD websites.

Unequal Value Protest

A protest based on unequal value requires the CAD to prove the appraisal ratio of your property is equal to or less than the median level of appraisal of a reasonable/representative sample of other properties in the CAD, those that are similarly situated or of the same character. More simply put, is the value equal to or less than the median appraised value of a reasonable number of comparable properties after adjusting for differences?

This method of protest is a bit more complicated unless you live in a subdivision where identical homes have been built and you find one with a lower value than yours. This is “the perfect storm” for unequal protest!

If you locate identical homes (even those not in your neighborhood but within the same subdivision), take photos, obtain the appraisal cards or other information necessary to demonstrate similarities. Adjust for differences using the Protest worksheet. The ARB is more likely to approve an unequal value appeal than appraisers in an informal conference particularly if the analysis reveals inequality with regard to the land value.

Except for the “perfect storm” you may want to hire a property tax consultant to present an unequal value case.


Depreciation

Depreciation impacts value. There are three types:

- ⇒ **Physical** (condition – addressed by cost of repairs)
- ⇒ **Functional** (poor floor plan, overbuilt or over improved for the neighborhood, unusual or excessive easements – addressed by cost to correct)
- ⇒ **Economic** (foreclosures, oversupply of properties for sale, high interest rates – sales will typically reflect this through lower sale prices. Sales occurring before a market downturn should be adjusted downward.

Meeting with the Appraiser

Since you must now file a formal protest in order to meet with an appraiser, you will have the sales in advance so review them and be prepared to discuss the differences and/or why they are not truly comparable to your property. The meeting with the appraiser is the best opportunity to both obtain and provide information. Consider it a fishing trip! Have they considered all adjustments to bring the sales in line with the condition and features of your property? Discuss the differences. Present bids or estimates of repairs. Use the completed



CADs use mass appraisal which does not adjust for unique features. The key, therefore, is to provide information that shows how your property is different from sales or other properties in the neighborhood.

Improvements Listing and personal knowledge of your neighborhood (what adverse conditions exist that the CAD may not know such as excessive traffic, propensity for flooding, foreclosures or excessive number of properties for sale, crime rates, pipeline or electrical easements, etc.). When talking with the appraiser, **understand the value of a reduction** – do not walk away from a \$10,000 offer (\pm \$300 in taxes) over a \$1,000 disagreement (\pm \$30 in taxes).

Give the appraiser time to consider your information. He or she will try to reach an agreement. If one is reached, you will be asked to sign a waiver and agree to the value. **Do not feel forced** to accept an offer. (Some appraisers will state reductions are 'off the table' if you go to the ARB and, although not bound by an offer, the ARB should consider offers made by the CAD appraisers if they are reasonable – especially if you can get the appraiser to make a note of it on your notice or if you have an actual email with an offer from filing online.

If unable to reach an agreement, ask to be rescheduled for an ARB hearing at a later date. **It is in your best interest to be prepared for the ARB!** You are legally entitled to reschedule one ARB hearing. **NOTE:** ARBs are required to provide for hearings on a Saturday or after 5:00 pm weekdays.

The ARB

Section 41.461 of the Tax Code requires the following be provided at least 14 days before a hearing:

- 1) Taxpayer Rights and Remedies
- 2) ARB hearing procedures
- 3) Information pertaining to your right to receive copies of the data, schedules, formulas and information that will be introduced at the hearing. (CADs may NOT use any other evidence.) Further, Section 41.67(d) provides that if information is requested but **not delivered at least 14 days before the hearing** it may NOT be used by the CAD in the hearing. Certified mail is the best method of documenting receipt.

Assemble a packet for the hearing (original + four copies):

- * **Summary sheet** A brief description of the property, date purchased and amount, the CAD and your opinion of value, reason for the protest and a list of packet contents.
- * **Appraisal notice from CAD** if you have one
- * **CAD appraisal card**
- * **Photos** Include front, back, areas needing repair – anything appropriate to satisfy the ARB's need to know what the property looks like and any deterioration. Label the photos.
- * **Estimates or receipts of repairs**
- * **Map of sales, comparable properties and listings**
Use plat or neighborhood map
- * **Protest Worksheet** Focus on the sales the CAD used (providing reasons why a sale is NOT comparable) as well as others you find that support your position. The worksheet is particularly important when protesting for

unequal value as it shows the adjustments. You may want to separate land and improvement value for the comps, particularly in determining whether land value should be reduced. The worksheet, properly adjusted, will provide a range in value for your property. Be prepared to discuss how you arrived at your estimate of value.

- * **Appraisal by fee appraiser** The CAD is required to accept a "fee appraisal" if it meets the requirements of the Tax Code Section 41.43 (see Definitions).



Chief Appraisers may maintain a list of people who provide free assistance to homeowners!

Practice your presentation. Know what you intend to say. Keep it simple. Be prepared to present the case in four minutes or less. Be concise. Keep in mind that **you** have the advantage of being able to out-prepare the CAD. You have one property, they have thousands.

The Hearing

Participants at the hearing include the three member ARB panel, a CAD appraiser and clerk recording it. The proceedings (typically lasting about 20 minutes) will be conducted by the panel chair after introductions and a brief description of the process that will be followed. All parties will be sworn in. The legal description, address and account number are read into the record. You must be informed of your right to complete a survey regarding the hearing process.

Both you and the CAD have an opportunity to present information and resolve any disputes about the property that should have been resolved in the informal meeting (incorrect square footage, etc.).

If an offer for reduction was made by the appraiser in the informal, include that in your opening statement! Present any written offer (such as online email) as evidence to support at least a partial reduction and if you were able to get the appraiser to write an offer on any of your paperwork. Questions and closing remarks are permitted. Thank the ARB and **remind the panel that Texas law requires each property to be appraised on its individual characteristics.** State why your property is different from the sales. Note that **the CAD has the burden of proving its value by a preponderance of the evidence** presented. If the CAD fails to meet that standard, the protest **shall** be in favor of the property owner (Section 41.43 of the Texas Tax Code).

The ARB panel may deliberate and will announce a decision. It may reduce the value or leave it alone – **it can no longer increase a value** (unless agreed to by you or involves an exemption or denial of agricultural use)! It must issue a written order via certified mail within 30 days (in counties of less than 4M) along with information regarding the right to sue in District Court or go to binding arbitration.



NOTE: If disputes regarding the property cannot be resolved (*particularly regarding the accuracy of information*), the ARB chair may recess the hearing for a CAD field check and continue the hearing after the field check is completed. **If you believe the CAD records are inaccurate, pursue this!**

RECENT CHANGE: The Chief Appraiser and property owner (*or agent*) may file an agreed joint motion on a value with the ARB. The ARB must issue an order within five days.

Appealing an ARB Order

If not satisfied with the ARB decision, your options are to file a lawsuit in State District Court. Few cases actually make it to a courtroom as mediation and agreements are typically reached before then. This is a great option for those with an attorney in the family or if you are not intimidated by legalities.

Binding Arbitration A Viable Option

Although potentially a costly option, binding arbitration is a good alternative to filing a lawsuit. Preparation is similar to preparing for the ARB but an independent, impartial third party hears and examines the facts then makes a decision that is binding on both parties.

The ARB will provide an 'order of determination' after the formal hearing. If the disputed value does not exceed \$5M (*except for residence homesteads for which there is no limit*), the taxes have been paid, you have not filed a lawsuit, and the request is timely and properly filed, you are eligible for this option (*assuming the dispute pertains to value not denial of an exemption, etc.*).

An arbitration request form may be filed online through the Comptroller Online Arbitration Center along with payment (*fees range from \$450 to \$1,550*) within 60 days of the ARB order. The form, along with a money order or cashier's check may also be mailed or delivered to the CAD. The CAD is required to forward the request and payment to the Comptroller within 10 days.

The Comptroller may not reject an application unless a defect is not corrected within 15 days of notice. Once approved, the Comptroller will appoint an arbitrator whom will set a date, time and place for a hearing. The arbitration could be in person, by teleconference or via documentation (*both you and the CAD must agree to submission of documents*). Since the CAD had the advantage before, make suggestions to the arbitrator for a location that you are comfortable with.

The arbitrator is required to provide hearing procedures that will be used in the arbitration. You may hire a property tax consultant, attorney, real estate broker/

If a value is lowered by the ARB or in arbitration, it may not be increased the next year unless supported by clear and convincing (rather than substantial) evidence (except for unequal protests).

agent, CPA or appraiser to attend the hearing with you or on your behalf (*if on your behalf, a designation of agent form must be submitted with the application*). Having a tax professional is a good decision!

You will present your case and the CAD will present the ARB case. Time constraints in an arbitration are not as restrictive as the ARB hearing. Take your time and lay out the entire case. Bring evidence and explain why your value is more appropriate than the ARB's.

The arbitrator shall deliver a copy of the award to the property owner, CAD and Comptroller within 20 days. If the award is nearer in value to the property owner estimate, the Comptroller shall refund the property owner all but \$50 of the deposit and the CAD pays the arbitrator's fee. **Be aware** that the value could be lowered but not sufficiently to reduce the fee. It could also be left at the ARB value. The decision of the arbitrator is final and binding on all parties (*unless fraud, corruption or willful misbehavior occurred*).

Before attempting arbitration, review the information available on the Comptroller's website at <https://comptroller.texas.gov/taxes/property-tax/arbitration/>.

Protest Savvy

- A. Don't miss the May 15th deadline (*or 30 days from notice date*) to postmark/mail the formal protest form. If you did not receive a notice, go online to see if the value increased (*newest values posted after notices are mailed which is typically by mid April*). Late protests are allowed for good cause (*e.g. medical*).
- B. If your value increased, it is likely your neighbors did as well. Ask. Encourage everyone to protest.
- C. If a property is well maintained, the effective age will be less than the actual age. Check the records and condition of your property.
- D. Contact buyers, sellers or agents about sales. Was personal property included? Was either party highly motivated? Were special circumstances involved? **Do your homework!**
- E. The computer performed an analysis of information inputted. You must prove the data is inaccurate or that important information is omitted.
- F. The CAD has the burden of proof in an ARB hearing or when an appraisal <180 days old is presented.
- G. Tell the truth. Lose credibility and you lose your case.

Be aware of "neighborhood adjustment factors" which are developed and used to adjust prices per square foot to bring them up to what the market is indicating cost/square foot should be. Ask for a clear and concise explanation of this factor (in the ARB hearing) and if one cannot be provided, the CAD has failed to prove its value.

- H. The CAD and ARB panel members are not interested in buying your property so **don't suggest it**.
- I. Avoid name calling (*YOU PEOPLE is not well received*). Do not get angry. Be positive and polite. Relax.
- J. Crying doesn't help (*but you can try and it may sway the ARB*)



Other Options

Hire a Property Tax Consultant. Several are listed below.

<u>Property Tax Agent</u>	<u>City</u>	<u>Telephone</u>
Advaloremtax.net	Kemah	281-957-9600
Appealpropertytax.com	Kemah	713-526-1465
Bettencourt Tax Advisors	Houston	713-263-6100
Harding & Carbone Inc	Houston	713-664-1215
Mefferd & Associates PC	Galveston	713-376-5583
Novotny & Company	Houston	713-932-7672
OConnor & Associates	Houston	713-686-9955
Premier Property Tax	Houston	281-304-5222
Property Tax Solutions	Friendswood	281-482-6300
Republic Property Tax	Houston	713-609-9430
Roberts Tax Appeals	Houston	713-703-6532

Definitions

Acceptable appraisals are for properties with a value of \$1M or less. The appraisal must be filed with the ARB and delivered to the chief appraiser no later than 14 days before the hearing, must support the value claimed by the owner and have been performed by a certified appraiser (*under Occupations Code Chapter 1103*) not later than 180 days before the date of the first hearing. It must be notarized, include the name and business address of the appraiser, description of the property, a statement that the appraised or market value was as of January 1, was determined using a method of appraisal authorized or required by Chapter 23 of the Tax Code and performed in accordance with USPAP.

Acceptable sales must have occurred within 36 months of the date of value in counties of 150,000 or more including foreclosures and sales in a declining economy (*these are acceptable sales*).

Market value is the price at which a property would sell for 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" Tax Code Section 1.04(7). This means that when sales involve a highly motivated buyer (or seller), they **do not represent market value**.

Typically referred to as "**neighborhoods**" **comparable properties** "...shall be determined based on similarities with regard to location, square footage of the lot and

improvements, property age, property condition, access, property access, amenities, views, income, operating expenses, occupancy, and the existence of easements, deed restrictions, or other legal burdens affecting marketability" Tax Code Section 23.013(d).

Resources

Galveston CAD

www.galvestoncad.org 1-866-277-4725
General Email: GCAD@galvestoncad.org

Tommy Watson, Chief Appraiser
twatson@galvestoncad.org

Don Gartman, Chairman, Board of Directors
D.gartman@sbcglobal.net

Norman Franzke, Taxpayer Liaison Officer
Email: liaison@galvestoncad.org

Harris CAD

www.hcad.org 713-957-7800
Email: help@hcad.org

Teresa Terry, HCAD Taxpayer Liaison Officer
Email: tterry@hcad.org

Galveston County Tax Office

www.galcotax.com 1-877-766-2284
Email: galcotax@co.galveston.tx.us

Harris County Tax Office

www.hctax.net 713-368-2000
Email: tax.office@hctx.net

State District Administrative Judge John Ellisor

John.Ellisor@co.galveston.tx.us

Texas Comptroller

www.comptroller.texas.gov/taxinfo/proptax
1-800-252-9121 (press 2 then 1 for Info Services team)
Email: ptad.cpa@cpa.texas.gov

Possible Sources of Sales

www.online-home-values.com
www.har.com
www.housevalues.com

Disclaimer: The suggestions presented are intended to help lower your value at most CADs. Procedures may vary slightly from one CAD to another. No guarantees are made regarding your success when protesting. Extensive research and official sources were used to compile this information. There is no substitute for professional or legal advice and your own common sense.

Presented courtesy of:



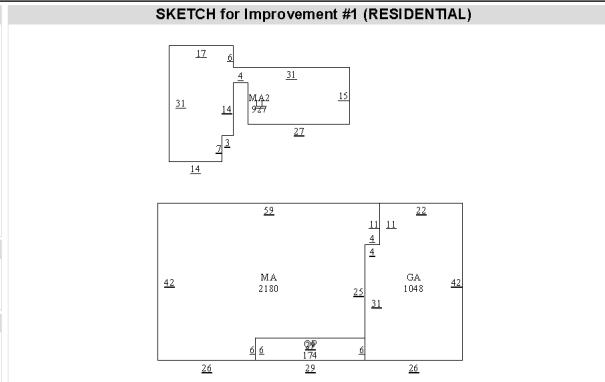
Cheryl E. Johnson, PCC

Galveston County Tax Assessor Collector
722 Moody Avenue, Galveston, Texas 77550
1-409-766-2260

Appraisal card (shown below) available via email or telephone. Online info. shown below.

GALVESTON CENTRAL APPRAISAL DISTRICT PROPERTY 168945 R		OWNER ID 198928		PROPERTY APPRAISAL INFORMATION 2019 810 MYRTLEWOOD DR FRIENDSWOOD, TX 77546-2027		Entities C37 100% CAD 100% D08 100% GGA 100% RFL 100% S12 100%		Values IMPROVEMENTS 214,400 LAND MARKET + 95,600 MARKET VALUE = 310,000 PRODUCTIVITY LOSS - 0 APPRAISED VALUE = 310,000 HS CAP LOSS - 0 ASSESSED VALUE = 310,000	
Legal Description ABST 20 PERRY & AUSTIN SUR LOT 4 FRIENDSWOOD ESTATE SUB ADDN #1 REPLAT		OWNERSHIP 100.00%		ACRES: 3.4800 EFF. ACRES:		APPR VAL METHOD: Distributed		ASSESSED VALUE = 310,000	
Ref ID1: 281508 3470-0000-0004-000		Ref ID2: R168945 Map ID 70-D							
SITUS 810 MYRTLEWOOD DR FRIENDSWOOD, TX 77546									

GENERAL		
UTILITIES	AP	LAST APPR. JEB
TOPOGRAPHY	LEVEL	LAST APPR. YR 2018
ROAD ACCESS	ASP	LAST INSP. DATE 01/02/2018
ZONING	SFR	NEXT INSP. DATE 01/01/2018
BUILDER		
NEXT REASON		
REMARKS	18PICTO 2012-ST TO MA2. FR03-CHG CLS,MA2,FUNC	



EXEMPTIONS	
HS	Homestead
OV65	Over 65

SKETCH COMMANDS	
MA	U42,R59,D11,L4,D25,L29,D6,L26
MA2	MU53,MR3,U31,R17,D6,R31,D15,L27,U11,L4,D13,D7,L14
OP	MR26,U6,R29,D6,L29
GA	MR55,U31,R4,U11,R22,D42,L26

BUILDING PERMITS			
ISSUE DT	PERMIT TYPE	PERMIT AREA	ST PERMIT VAL

SALE DT	PRICE	GRANTOR	DEED INFO
09/08/1988	*****	PARRISH HAROLD L CONV /	/ 006-0

IMPROVEMENT INFORMATION											
#	TYPE	DESCRIPTION	MTHD	CLASS/SUBCL	AREA	UNIT PRICE	UNITS	BUILT	EFF YR	COND.	VALUE
1.	RESIDENTIAL	STCD: A1			4,329.0			Homesite: Y (100%)			140,450
2.	RESIDENTIAL	STCD: A1			0.0			Homesite: Y (100%)	3		1,500

IMPROVEMENT FEATURES			
Fireplace	1	FP	1,800
Foundation		CS	0
Roof Covering		CS	0
Flooring		CP-TI	0
Heating/Cooling		CH-CA	0
Construction Style		SFC	0
Exterior Wall		WF	0
Interior Finish		SR	0
Plumbing		SR	3.9

Total Value (before depreciation)

Adjusted Value (depreciation deducted)

LAND INFORMATION											
IRR Wells:	0	Capacity:	0	IRR Acres:	0	Oil Wells:	0				
ADJ MASS ADJ	1.00	VAL SRC	1.00	F		AG APPLY	NO				
MKT VAL	95,600	AG CLASS		AG TABLE		AG UNIT PRC	0.00				
AG VALUE	95,600						0				

IMPROVEMENTS LISTING USING APPRAISAL CARDS OR SALE INFORMATION

#	Address	Total Value	Lot SF & \$	MA Imp SF & Value All Imps (no dep)	Class Code	Eff Age/ Yr Built	Cond %	Describe Other Imps + \$ (with dep)	Other Info (# Stories, Lot Type)
810 Myrtlewood	\$310,000	151587 SF (3.5 acres) \$95,600	3107SF \$122,540	F13	1999	94%	OP 174 SF \$1290; GA 1048 SF \$15550; OB \$1500; FP \$1800 = \$12,140	2 story; built in garage; cul de sac lot; lot floods frequently	

Do not average! Use median when selecting the value you believe it should be!

IMPROVEMENTS LISTING USING WEB INFORMATION

#	Address	Total Value	Lot SF & \$	MA Imp SF & Value All Imps	Class Code	Eff Age/ Yr Built	Other Improvements w/SF (value included with MA Imp Value) + Other Impr.	Other Known Info (# Stories, Lot Info)
Sub 810 Myrtlewood	\$310,000	151,587 SF (3.48 ac) \$95,600	3,107 SF \$214,400 (inc other)	F13	1999	Open Porch 174 SF, Garage 1048 SF; Outbuilding (\$1,359)	WF; two story; FP; cul de sac lot; on Clear Creek (flood prone)	

Values	
(+) Improvement Homesite Value:	\$214,400
(+) Improvement Non-Homesite Value:	\$0
(+) Land Homesite Value:	\$95,600
(+) Land Non-Homesite Value:	\$0
(+) Agricultural Market Valuation:	\$0
(+) Timber Market Valuation:	\$0
(=) Market Value:	\$310,000
(-) Ag or Timber Use Value Reduction:	\$0
(=) Appraised Value:	\$310,000
(-) HS Cap:	\$0
(=) Assessed Value:	\$310,000

Ideally, complete the improvements listing using the CAD appraisal cards as shown in the example on the left page. If unavailable, use the information on the CAD website as shown above (www.galvestoncad.org)

Land				
#	Type	Description	Acres	Sqft
1	RL	RL	3.4800	151587.00

Improvement / Building					
Improvement #1: RESIDENTIAL State Code: A1 Living Area: 3107.0 sqft Value: \$					
Type	Description	Class CD	Exterior Wall	Year Built	SQFT
MA	MAIN AREA	F13 - *	WF	1999	2180.0
MA2	MAIN AREA 2ND FLOOR	F13 - *		1999	927.0
OP	OPEN PORCH	F13 - *		1999	174.0
GA	GARAGE	F13 - *		1999	1048.0
Improvement #2: RESIDENTIAL State Code: A1 Living Area: sqft Value: \$1,359					
Type	Description	Class CD	Exterior Wall	Year Built	SQFT
OB	OUT BUILDINGS	* - *			0.0

INSTRUCTIONS FOR USING IMPROVEMENT BLANKS AND SPREADSHEET

The purpose of this exercise is to become familiar with your property and others that are being used to increase your value and to perform a comparison. Once you have identified the neighborhood, see if there are identical houses in it or in your entire subdivision (*this is a great comparison for unequal value*). When filing the formal protest with the CAD, you will be able to request and obtain the sales used. Obtain the appraisal card for your property, identical houses, the sales or other houses on your street (*a good starting point*). Follow the steps below to perform a comparison. This is useful when meeting informally with an appraiser to be able to discuss the differences between their sales and how they differ from your house. You likely have more knowledge of these properties than the CAD and you certainly know more about your house than they do!

1. Download the 2020.Protest Worksheets.xlsx (www.galcofax.com/Press_Releases_and_Important_Information).
2. Complete appropriate Improvements Listing form using CAD appraisal cards or information on the CAD website. You will find a blank Improvements Listing Using Web Information form on page 10.
3. Complete top row of Spreadsheet 4 You* worksheet with your property info and comparable properties using info from Improvements Listing. You will find a blank protest worksheet on page 11 (*Spreadsheet 4 You in worksheet*).
4. If the condition of your property is below the norm for the neighborhood and the CAD has 100% under DEPR, you will need to determine the total cost of repairs. Divide that amount by the Imp Value to determine the Cond % (eg \$10,000 in repairs ÷ \$196,110 = 5% condition adjustment. Subject from 100.) Enter 95% as the Cond %. See Instruction and Dep Calculator tab in spreadsheet.
5. As you enter information, the shaded cells will automatically calculate and adjust the comps to your property. An adjusted value will result in the Adj Value column.
6. Complete INDICATED VALUE RANGE at bottom of spreadsheet. In determining those most like yours, which required the least adjustments, have similar features such as size, class code, age and other improvements? If you do not have a pool, do not use that comp unless all other factors are the same.

* If you cannot open, try a different web browser.



PROTEST WORKSHEET

#	Address	Class Code	Total Value	MA Imp Value	MA Imp SF	\$/SF MA	Quality Adj/SF	Quality Adj	Land Value	Land SF	\$/SF Land	Land Value Adj	Eff Age	Size Diff	Size Adj	Dep %	Dep Adj	Other Imp Value	Imp Value Adj	Total Adj	Adj Value	
	810 Myrtlewood	F13	\$310,000	\$122,540	3,107	\$39.44			\$95,600	151,587	\$0.63		1999			94%		\$20,140				
1	809 Myrtlewood	B19	\$799,120	\$322,210	4,618	\$69.77	-\$30.33	-\$140,076	\$95,270	150,718	\$0.63	\$330	1995	-1,511	-\$105,426	97%	-\$9,666	\$61,310	-\$41,170	-\$296,009	\$503,111	
3	907 Myrtlewood	B14	\$260,000	\$129,810	2,801	\$46.34	-\$6.90	-\$19,339	\$72,260	90,169	\$0.80	\$23,340	1984	306	\$14,181	79%	\$19,472	\$14,460	\$5,680	\$43,334	\$303,334	
5	909 Myrtlewood	B15	\$547,580	\$200,720	4,162	\$48.23	-\$8.79	-\$36,571	\$100,340	164,047	\$0.61	-\$4,740	2000	-1,055	-\$50,879	100%	-\$12,043	\$52,340	-\$32,200	-\$136,433	\$411,147	
7	1002 Myrtlewood	B15	\$351,880	\$137,220	2,752	\$49.86	-\$10.42	-\$28,681	\$117,500	209,219	\$0.56	-\$21,900	1970	355	\$17,701	76%	\$24,700	\$32,480	-\$12,340	-\$20,521	\$331,359	
9	1004 Myrtlewood	B16	\$401,640	\$132,790	2,407	\$55.17	-\$15.73	-\$37,858	\$117,500	209,219	\$0.56	-\$21,900	1982	700	\$38,618	93%	\$1,328	\$46,810	-\$26,670	-\$46,482	\$355,158	
10	1005 Myrtlewood	B15	\$405,000	\$180,970	3,710	\$48.78	-\$9.34	-\$34,648	\$98,050	158,036	\$0.62	-\$2,450	1982	-603	-\$29,414	82%	\$21,716	\$35,930	-\$15,790	-\$60,585	\$344,415	
INDICATED VALUE RANGE:				Low:		\$303,334		High:		\$503,111											Estimated Value:	\$303,334

Quality Con=3; Size=3 and 7; Land=1,5,10;
Age=1, 5; Dep=9; Other Imp=3; Least Adj=3,
7, 9

RESIDENTIAL CLASS (classification) CODES

Residential class codes are a measure of complexity that effects the cost of construction. The codes define the exterior then grade of construction. Structure types include B=brick, BH=beach house, F=frame and TH=townhome. The five class code groupings used by GCAD follow. Properties in a subdivision will have little difference in coding.

Class 1-5 Low Quality Residence

General Description: Low quality structure, inexpensive materials, poor design, workmanship. Not attractive in appearance.

Foundation: Concrete blocks, masonry or light slab, wood or concrete piers
Roof: Roll composition, metal, very light composition or wood shingles
Windows: 5 **Corners:** 4 **Baths:** One
Floors: Softwood, bare, light asphalt tile or low cost linoleum
H/C: Stove heaters and no CA, low cost window units
Utilities: Very few outlets, cheap fixtures **Garage:** None, very low cost carport
Size: 400-800 square feet of living area or garage



Class 6-10 Fair Quality Residence

General Description: Minimum FHA/VA residence, fair design, materials & workmanship. Small frame rear porch standard

Foundation: Light concrete or pier and beam
Roof: Light composition or wood shingles
Windows: 6-8 **Corners:** 6 **Baths:** One
Floors: Low quality carpet, hardwood or tile
H/C: Small central heating units or wall heaters **Utilities:** Basic outlets
Garage: One car garage or carport, concrete drive
Size: 800-1,200 square feet of living area



Class 11-15 Average Quality Residence

General Description: FHA or VA standards; average materials, workmanship, standard design. Front and rear porches. "L" shape or other variation from rectangle.

Foundation: Concrete slab, pier and beam **Roof:** Composition or wood shingles
Windows: 7-9 **Corners:** 6-8 **Baths:** 1 1/2 to 2 baths
Floors: Carpet, tile or varnished hardwood
H/C: Central heat and air **Utilities:** Ample outlets, average fixtures
Garage: 1-2 car garage or carport, concrete drive
Size: 1,200-1,800 square feet of living area



Class 16-20 Good Quality Residence

General Description: Very good structure built of excellent materials, design and workmanship. Usually custom built from good architectural plans, attractive in appearance. Irregular shape. Large front and rear porches or patios.

Foundation: Heavy concrete slab or pier and beam
Roof: Heavy comp or wood shingles, tile or built-up
Windows: 12-14 **Corners:** 10-12 **Baths:** 2-3, custom features
Floors: Good quality carpet, tile or varnished hardwood
H/C: Central heat & air **Utilities:** Custom features
Garage: 2-3 car garage or carport, concrete drive **Extras:** Fireplace
Size: 2,300-3,000 square feet of living area



Class 21-24 Excellent Quality Residence

General Description: High quality structure of excellent materials, design and workmanship. Custom built from good architectural plans, attractive in appearance. Large balconies, skylights, atriums or saunas.

Foundation: Heavy concrete slab or high quality pier and beam
Roof: Heavy wood shingles or high quality composition or tile
Windows: 14-16 **Corners:** 10-12
Floors: High quality carpet, tile or terrazzo
H/C: Central heat & air **Utilities:** Numerous outlets, custom features
Baths: 3-4 baths, custom fixtures
Garage: 3-4 car garage, concrete approach **Extras:** Fireplace
Size: Over 3,000 square feet of living area



LAND & IMPROVEMENT CODES

Land Codes

BA	Back Acreage
BF	Beach Front
BX	Boat Slip
BV	Beach View
CDO	Condo Land
CL	Commercial Lot
CN	Canal
CO	Commercial Acreage
CR	Corner
DE	Drainage Easement
DKM	Dockminiums
DS	Drill Site
FR	Freeway Frtg.
GB	Green Belt
GC	Golf Course
GF	Golf Course
IL	Interior Land
IND	Industrial
LT	Lot
ML	Marshland
NP	Native Pasture
OS	Oversized Lot
OT	Other
PF	Primary Frtg
PL	Pipeline
PU	Public Use
PWL	Power line
RF	Road Frontage
RH	Rural House
RL	Residential Lot
RS	Residential
RW	Right of Way
SF	Secondary Frtg.
SV	Site Value
TL	Townhome
UN	Undeveloped
UW	Underwater
WA	Wood Acreage
WF	Water Front
WL	Wasteland
WV	Water View

Improvement Types

BD1	Light Boat Dock
BD2	Medium Boat Dock
BD3	Heavy Boat Dock
BZ	Breezeway
CP1	Carport, Wood/Conc.
CP2	Carport 2, Wood/Dirt

CP3	Carport 3, Metal/Dirt
CP4	Carport 4 Under BH
CPY	Canopy
DG	Detached Garage
EP	Enclosed Porch
FBH	Metal/Frame Boat House
ELV	Elevator or Dumbwaiter
FUB	Metal/Frame Utility Bldg.
GA	Attached Garage
GH	Greenhouse
HO	Hoist
HT	Hot tub/Jacuzzi
LPOOL	Large Pool
MA	Main Area 1 Story
MA1	Main Area 1.5 Story
MA2	Main Area 2 Story
MA2.5	Main Area 2.5 Story
MA3	Main Area 3 Story
MAA	Main Area Addition or Mobile Home
MBH	Masonry Boat House
MUB	Masonry Utility Bldg.
OB	Out Building
SP	Screen Porch
SPA	Spa
SPool	Small Pool
ST	Storage (attached 2 house)
STG	Storage (det. from house)
SV	Salvage
WD	Wood Deck
XPool	Extra Large Pool

Building Attributes

Construction Style

SF-M	Single Family Modern
SF-C	Single Family Conv.
SF-S	Single Family Spanish
MF-C	Multi Family Conv.
R-CT	Recreation Type
L-CM	Light Commercial

Structure Types

B	Brick
BH	Beach house
F	Frame
TH	Townhouse

Exterior Finish

BV	Brick Veneer
WF	Wood Frame
COMP	Composition

ST	Stucco
CB	Concrete Blocks
A.S	Asbestos
BW	Brick & Wood
SV	Stone
SI	Sheet Iron
SS	Structural Steel

Roof Style

HP	Hip
GA	Gable
WS	Wood Shingle
CS	Comp Shingle
TG	Tar & Gravel
TI	Tile
RA	Rigid Asbestos
RC	Rolled Composition
MT	Metal

Plumbing

1	One Full Bath
1.5	One & One-Half
2, etc.	Two Full Baths, etc.

Foundation

CS	Concrete Slab
PB	Pier & Beam
WPR	Wood Piers
WPL	Wood Pilings
PT	Post Tension Conc.

Heating / AC

CA	Central Air
CH	Central Heat
ST	Stove or Gas Jets
WH	Wall/Floor Furnace

Flooring

CP	Carpet
VI	Vinyl
HW	Hard Wood
CO	Concrete
TI	Tile
TE	Terrazzo

Interior Finish

SR	Sheetrock
PA	Panel
WP	Wallpaper

Fireplaces

HE	Heatlator
FP	Fireplace
FP1	Fireplace Class 1
FP2	Fireplace Class 2

Condition Ratings Guide

<u>Code</u>	<u>Rating</u>	<u>Definition</u>
1	Excellent	Building is in perfect condition, very attractive and highly desirable.
2	Very Good	Slight evidence of deterioration; still attractive, quite desirable
3	Good	Minor deterioration visible; slightly less attractive and desirable but useful.
4	Average	Normal wear and tear apparent; average attractiveness and desirability.
5	Fair	Marked deterioration but quite usable; rather unattractive and undesirable.
6	Poor	Definite deterioration is obvious; definitely undesirable and barely usable.
7	Very Poor	Condition approaches unsoundness; extremely undesirable; barely usable.
8	Unsound	Building is unsound and practically unfit for use.


PROTEST WORKSHEET


#	Address	Class Code	Total Value	MA Imp Value	MA Imp SF	\$/SF MA	Quality Adj/SF	Quality Adj	Land Value	Land SF	\$/SF Land	Land Value Adj	Eff Age	Size Diff	Size Adj	Dep %	Dep Adj	Other Imp Value	Imp Value Adj	Total Adj	Adj Value																														
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												MA Imp Value + Imp SF				\$/SF MA Subject - \$/SF MA Comp				Quality Adj/SF x \$/SF MA				Land Value + Land SF				Land Value Sub - Land Value Comp				Subject Size - Comp Size				Size Diff x \$/SF				Subject Dep % x MA Imp Value of Comp				Sub Other Imp Value - Comp Other Imp Value				Quality Adj + Land Value Adj + Size Adj + Dept Adj + Imp Value Adj			
Formulas & Notes:																																																			


Taxes Five Step


(The Cliff Notes Version of Protesting Your Value)


A robust real estate market is wonderful for your financial statement or when selling but not when it comes to taxes. CADs mail appraisal notices the first part of April. The deadline to call for an appointment, mail the formal notice or file an online protest is **May 15th** (or 30 days after the date of the notice). Follow the Taxes 5 Step to lower your taxes!

Step 1. Mail the formal protest form or file an online protest by May 15th
 Protest the value based on either it being over valued (*condition concerns*) or unequal appraisal (*same house elsewhere in the neighborhood valued for less*). **Condition is determined as of January 1.**

Step 2. Research CAD records
 Request the “appraisal card” and validate information. If you recently purchased the property for less or have a recent appraisal with a lower value, you are ready to go. If you paid more and discovered problems later or if repairs are needed, take photos and obtain estimates. Provide information at the informal conference or submit with online protest.

Step 3. Be sure to attend the informal conference scheduled before the ARB Hearing
 Request the documents and review information provided. If you attend the informal conference and are not prepared to go to the ARB hearing, ask to be scheduled for the ARB at a later date! **YOU ARE LEGALLY ENTITLED TO ONE RESCHEDULE.**

Step 4. Appraisal Review Board (ARB) Hearing
 The ARB is a three member citizen panel appointed to hear protests. Also in attendance is a CAD appraiser and a hearing clerk who records the proceedings. **Bring four copies of your evidence.** You will be sworn in. The CAD appraiser will present its case, you will present yours and the ARB will announce its decision.

Step 5. Arbitration or File Lawsuit in State District Court
 ARB decisions can be overturned in binding arbitration or by filing a lawsuit. Arbitration requires payment of a \$450 fee (*amount varies*). If you are successful (*meaning the arbitrator determines the value nearer to your estimate than the CAD's*), all but \$50 will be refunded. Most lawsuits do not go to court but, before taking this step, consider the cost versus savings.