



2025- 2026 Reappraisal Plan

Adopted
September 10, 2024

Resolution for the Reappraisal Of Property Within The Navarro Central Appraisal District

WHEREAS the Chief Appraiser of the Navarro Central Appraisal District is charged with the legal responsibility of appraising all property and determining the taxable value of such properties; and

WHEREAS such appraisals must be conducted in a manner that is compliant with generally accepted appraisal theory and professional requirements of the Uniform Standard Professional Appraisal Practices (USPAP), the appraisal standards of the International Association of Assessing Officers (IAAO), and the laws of the State of Texas; and

WHEREAS Section 6.05 (i) of the Texas Property Code requires the board to adopt a biennial reappraisal plan no later than September 15 of even-numbered years to ensure adherence with generally accepted appraisal practices; and

WHEREAS such reappraisal plan must include a schedule of planned appraisal and reappraisal activities, including personnel assignments and inspection schedules; and

WHEREAS a reappraisal plan may only be adopted after the board of directors of the appraisal district holds a public hearing to consider a proposed plan; and,

WHEREAS the public was given notice of the public hearing to consider the 2025-2026 reappraisal plan thru the publication of a *Public Notice of Hearing to Consider the 2025-2026 Reappraisal Plan for Navarro Central Appraisal District* in the August 28, 2024 edition of the Navarro County Chronical; and

WHEREAS the public notice was posted also on the district's website www.navarrocad.com, and on the front door of the district's office at 1250 N 45th Street in Corsicana Texas on August 26, 2024; and

WHEREAS the Board of Directors did conduct a public hearing on September 10, 2024, to consider a reappraisal plan for 2025 and 2026; and

WHEREAS after closing the public hearing and reconvening in a regular meeting with a quorum present, the board by motion, second, and majority vote did agree to adopt said reappraisal plan as presented.

NOW THEREFORE BE IT RESOLVED that the appraisal and reappraisal activities for 2025-2026 shall be conducted in the manner outlined in the 2025-2026 Reappraisal Plan for Navarro Central Appraisal District unless otherwise amended by the board of directors.

Signed this 10th day of September, 2024.



John Jackson
Chairman
One Traen
Secretary

Michael Fletcher
Elmer Mull
Mike Dowd
Bel Clark
Chief Appraiser

Preface

The purpose of this document is to inform the taxpaying public of the mission, legal requirements, organization, workload, past performance, and necessary changes to the district's operations to accomplish the plan requirements regarding the valuation and revaluation of taxable property within Navarro Central Appraisal District as summarized in the last section of this document.

In compliance with Section 6.05(i) of the Property Tax Code of the State of Texas, the board of directors of the Navarro Central Appraisal District conducted a public hearing to consider the adoption of the following reappraisal plan.

Mission

The mission of Navarro Central Appraisal District is to discover, list and appraise property as accurately, ethically and impartially as possible in order to estimate the market value of all property within the boundaries of the district for ad valorem tax purposes. The district must make sure that each taxpayer is given the same consideration, information and assistance as the next. This will be done by administering the laws under the property tax system.

Personnel must be well educated and informed regarding laws, appraisal practices and the rights of taxpayers and entities alike. This will be accomplished through attendance of key personnel to workshops sponsored by the Texas Association of Appraisal Districts, the Texas Association of Assessing Officers, the Texas Rural Chief Appraiser's Association as well as workshops conducted locally for in-house staff development. Additionally, the staff will promote and adhere to professional standards and ethics as set forth by the Texas Department of Licensing, The Appraisal Standards Board of the Appraisal Foundation (USPAP), The International Association of Assessing Officers, The Texas Association of Appraisal Districts and The Texas Association of Assessing Officers.

Legal Mandates

NCAD is a Central Appraisal District formed by the Texas Legislature in 1979 and is charged with the appraisal of all taxable property within the district.

The district appraises property for the following taxing authorities:

- Navarro County,
- Navarro County Flood Control
- Navarro County Road & Bridge
- Navarro County Emergency Service District #1
- Navarro College
- City of Barry
- City of Blooming Grove
- City of Corsicana
- City of Dawson
- City of Emhouse
- City of Frost
- City of Goodlow
- City of Kerens
- City of Rice
- City of Richland

- City of Streetman
- Blooming Grove ISD
- Bynum ISD
- Corsicana ISD
- Dawson ISD
- Ennis ISD
- Fairfield ISD
- Frost ISD
- Hubbard ISD
- Kerens ISD
- Mildred ISD
- Rice ISD
- Wortham ISD
- Fairfield Hospital District
- Henderson County Levee District #3
- Hill College

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, including the qualifications for special use valuation determination (i.e. timber, wildlife, and "ag" valuation) as well as exemption administration for the thirty-one taxing units located in part or whole in the county. Each taxing unit, such as the county, a city, school district or hospital district, sets 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 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) and Mass Appraisal Standards of The International Association of Assessing Officers.

According to Section 6.05 (i) of the Property Tax Code, the district is required to hold public hearings and adopt a reappraisal plan by resolution before September 15 of even numbered years. The plan must list in detail the district's intentions regarding the reappraisal of property within the district over the following biennial period. Notice must be given at least 10 days before the hearing to the presiding officers of each of the district's participating taxing units. After adoption, the adopted plan must be delivered to each of the presiding officers of each of the district's participating taxing units as well as to the Texas Comptroller of Public Accounts within 60 days of approval.

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.

Property will be appraised by the district using the following definition of market value, as stated in Section 1.04 of the Texas Property Tax Code:

Market value 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 of the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and,*
- *Both the seller and purchaser seek to maximize their gains, and neither is in a position to take advantage of the exigencies of the other.*

Except as otherwise provided by the Property Tax Code, all taxable property will be appraised at its “market value” as of January 1st. Inventory owners who file a request by the 31st of July prior to the appraisal year will have their property appraised at market value as of September 1.

Organization

Appraisal districts were created by the Texas Legislature in 1979 to provide uniform and equal appraisals of taxable properties at market value for ad valorem tax purposes. The district is governed by a board of five directors elected by the governing bodies of the participating taxing units. The county tax assessor/collector serves on the board as an ex officio member.

The board of directors is responsible for:

- Establishing the district's office;
- Adopting the district's annual operating budget;
- Contracting for necessary services;
- Hiring the chief appraiser;
- Appointing the Agricultural Advisory Board; and,
- Making general policy of the district's operation.

The board's authority over appraisals is limited. The board does not appraise property or review values on individual properties. These tasks are legally assigned to the chief appraiser and the Appraisal Review Board (ARB). The board's authority over appraisals comes through its duties to contract and budget for the district's operation.

The ARB is appointed by the local administrative law judge to hear and settle formal taxpayer protests. The board's decisions are binding to the district's records. The district may file suit in district court to have an ARB decision overturned if the chief appraiser and board of directors so choose.

The Agricultural Advisory Board is appointed by the Board of Directors, according to the recommendations of the Chief Appraiser in accordance with Section 6.12 of the Property Tax Code and NCAD Administrative Policy 3.00. Its purpose is to advise the chief appraiser on the valuation and use of land that may be designated for agricultural use or that may be open space agricultural or timber land within the district.

The chief appraiser is the chief administrator of the district and is responsible for the district's appraisal operations. The appraisal district staff is employed and directed by the chief appraiser.

An *Organizational Chart* of the district's boards, chief appraiser, and staff members is attached as *Addendum 1*.

Workload

The district is responsible for establishing and maintaining appraisal records for approximately 51,000 real, personal, mineral, and industrial property accounts within the district. This data includes property characteristic data and exemption information.

Data on new construction is updated through an annual field effort; existing property data is maintained through a field review according to the periodic reappraisal plan adopted by the board of directors. Mobile homes frequently move into and out of the district quickly. Their locations are particularly difficult to determine when owners do not own the land where the mobile home is situated. Reports of location from the Texas Department of Housing are helpful but many times the situs location reported on the form is incorrect or nonexistent. Tracking mobile homes becomes a cumbersome task that slows the production of field reviewers.

Sales are routinely validated via sales disclosure request forms sent periodically to the property owners. The district aggressively seeks sales information from buyers, sellers, fee appraisers, and realtors in an effort to expand the sales database used to test appraisal models. The district performs statistical testing (ratio studies) to identify areas where added attention is needed. Final studies are performed in April each year to calibrate appraisal models for the appraisal year. The models are applied to the appraisal records and tested for uniformity. The testing cycle continues until the desired appraisal level for all property classifications is between 95 percent and 105 percent and the overall coefficient of dispersion is under 20.

The district maintains its website (www.Navarrocad.com), making information available to the public via the internet including:

- Policies of the Board of Directors and Appraisal Review Boards;
- Agendas and minutes for meetings of the Board of Directors, Appraisal Review, and Ag Advisory Boards;
- Current public notices;
- Current and proposed budgets;
- Exemption and Special Valuation Application Forms;
- Various reports including the:
 - Utility Usage Report
 - Annual Report
 - Annual Summary Reappraisal Report, and
 - Current Reappraisal Plan;
- A calendar of appraisal and tax collection activities;
- Various informational pamphlets created by the district for taxpayer information;
- Links to the Comptroller's website for ad valorem tax information;
- An interactive map of the district;
- Current certified appraisal data record search;
- Downloadable data for maps and appraisal data;
- Seasonal information regarding filing protests, including instructions for filing on-line protests; and.
- ARB hearing results for each property protested.

The district is also charged with the responsibility of maintaining a separate website www.navarrotaxes.com. From that website, the public can access:

- Information for each taxing jurisdiction in the district for calculations of each taxing jurisdiction's "no new revenue", "voter approved", and "proposed" tax rates;
- Notices for public hearings on tax rates and tax rate adoption;
- A place to provide comments (via email) directly to any of the taxing jurisdictions regarding proposed tax rates;
- Current year appraised values for each property in the district with the ability to see an estimate of

taxes that might be assessed on a property at each of the three rates;

.Landmen, realtors, and insurance offices are able to obtain most of the information they need from the website. When it is necessary for them to contact the district, they are usually able to provide parcel identification numbers or other identifying data from the district's records as posted on the internet.

NCAD implements the computer assisted mass appraisal (CAMA) program licensed, maintained, and supported by Harris Govern. The software operates via a local PC network maintained in-house. The software allows the district to attach digital photographs and documents in the portable document format (pdf) to the appraisal record.

The district maintains most of its records electronically. All paper documents are scanned into an Adobe Acrobat file as received or generated by the district. Preserving these records in this manner has been approved by the district's board of directors and the Texas State Archives Commission. All records are electronically backed up and saved off-site daily. Once the integrity (of imagery and file location) of electronic documents has been verified, paper copies are destroyed.

The district has a mapping system that maintains maps and various layers of data including aerial photography in ESRI *ArcEditor* software. Current ownership information, along with general parcel information, is extracted from the CAMA database and linked to the GIS mapping data for general information and query purposes. All workstations within the district office can electronically access the maps. With various map layer files geographically associated with the district's base map, staff can easily identify property characteristics including EagleView Pictometry ortho and oblique photography exclusively produced for the district in the fall of 2022 and 2023.

Other raster image files may be imported into the district's GIS database from various sources, providing powerful tools for property pre-inspection and discovery as well as identification of individual property characteristics utilized to modify the appraisal model for a specific property.

The district publishes and maintains its appraisal manual and schedules on a local intranet hosted by the personal computer network. This project eliminates the need for printed manuals that are difficult to update. The district's policies, appraisal schedules, property characteristics, and procedures are posted on the intranet and are available on every computer in the network domain. The district maintains appraisal schedules, policies, appraisal rolls, and other data on the local website. The electronic publication of these documents and historical schedules makes the task of adding omitted property to the roll easier when the necessary pricing schedules are readily accessible.

Previous Reappraisal Plan Performance

The Board of Directors of the Navarro Central Appraisal District adopted a resolution concerning the reappraisal of property on July 21, 2022. The resolution provided for a planned reappraisal of one-third of the district each year.

NCAD appraisers completed the field inspection and review of property according to the reappraisal plan by the target dates of March 31 in 2023. In 2024, the reappraisal plan was not completed in its entirety due to the heavy taxpayer protest load experienced by the district in 2023, extending the scheduled startup date from August 1 to mid-November of that year.

Revaluation field inspections required the appraisers to check all property characteristic data on the property records and to update if necessary. When physical inspection of the property indicated changes to the improvements, the appraiser noted these changes in the field on iPads that held each appraiser's work assignments and applied them to the parcel's record in the district's CAMA system in the office. As required by IAAO Standards, two sides of the main structure of each parcel were verified for accuracy. Digital photographs were taken and attached to the CAMA record as well. This task was completed as scheduled in 2023. In 2024, 4,200 of the scheduled 16,000 parcels were inspected.

In both 2023 and 2024, new construction was discovered, listed, and appraised throughout the county from personal observation of field appraisers and other reliable sources, including:

- deeds or other legal documentation,
- aerial photographs,
- surveys, maps, and property sketches,
- building permits,
- utility hookups,
- septic tank permits,
- 911 address reports,
- Comptroller sales tax list,
- phone books,
- newspaper advertisements,
- subdivision maps,
- automobile registration lists, and
- mobile home location lists from the Texas Department of Housing.

During the 2023 and 2024 appraisal cycles, properties not included in the reappraisal schedule were reviewed if a request was made by the owner. Parcel records were flagged in the CAMA system throughout the year so that appraisers could review all properties in an area at one time. While reviewing flagged parcels, appraisers searched for new improvements in visited areas that were unknown to the district through the previously listed sources.

Mineral, utility, and industrial parcels were appraised by Pritchard & Abbott, Inc. in 2023 and 2024. Reports from the Texas Railroad Commission and owner/operators were used for the valuation of producing oil, gas, and mineral parcels.

Property owners were informed by mail of the removal of exemptions and special valuations both years in January. A brief explanation for the removal was provided in the letters. Parcels where applications for exemptions and special valuations were ten or more years old were requested to re-file applications. Updated applications were included with these letters.

Exemption and special use valuation application forms were made available to the public in the district's office as well as through the district's website. Taxpayers were also able to obtain application forms from the Comptroller's website.

Exemption and special use applications that were returned to the office were reviewed. Incomplete applications were returned to the applicant for completion. Applicants were notified by mail when more data was required to process the exemption or special use valuation applications. Field review was performed to validate the qualifications of the applications before they were approved. When the application was denied or modified (i.e. qualifying acreage changed from application), the applicant was notified by certified mail of the denial or modification of the exemption or special use valuation.

Cost schedules (appraisal models) were tested against sold properties and adjustments were made as needed annually in order to keep them reflective of market value. (When appraisal models are reviewed and adjusted to reflect market value and are calibrated for uniformity, a reappraisal has occurred on the property whether there was actually a field inspection or not that year.)

The district completed its reappraisal process and delivered on the scheduled date notices of appraised value to property owners where taxable value was increased \$1,000 over the previous tax year as well as to new property owners in both appraisal cycles.

Each year, the district informally provided explanations to property owners and defended its values, making adjustments when justified, until the chief appraiser delivered the records to the Navarro Appraisal Review Board (ARB). Staff appraisers continued taxpayer explanations and value defense informally until the ARB began formal taxpayer hearings where staff appraisers represented the appraisal district in ARB hearings until the ARB approved the records.

In 2023, the ARB was unable to approve the appraisal records because more than five percent (5%) of the district's appraised value was subject to open protests. As required by PTC Section 26.01(a-1), the Chief Appraiser delivered *Certified Estimates of Value* to each of the taxing jurisdictions for their use in tax rate calculations. The ARB was able to approve the appraisal records on September 1, 2023, and the Chief Appraiser delivered Certified Values to each of the taxing jurisdictions on September 11, 2023. In 2024, the ARB approved the appraisal records on July 18, and the Chief Appraiser delivered Certified Values to the taxing jurisdictions on July 25.

The Summary Appraisal Report was delivered to the Appraisal Review Board and the Board of Directors during their regular meetings in May in both 2023 and 2024, and the report was made available to the public on the district's website both years as well.

Plan Requirements for 2025-2026

The district is required to perform certain tasks in its reappraisal cycle according to:

- The laws of the State of Texas,
- Rules established by the Property Tax Assistance Division of the Texas Comptroller's Office (PTAD),
- Professional Standards of the International Association of Assessing Officers (IAAO), and
- The Appraisal Institute's Uniform Standard Professional Appraisal Practices (USPAP).

1. *The district will discover, list, and appraise all properties within the boundaries of the district.*

The district will identify property by physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, surveys, maps, and property sketches, building permits, utility hookups, septic tank permits, 911 address reports, Comptroller sales tax list, phone books, newspaper advertisements, subdivision maps, automobile registration lists, and mobile home location lists from the Texas Department of Housing. Reports from the Texas Railroad Commission and owner/operators will be used for the valuation of producing oil, gas, and mineral parcels.

2. *The district will perform inspections of each improvement within its boundaries at least once every three years.*

The district's *Reinspection Schedule* is attached as *Addendum 2*. The schedule divides the district into three geographic areas to complete the required three-year inspection requirements. Scheduled

inspections will be performed via on-site inspection and, when properties are behind barrios such as locked gates, via in-house by reviewing its EagleView Pictometry that was flown in the fall of 2023 and 2024. This allows appraisers the opportunity to implement the appraisal model while meeting the IAAO standard for property inspection (review of recently flown oblique photography is an acceptable method of inspection).

While performing the field inspections, the appraisers will review all data recorded on the district's appraisal records and look for changes in the condition of properties, i.e. fire damage, remodeling, additions, demolitions, and presence of or repair of existing physical deterioration of the improvements. Parcel and building characteristics including:

- Physical address (911 address),
- Road type,
- Utilities available,
- Building foundation, wall, and roof types,
- Building age, condition, type, and chronological age,
- Routing codes, and

Any other notations or exceptions applied to a parcel will be reviewed by staff appraisers.

Additionally, appraisers will be required to remeasure two sides of existing improvements on approximately one-third of the district's parcels each year (to meet the standards required by the PTAD and IAAO to re-measure once every four to six years). Notation of re-measurement will be recorded in the CAMA system.

Digital pictures will be taken and appended to the inspection worksheet and attached to the parcel record in the CAMA system.

All scheduled inspections will be completed by the following target dates:

Property Type	2025 Target	2026 Target
Improvements & Land	2/21/25	2/20/26
New Construction & Re-Checks	3/28/25	3/27/26
Business Personal Property	5/23/25	5/22/26
Commercial/Industrial Property	5/12/25	5/22/26

- **District Scheduled Inspections.**

All improvements will be reviewed according to an improvement reappraisal schedule that lists each property within the defined reappraisal areas. Each reviewing appraiser will be equipped with an IPad that will allow him to access his reappraisal assignment and to the district's maps. Changes from the on-site inspections are automatically uploaded to the district's database from the IPads via a cloud connection after review by the Appraisal Director for quality control. Front elevation pictures will be taken to replace the current (appraisal) card image in the CAMA along with an oblique photo that represents the front and one side of the structure. Additional pictures will be taken that support observations of building condition along with photos of other structures on the parcel.

Appraisers will review oblique photography prior to on-site inspection to establish location of improvements and to identify whether there are new improvements or improvements that have been removed.

In certain situations, an appraiser's on-site inspection may be limited to an inspection of property from within a vehicle.

Pictures may be taken from within a vehicle as long as they provide a clear representation of the improvements.

- **New Improvements**

The district will discover, inspect, measure, classify, and add new improvements to the appraisal roll throughout the district annually. Parcel assignments will be loaded on each appraiser's IPad prior to inspection. Photos will be taken in the manner as those required in regularly scheduled inspections.

- **Requested Review From Property Owner**

The district will review parcels as requested by the property owners. Property records will be flagged for field review in the district's computer assisted mass appraisal system (CAMA) when a request is received from the property owner by mail, phone, email, or in person. Parcel assignments will be loaded on each appraiser's IPad prior to inspection. Photos will be taken in the manner as those required in regularly scheduled inspections.

- **Interior Inspections**

The district will inspect the interior of structures at the written request of the property owner. Ample pictures will be taken to support any observations of the structure that may call for additional adjustment to the building value.

3. *The district will inspect each land parcel in the district at least once every three years.*

The district will begin scheduled review of all land parcels according to a land reappraisal schedule, utilizing the most current aerial photography available to identify land types and other characteristics that may have an effect on market value. (i.e. well sites, ravines, wasteland, etc.)

4. *The district will inspect each property that has items of personal property used for the production of income that has situs in the district annually.*

The district will begin a scheduled review of all items of personal property that are used in the production of income (*business personal property*) within the district annually. Each business personal property parcel will be inspected to determine a list of properties that are subject to appraisal.

Businesses will be classified according to a standard industrial classification code (SIC) that will allow for grouping and comparison of like businesses. Additionally, each inventory and furniture/fixture/equipment sequence will be classified according to quality and density ratings as determined by the district's *Business Personal Property Valuation Guidelines*, in order to validate the renditions of property owners.

5. *The district will contract with an outside firm to furnish appraisals on oil, gas, mineral, industrial, and utility properties.*

The district currently has a contract with Pritchard & Abbott for appraisal services on these

properties. The firm will be contractually obligated to comply with the Uniform Standards of Professional Appraisal Practices and to use only approved appraisal techniques or techniques required by state law as employees of the district. A copy of their plan for reappraisal of the district is attached to and made a part to this plan as *Addendum 3*.

6. *The district will aggressively seek and collect valid sales information to calibrate its appraisal models.*

Sales information will be collected from letters sent to property buyers and sellers, closing statements and title policies provided by property owners, and from realtors, fee appraisers, and MLS service listings when available. Real estate sales offerings listed in local newspapers and on internet sites will be reviewed.

7. *The district will establish market areas in its mass appraisal system that consider the effects of location for adjusting its appraisal model.*

All real estate parcels will be grouped according to market areas (or neighborhoods) according to locational influences and trends recognized from analysis of sales and real estate listings in order. In establishing these market areas or neighborhoods, the district will be able to further adjust and refine the appraisal model for properties based upon each property's physical location. A current listing of established neighborhoods with a general location map area attached as *Addendum 4*.

8. *The district will annually conduct a performance analysis of its appraisal models.*

The district will test its appraisal models so that all properties are appraised at a level between 95 percent and 105 percent of their current market value as of January 1 of the tax year. All properties will be appraised uniformly so that the coefficient of dispersion will be 20 or less each year. Calibrated appraisal models will be used in the form of a locally published web-based manual. The web-based manual will identify property characteristics affecting value in each market area as well as the contribution of those individual property characteristics. The district will apply the conclusion reflected in the adopted model to the characteristics of the properties being appraised to determine individual parcel values.

9. *The district will uniformly modify appraisal models to account for unique property characteristics of each property.*

Appraisal models for each property will be appraised utilizing the following formulas:

- For Land:

$$\text{Market Value} = (LV * RF * OLA) + (AIV * NH)$$

Where:

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.

N

- For Improvements:

$$\text{Market Value} = (((S * (C + D)) + E) * A * CR * O * E * N)$$

Where:

S	Total square footage of the unit
C	Cost (classification based upon the appropriate appraisal model)
D	Value added (or subtracted) per square foot because of deviation from the appraisal model
E	Lump sum value added (or subtracted) for any deviation from the appraisal model
A	Percent good factors, based upon the effective age condition of the structure
CR	Observed condition rating of the structure
O	Factor for any other adjustment made at the discretion of the reviewing appraiser, and
N	Adjustment factor for market area (neighborhood).

Other structures attached to the property will be classified according to the district's applicable appraisal model schedule (i.e. porches, decks, carports, sheds, etc.)

- For Business Personal Property parcels where original acquisition cost and year are known:

$$\text{Market Value} = C * I * A * T$$

Where:

C	Original cost of equipment item
I	Factor that indexes historical cost (original cost) to current replacement cost
A	Percent good factors, based upon the effective age and observed condition of equipment
T	Factor for any other adjustment made at the discretion of the reviewing appraiser

- For Business Personal Property parcels where original acquisition cost and year are not known adjusted appraisal models for the Texas Property Tax Assistance Division will be utilized, using the following formula:

$$\text{Market Value} = U * C * T * S * D$$

Where:

U	Total square footage of the unit
C	Cost (classification based upon the appropriate appraisal model)
T	Trend factor, which allows for indexing of appraisal models for

location and economic conditions.

S Service factor based upon the life expectancy of equipment, furniture, and fixtures. (Not applicable to inventory items.)

D Percent good factors based upon the effective age and observed condition of equipment, furniture, and fixtures. (Not applicable to inventory items.)

10. *The district will consider the income approach to value on commercial properties.*

Typical income and operating expense data will be collected by the district in order to perform an income approach to value on properties where ownership of the property itself is for the production of income to its owner, i.e. apartments, hotels/motels, self-storage units, and RV parks. The approach may be considered also in the development of market values on other properties where the income stream is guaranteed to the property owner for an extended period of time through long-term leases.

The following basic formula will be utilized in the development of values by the income approach:

$$\text{Market Value} = (G - E) / R$$

Where:

G Gross income for the total property

E Allowable operating expenses that are associated with the property, not the owner.

R Capitalization rate including factors for return on and to investments along with risk and ad valorum taxes.

11. *The district will make application forms for exemptions and special valuations available to property owners.*

Forms will be made available at the district's office and on its website. When requested, forms will be delivered to property owners via the U. S. Postal Service, fax, or e-mail. Taxpayers will have the capability of retrieving and printing forms via the district's website or the Comptroller's website. Original forms will be received by mail or in person. Faxed copies of forms will be accepted in place of the original for the purpose of meeting filing deadlines under the provision that the original is received by the district within one week of the filing deadline. The staff will promptly and courteously provide general information and assistance regarding the information required on the forms and the filing deadlines for those applications.

12. *Property owners will be informed by letter when their applications are incomplete, require additional information or are denied.*

When exemptions and special valuations are removed, property owners will also receive notification by mail in accordance with the provisions of the Property Tax Code.

13. *The district will periodically review properties receiving exemptions for their continued qualifications.*

The district will review each homestead property at least once every five years to validate the property owner's continued qualifications for the exemption. Personal information records available to the

district through a subscription service will be utilized to verify that:

- The property owner is not deceased;
- The property owner does not have a primary residence in a location other than the one claimed on the exemption application;
- Verify that individuals are not claiming an exemption or receiving mail at an address other than the one claimed by the applicant in Navarro County;
- Verify that applications include all necessary information and documentation to support the exemptions claimed for over-65, disability, disabled veterans, and other various residential homestead exemptions authorized allowed in PTC Section 11.

A list of properties scheduled for homestead review is attached as Addendum 5.

14. *The district will communicate with owners of business personal property regarding the filing of required rendition statements.*

The district will provide business personal property owners with inventory detail listings from the district's CAMA system each year prior to January 1. Property owners will be informed of penalties for failing to file a valid rendition or for filing a fraudulent rendition. The district's personal property appraiser will make a physical field inspection of each business personal property parcel in the district annually.

15. *The district will attach digital copies of documents to parcels in the CAMA system.*

The district will attach digital copies of documents according to its adopted record retention plan. The most common documents include:

- Exemption and special valuation applications,
- Written communication between the district and property owners regarding exemption applications,
- Protest documents,
- Sales confirmation letters and forms,
- Property renditions,
- Appointment of Agent forms,
- Land, Improvement, and BPP inspection worksheets,
- Photographs of property, and
- Any other documents deemed necessary of preservation with a parcel record.

16. *The district will communicate with neighboring appraisal districts regarding parcels that are bisected by the county line.*

The district will communicate with neighboring appraisal districts where parcels are bisected by the county line in order to determine the market value of the parcel as a whole.

17. *The district will maintain current ownership information on its appraisal records.*

The district will maintain the "most apparent ownership" on all of its appraisal records according to publicly recorded documents. Documents filed in the Navarro County Clerk's Office will be reviewed monthly and appraisal records updated accordingly when documents of conveyance are filed for record. Additionally, ownership of mobile homes will be determined according to the last recorded owner listed on mobile home titles issued by the Texas Department of Housing or from records filed in the Navarro County Clerk's Office (i.e. when mobile homes have been converted to real property). Commercial vehicles will be listed on the appraisal rolls according to the January 1 owners reflected by the records of the Texas Department of Transportation.

18. *The district will maintain and enhance its digital mapping system.*

The district will maintain its digital GIS mapping database of all real properties in an effort to accurately depict the property boundaries and location of all real parcels.

The district will perform audits of parcels in the CAMA system to validate the inclusion of all parcels in the district's GIS data.

Information layers from various sources including the North Texas Council of Governments (NTCOG), the United States Department of Agriculture (USDA), Natural Resource Conservation Service (NRCS), and Texas Railroad Commission (TRC) will be added to assist staff appraisers in the identification and analysis of property characteristics.

When necessary, the district will perform limited research to maintain its maps and ownership information as stated in Requirement 17 of this plan.

19. *The district will deliver notices of appraised notices as provided in the Property Tax Code.*

The district will prepare and deliver by U. S. Postal Service all notices of appraised value as required by Section 25.19 of the Property Tax Code. The district's target date for delivery of notices is April 15 or as soon thereafter as practicable for real estate and personal property parcels. Because industrial personal property owners often receive extensions in filing renditions until May 15, notices of appraised value on business personal property as well as on all oil, gas, mineral, industrial, pipeline, and utility parcels will be prepared and mailed by May 25 or as soon thereafter as practicable.

20. *The Chief Appraiser will submit the appraisal records to the ARB for their review.*

Each year, within 30 days of the mailing of the appraisal notices as required by PTC Section 25.19, the Chief Appraiser will submit the records to the Appraisal Review Board. At this submission, the Chief Appraiser will present his Summary Appraisal Report for the year that includes a summary of the district's activities during the reappraisal cycle and total appraised values for each of the taxing jurisdictions. This report will meet the requirements of *Standard 6 of the Uniform Standard Professional Appraisal Practices*.

20. *The district will defend its values.*

The district will meet informally with taxpayers to explain and defend the district's value. When individuals file formal protests with the Navarro Appraisal Review Board, the district will defend its value in the board's hearing on the case. The district will prepare evidence to support its position regarding market valuation, denial or modification of exemption or special valuation applications, and other matters protested by the taxpayer in which the district has decision making authority. The district statutorily has the Burden of Proof in protest cases regarding market value and equity.

21. *The district will certify values to taxing authorities.*

The district will prepare appraisal rolls for each taxing entity participating in the district each year by July 25 or as soon thereafter as practical. The district's chief appraiser will certify the values on those rolls to each taxing authority when the appraisal rolls are delivered.

22. *The district will issue a Summary Appraisal Report.*

The district will issue an Annual Appraisal Report, prepared to the specifications of the International Association of Assessing Officers each year in July at the end of the valuation process. The report will

include, in layman's terms, a summary of the appraisal activities of the district, the results of the ARB hearings, and tax rates set by the taxing jurisdictions.

23. *The district will maintain and enhance its Policies & Procedures.*

The district will strive to record all policies and procedures regarding district operations in a manner that meets the standards of the International Association of Assessing Officers and the State of Texas. These policies and procedures will be published on a local intranet for use by CAD personnel and will be made available for public inspection on public access computer stations in the district's public area.

24. *The district will perform all requirements of this reappraisal plan and the reappraisal cycle in a timely manner.*

A *Schedule of Appraisal Activities* is attached as *Addendum 6* that serves as a reference for CAD staff for the establishment of target dates for start-up and completion of tasks associated with the reappraisal cycle.

25. *The district will perform routine audits of its systems to ensure that they are performing as expected.*

Periodic and random review of district records stored electronically will be performed to be sure that all documents are correctly created and electronically filed to meet the records retention requirements adopted by the district's board of directors and the Texas Library and Archives Commission.

Additionally, quarterly on-site inspections will be made by a licensed appraiser to validate that staff appraisers are properly applying the district's appraisal model to each property appraised.

Personnel Assignments

Bud Black, RPA/RTA/CTA, is the district's chief appraiser. Mr. Black is certified by the Texas Department of Licensing and Regulations (TDLR) as a Registered Professional Appraiser and a Registered Texas Assessor. Additionally, he is designated as a Certified Tax Administrator by the Instituted of Certified Tax Administrators, an entity of the Texas Association of Assessing Officers. Mr. Black employs and directs the district's staff, oversees all aspects of the appraisal district's operations and performs, either directly or through the district's staff, a variety of operations.

The Chief Appraiser's statutory responsibilities include:

- discovering, listing and appraising;
- determining exemption and special use requests;
- organizing periodic reappraisals; and,
- notifying taxpayers, taxing units and the public about matters that affect property values.

As chief administrator of the district, Mr. Black will supervise all of the district's activities including the supervision of all personnel and their activities.

NCAD staff appraisers are responsible for the valuation of all real and personal property accounts. The property types appraised include commercial, residential, agricultural, and business personal property. The district has contracted the services of Pritchard & Abbott for the appraisal of mineral, industrial, and utility accounts. All appraisers, including those whose services are contracted to the district, are required to be designated (or working toward designation) as Registered Professional Appraisers with the Texas Department of Licensing (TDLR).

Joey McClure, RPA, as Director of Appraisal, will oversee the operations of the district's appraisers. His

responsibilities will include making appraisal assignments for each of the appraisers and validating that those assignments have been timely completed. He will also assist the appraisers with the application of the district's appraisal model, the completion of their projects, and guide them in the preparation of ARB hearing evidence.

Mr. McClure will also conduct property inspections of real properties and defend the district's value informally with taxpayers and present defense testimony for the district before the Appraisal Review Board as needed.

Mr. McClure will also assist the Chief Appraiser in conducting statistical analysis of sales and appraisal information in the district's possession to validate the district's appraisal models and assist with the calibration of the CAMA system. Additionally, he will assist the chief appraiser in the calibration of the district's appraisal models for land and improvements.

Stephanie Cates, RPA will assist Mr. McClure with the maintenance of the district's sales database and coding of property records for new improvements as discovered from mobile home installation reports, building permits, electric service "hook-ups", and other sources that may become available.

Hector Castaneda, RPA, James Reed, Jason Hasagulig, Terri Lenamon, RPA, Stephanie Cates, RPA, and Preston Motley will perform property inspections of real properties as assigned and defend the district's value informally with taxpayers and present defense testimony for the district before the Appraisal Review Board.

Mr. James Reed will review all Open Space Land Valuation applications received by the district. He will review aerial photography and make onsite inspections to determine qualifications for the special valuation. When additional information is needed to process the application, he will communicate with property owners in order to make a final determination on applications. **Ms. Jennifer Barak** will assist Mr. Reed in the processing of these applications and the preparation of the required notices and letters.

Shaun Williams will be responsible for the appraisal of all commercial properties. His responsibilities will include the collection of market data for income and expenses for income producing properties. His appraisals will consider both the income and cost approaches to value. Values determined by the cost approach will be determined using *Marshall Swift Valuation Service's* appraisal model as adapted by the district in its CAMA system.

Mr. Williams will also assist Mr. Black and Mr. McClure with technical assistance in managing the assignments of appraisers.

He will also perform property inspections as assigned and defend the district's value informally with taxpayers and present defense testimony for the district before the Appraisal Review Board.

Stephanie Cates, RPA, serves as the district's personal property appraiser and will be responsible for appraising business personal property.

She will receive and review all rendition statements from business owners. He will perform field inspections on personal property parcels in order to validate the rendition statements.

She will be responsible for defending the district's values informally with taxpayers and formally by presenting defense testimony before the ARB. She will perform other appraisal tasks as assigned by the chief appraiser and the appraisal director.

Ms. Lori Cantu will serve as an appraiser's assistant. She will assist the appraisers by performing inspections and documenting inspections with photographs as assigned. She will also assist Ms. Cates in the processing of business personal property renditions and other appraisal assignments related to the appraisal of business personal property. In January 2025, an additional appraiser's assistant will be added to the staff to aid the appraisers in the same manner as Ms. Cantu.

Kelly Lawhon, RPA, as the district's Director of Business Services, will oversee the district's clerical staff and will assist the chief appraiser in the daily business operations of the district.

She will also serve as the district's bookkeeper. She will review and receive all bills for the district. She will also receive all money collected by the district and make deposits to the district's depository.

Ms. Lawhon will also serve as the district's records management coordinator, under the direct supervision of the Chief Appraiser. In this capacity, Ms. Lawhon will be responsible for the digital recording of all appraisal records, according to the district's record retention schedules.

Ms. Lawhon will also be responsible for the preparation and posting of all meetings of the Board of Directors, The Appraisal Review Board, and the Ag Advisory Board as well as preparing minutes for each of these board meetings.

She will also be responsible for all ARB taxpayer correspondence regarding notice of protest hearings and notices of issuance of ARB final orders. Ms. Lawhon will be assisted in these responsibilities by **Jennifer Barak**, **Shannon Pritchett**, and **Lori Cantu**.

Jason Matous serves as the district's mapper. He will be responsible for the maintenance of the district's maps as well as ownership changes to the appraisal roll. He will also perform research regarding ownership issues. Mr. Matous works under the direct supervision of Ms. Lawhon.

Shannon Pritchett, under the direction of Ms. Lawhon, will be responsible for data operations in the district. She will be directly responsible for preparing all public information requests for district records. Ms. Pritchett will also be responsible for preparing required PTAD data submissions, including the EARS and EPTS reports. She will also be responsible for making changes to the appraisal roll as directed and submitting those changes to the various tax assessors for adjustments to their tax rolls (supplements). Ms. Pritchett will also prepare the quarterly change reports to be submitted by the chief appraiser to the ARB and board of directors for approval.

Jennifer Barak, under the direction of Ms. Lawhon, will be responsible for processing and reviewing all exemption and special valuation applications received by the district. She will correspond directly with property owners when additional information is needed to process applications and will prepare the appropriate letters when applications are denied or modified.

Ms. Barak will also be responsible for reviewing qualifications for exemptions on homesteaded properties and those receiving miscellaneous exemptions according to the review schedule. When properties are discovered that are erroneously receiving exemptions, she will prepare and deliver the appropriate notices to the property owners. **Ms. Rachel Chavez** will assist Ms. Barak with these responsibilities.

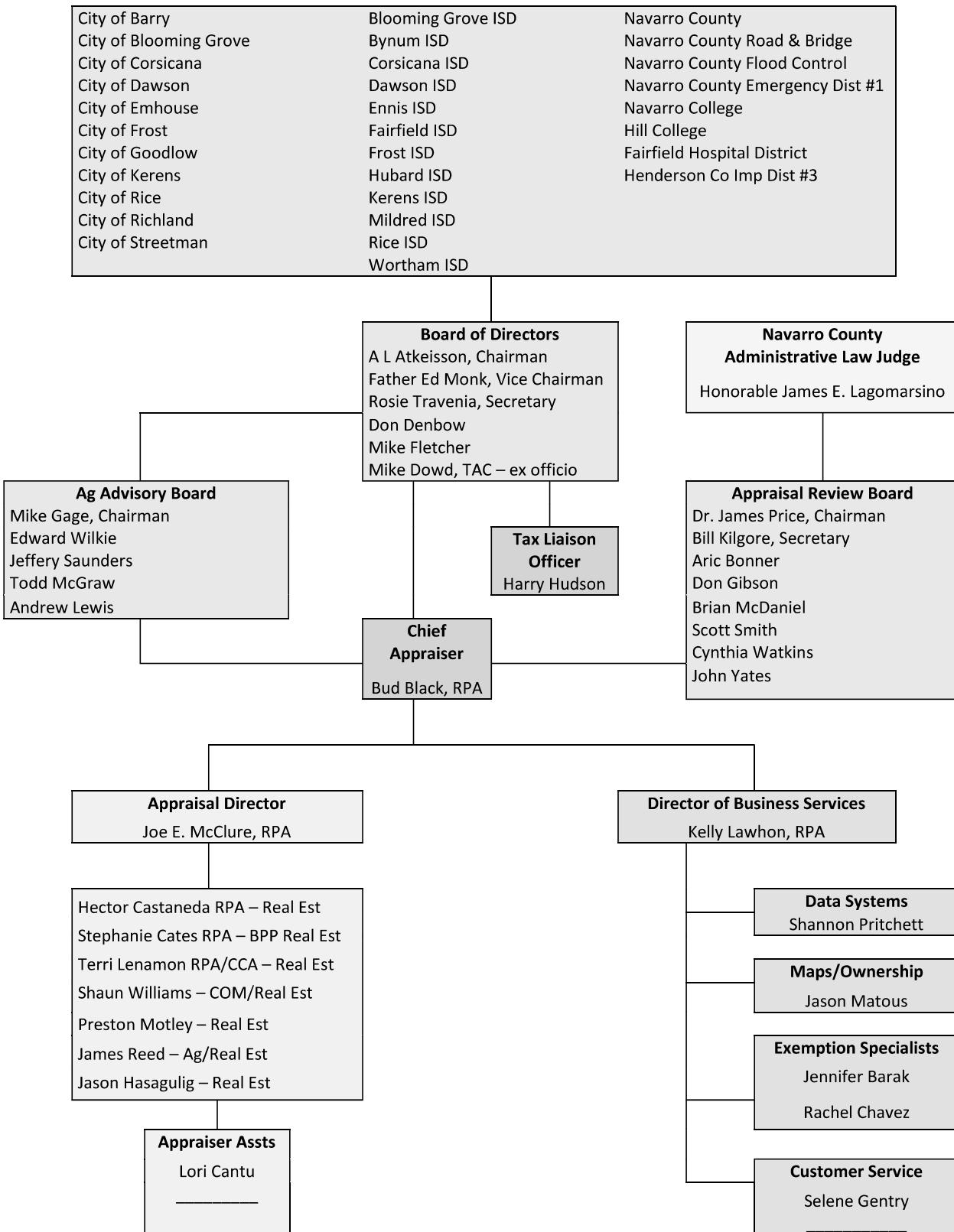
Selene Gentry will be responsible for the taxpayer assistance area of the office. She will be responsible for answering the phone, providing general information to the general public and directing calls to appropriate staff members as necessary. She will also be responsible for greeting the visiting public to the office, assisting them

with CAD information, assisting them in the completion of exemption and special valuation applications, and other miscellaneous duties regarding customer service. An additional staff member will be added in January 2025 to assist Ms. Gentry in the customer service area. Ms. Chavez will assist the taxpayer assistance clerks as needed.

Addendum Index

- Addendum 1 Navarro CAD Administrative Flow Chart
- Addendum 2 2025-2026 Inspection Schedule
- Addendum 3 2025-2026 Reappraisal Plan For Properties Appraised by Pritchard & Abbott
- Addendum 4 Defined Market Areas
- Addendum 5 Homestead Qualification Review Schedule
- Addendum 6 Activity Schedule

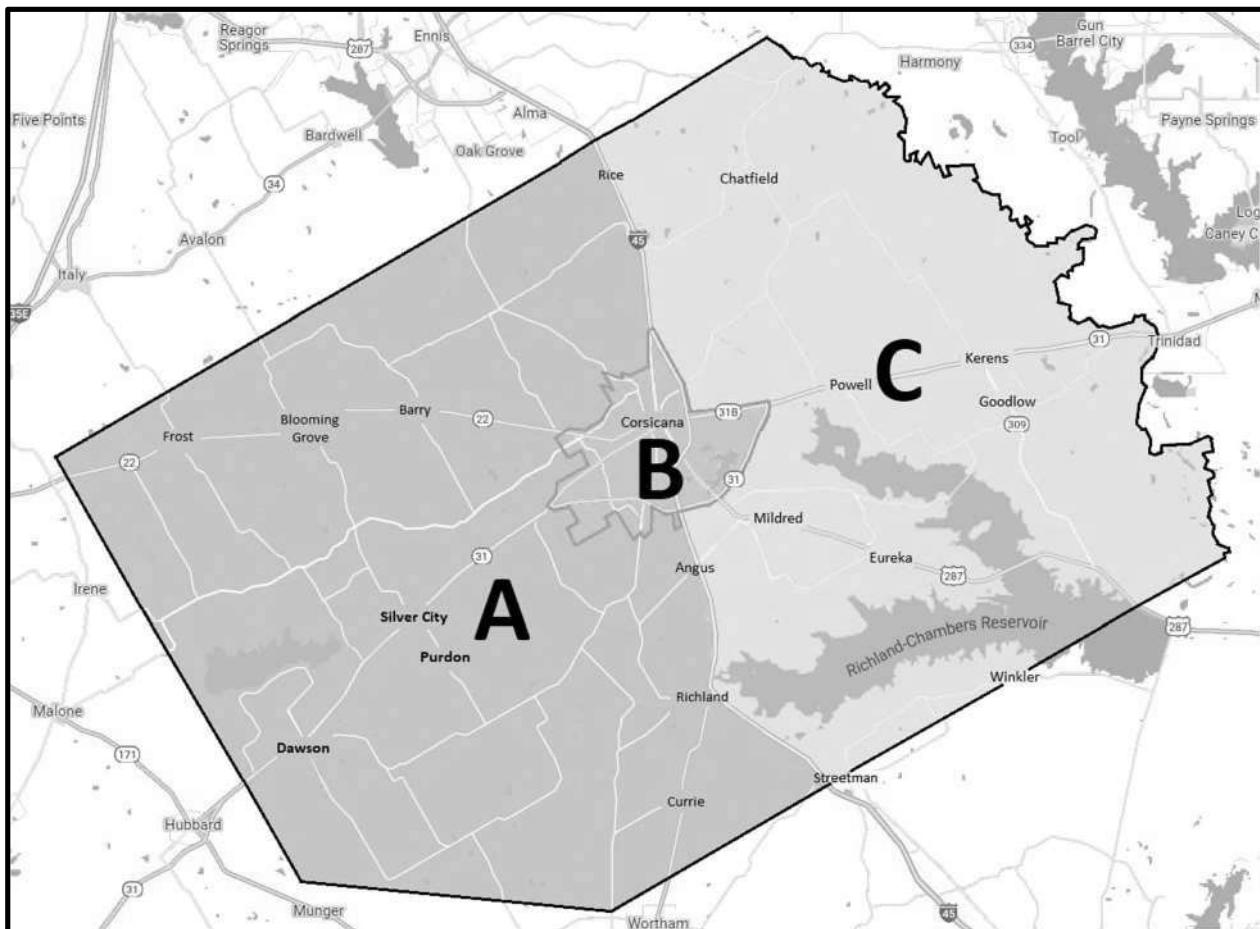
Navarro CAD Administrative Flow Chart



Reappraisal Inspection Schedule

This district has been divided into three sections that allows approximately one-third of the district's total improved and unimproved real estate parcels to be reviewed annually. While the parcel count (for improved parcels) in each section is relatively equal, the acreage included in each section varies.

Generally, appraisers are scheduled to review property characteristics and perform on-site inspections according to the following schedule and as illustrated below:



Area B City of Corsicana

Portion of the district including the City of Corsicana and subdivisions immediately touching it, along with all property inside of Highway 31 Bypass east of Interstate 45.

The reappraisal area is illustrated in pink on the NCAD Reappraisal Map, and includes All of the following areas:

- City of Corsicana

The area also includes portions of the following jurisdictions:

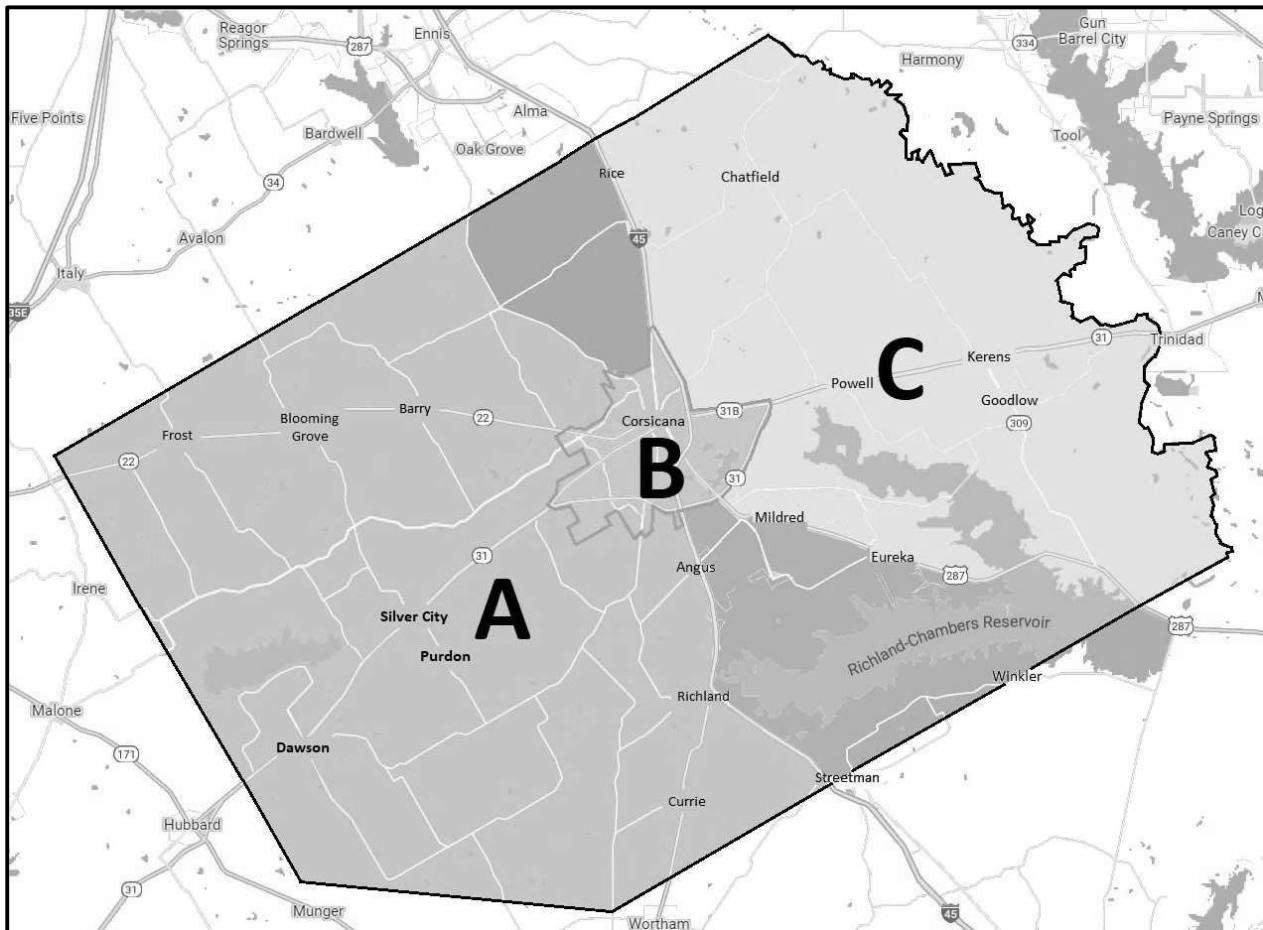
- Navarro County,
- Navarro County Flood Control,
- Navarro County Road & Bridge,
- Navarro College, and
- Corsicana ISD.

Area C Eastern Section	<p>Portion of the district east of Interstate 45, excluding those properties in and around the City of Corsicana (that are included in Area B).</p> <p>The reappraisal area is illustrated in blue on the NCAD Reappraisal Map and includes all of areas of the following jurisdictions within Navarro County:</p> <ul style="list-style-type: none"> • City of Goodlow, • City of Kerens, • City of Streetman, • Ennis ISD, • Fairfield ISD, • Kerens ISD, • Mildred ISD, • Fairfield Hospital District, • Henderson County Levee District #3, and • Navarro County Emergency Service District #1. <p>The area also includes portions of the following jurisdictions:</p> <ul style="list-style-type: none"> • Navarro County, • Navarro County Flood Control, • Navarro County Road & Bridge, • Navarro College, • City of Rice, • Corsicana ISD, and <p>Rice ISD.</p>
Area A Western Section	<p>Portion of the district west of Interstate 45, excluding those properties in and around the City of Corsicana (that are included in Area B).</p> <p>The reappraisal area is illustrated in purple on the NCAD Reappraisal Map and includes all of areas of the following jurisdictions within Navarro County:</p> <ul style="list-style-type: none"> • City of Barry, • City of Blooming Grove, • City of Dawson, • City of Emhouse, • City of Frost, • City of Richland, • Blooming Grove ISD • Bynum ISD, • Dawson ISD • Frost ISD • Hubbard ISD, • Wortham ISD, and • Hill College. <p>The area also includes portions of the following jurisdictions:</p> <ul style="list-style-type: none"> • Navarro County, • Navarro County Flood Control, • Navarro County Road & Bridge, • Navarro College, • City of Rice, • Corsicana ISD, • Rice ISD.

Because of the heavy protest season in 2022, the district's appraisers were unable to start their scheduled inspection of Area C in its entirety. For this reason, the inspection schedule for 2025 will include that portion of Area C that was not completed during 2024 and that portion of Area A that includes the remainder of Rice ISD.

The reappraisal inspection schedule for 2026 will include the remainder of Area A.

The reinspection schedule for both years is illustrated below:



- Portion of Area C that was not completed during the 2024 reappraisal cycle. This area will be the first inspections made (in 2024) for the 2025 appraisal Cycle
- Portion of Area A that is in Rice ISD. This area would typically be on the inspection schedule for 2026 but will be inspected for 2025. It will return to its original reinspection schedule in 2028.
- Remaining portion of Area A that was not reinspected during the 2026 reappraisal cycle.
- Area B to be physically inspected for the 2027 reappraisal cycle.
- Portion of Area C that was inspected during the 2024 reappraisal cycle. It will return to its original inspection schedule with the remainder of Area C in 2028.

2025 Inspection Schedule

Assignment Group#	Total Parcels	Total Urgent Priorities	Total High Priorities	Est. Days to complete	Estimated Start Date	Target Completion Date
A0001	128	91	37	8	8/12/2024	8/20/2024
A0002	178	113	65	10	8/12/2024	8/21/2024
A0003	323	217	106	15	8/12/2024	8/26/2024
A0004	245	111	134	12	8/12/2024	8/26/2024
A0005	502	172	330	21	8/12/2024	9/3/2024
A0006	160	102	58	9	8/12/2024	8/21/2024
A0007	133	98	35	8	8/26/2024	9/3/2024
A0008	95	95	0	7	8/26/2024	9/3/2024
ACOMM	745	413	332	29	8/29/2024	9/27/2024
B0001	91	54	37	7	9/2/2024	9/9/2024
C0001	339	224	115	15	9/9/2024	9/24/2024
C0002	134	78	56	8	8/26/2024	9/3/2024
C0003	82	43	39	7	9/9/2024	9/16/2024
C0004	120	42	78	8	9/9/2024	9/17/2024
C0005	286	203	83	14	10/4/2024	10/18/2024
C0006	378	244	134	17	9/16/2024	10/2/2024
C0007	205	126	79	11	9/30/2024	10/11/2024
C0008	281	172	109	13	9/9/2024	9/23/2024
C0009	269	184	85	13	9/23/2024	10/7/2024
C0010	165	89	76	10	9/23/2024	10/2/2024
C0011	288	174	114	14	10/24/2024	11/12/2024
C0012	487	297	190	20	10/7/2024	10/28/2024
C0013	283	153	130	13	10/16/2024	10/29/2024
C0014	213	98	115	11	9/30/2024	10/11/2024
C0015	293	192	101	14	10/14/2024	10/28/2024
C0016	70	27	43	6	10/7/2024	10/14/2024
C0017	96	39	57	7	11/18/2024	11/25/2024
C0018	254	169	85	12	11/4/2024	11/18/2024
C0019	195	109	86	11	11/4/2024	11/15/2024
C0020	339	250	89	15	10/16/2024	10/31/2024
C0021	254	96	158	12	11/4/2024	11/18/2024
C0022	174	90	84	10	10/21/2024	10/30/2024
C0023	195	74	121	11	12/2/2024	12/12/2024
C0024	85	35	50	7	11/25/2024	12/2/2024
C0025	144	72	72	9	11/20/2024	12/2/2024
C0026	173	99	74	10	11/5/2024	11/15/2024
C0027	184	80	104	10	11/25/2024	12/2/2024
C0028	463	195	268	19	11/4/2024	11/25/2024
C0029	108	59	49	8	12/17/2024	12/27/2024
C0030	79	39	40	7	12/9/2024	12/16/2024
C0031	119	56	63	8	12/9/2024	12/16/2024
C0032	176	67	109	10	11/20/2024	12/2/2024
C0033	148	76	72	9	12/9/2024	12/17/2024
C0034	89	49	40	7	12/2/2024	12/8/2024
C0035	296	119	177	14	1/1/2025	1/14/2025
C0036	14	13	1	4	12/23/2024	1/3/2025
C0037	390	25	365	17	12/23/2024	1/9/2025

Assignment Group#	Total Parcels	Total Urgent Priorities	Total High Priorities	Est. Days to complete	Estimated Start Date	Target Completion Date
C0038	95	56	39	7	12/9/2024	12/16/2024
C0040	88	60	28	7	1/2/2025	1/8/2025
C0041	299	74	225	14	12/13/2024	1/3/2025
C0042	204	143	61	11	1/21/2025	2/3/2025
C0043	224	159	65	11	1/8/2025	1/21/2025
C0044	191	136	55	10	1/14/2025	1/27/2025
C0045	190	103	87	10	12/23/2024	1/3/2025
C0046	166	70	96	10	1/13/2025	1/23/2025
C0047	122	78	44	8	1/8/2025	1/16/2025
C0048	36	36	0	5	2/10/2025	2/15/2025

2026 Inspection Schedule

Assignment Group #	Total Parcels	Total Urgent Priorities	Total High Priorities	Est Days to Complete	Estimated Start Date	Target Completion Date
A0009	179	107	72	7	8/11/2025	8/18/2025
A0010	271	76	195	11	8/11/2025	8/22/2025
A0011	346	246	100	14	8/11/2025	8/25/2025
A0012	184	114	70	7	8/11/2025	8/18/2025
A0013	135	49	86	5	8/11/2025	8/18/2025
A0014	168	61	107	7	8/11/2025	8/18/2025
A0015	202	111	91	8	8/11/2025	8/19/2025
A0016	148	81	67	6	8/11/2025	8/18/2025
A0017	218	148	70	9	8/25/2025	9/3/2025
A0018	166	79	87	7	8/27/2025	9/3/2025
A0019	130	71	59	5	9/1/2025	9/8/2025
A0020	62	20	42	2	8/25/2025	8/27/2025
A0021	102	28	74	4	8/25/2025	8/29/2025
A0022	171	110	61	7	8/25/2025	9/1/2025
A0023	234	165	69	9	8/25/2025	9/3/2025
A0024	86	52	34	3	8/25/2025	8/28/2025
A0025	222	151	71	9	9/8/2025	9/17/2025
A0026	155	138	17	6	9/8/2025	9/15/2025
A0027	102	73	29	4	9/15/2025	9/19/2025
A0028	213	150	63	9	9/8/2025	9/17/2025
A0029	205	111	94	8	9/3/2025	9/11/2025
A0030	266	179	87	11	9/8/2025	9/19/2025
A0031	255	163	92	10	9/8/2025	9/18/2025
A0032	152	105	47	6	9/2/2025	9/8/2025
A0033	279	152	127	11	9/22/2025	10/3/2025
A0034	131	79	52	5	9/22/2025	9/29/2025
A0035	229	190	39	9	9/24/2025	10/3/2025
A0036	138	84	54	6	9/26/2025	10/27/2025
A0037	178	129	49	7	9/16/2025	9/23/2025
A0038	279	180	99	11	9/24/2025	10/6/2025
A0039	135	78	57	5	9/23/2025	9/29/2025
A0040	178	88	90	7	9/15/2025	9/22/2025
A0041	176	101	75	7	10/8/2025	10/15/2025
A0042	143	77	66	6	10/6/2025	10/13/2025
A0043	216	142	74	9	10/8/2025	10/17/2025

Assignment Group #	Total Parcels	Total Urgent Priorities	Total High Priorities	Est Days to Complete	Estimated Start Date	Target Completion Date
A0044	217	115	102	9	10/13/2025	10/22/2025
A0045	124	44	80	5	9/29/2025	10/6/2025
A0046	197	89	108	8	10/13/2025	10/21/2025
A0047	98	58	40	4	10/6/2025	10/10/2025
A0048	301	180	121	12	9/29/2025	10/13/2025
A0049	95	62	33	4	10/20/2025	10/24/2025
A0050	478	213	265	19	10/20/2025	11/10/2025
A0051	134	91	43	5	10/22/2025	10/27/2025
A0052	253	188	65	10	10/28/2025	11/7/2025
A0053	199	105	94	8	10/13/2025	10/21/2025
A0054	139	93	46	6	10/27/2025	11/3/2025
A0055	711	73	638	28	10/15/2025	11/12/2025
A0056	174	129	45	7	10/20/2025	10/27/2025
A0057	210	178	32	8	10/29/2025	11/6/2025
A0058	139	81	58	6	11/17/2025	11/24/2025
A0059	189	119	70	8	11/3/2025	11/11/2025
A0060	85	43	42	3	11/12/2025	11/24/2025
A0061	190	67	123	8	10/27/2025	11/4/2025
A0062	134	33	101	5	11/10/2025	11/17/2025
A0063	159	16	143	6	11/17/2025	11/24/2025
A0064	111	49	62	4	11/3/2025	11/3/2025
A0065	190	64	126	8	11/12/2025	11/20/2025
A0066	226	71	155	9	12/1/2025	12/10/2025
A0067	127	76	51	5	11/17/2025	11/24/2025
A0068	201	139	62	8	12/1/2025	12/9/2025
A0069	286	182	104	11	11/10/2025	11/21/2025
A0070	240	149	91	10	11/24/2025	12/1/2025
A0071	260	198	62	10	12/1/2025	12/11/2025
A0072	352	274	78	14	11/10/2025	11/24/2025
A0073	267	172	95	11	11/25/2025	12/8/2025
A0074	296	207	89	12	12/15/2025	12/29/2025
A0075	207	165	42	8	12/1/2025	12/9/2025
A0076	80	44	36	3	12/15/2025	12/18/2025
A0077	296	195	101	12	12/1/2025	12/15/2025
A0078	63	34	29	3	12/8/2025	12/11/2025
A0079	203	57	146	8	12/16/2025	12/29/2025
A0080	181	94	87	7	12/4/2025	12/11/2025

Assignment Group #	Total Parcels	Total Urgent Priorities	Total High Priorities	Est Days to Complete	Estimated Start Date	Target Completion Date
A0081	213	138	75	9	12/15/2025	12/29/2025
A0082	234	122	112	9	1/5/2026	1/14/2026
A0083	248	72	176	10	12/15/2025	12/25/2025
A0084	522	289	233	21	12/23/2025	1/13/2026
B0002	165	95	70	7	12/29/2025	1/5/2026



S.B. 1652* BIENNIAL REAPPRAISAL PLAN

**FOR THE ANNUAL APPRAISAL FOR
AD VALOREM TAX PURPOSES OF
MINERAL, INDUSTRIAL, UTILITY AND
RELATED PERSONAL PROPERTY**

For Tax Years:

2025 and 2026**

Originally Printed: July 2024

***This biennial reappraisal plan is largely predicated on the Scope of Work Rule in the most recent version of Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by The Appraisal Foundation's Appraisal Standards Board (ASB). The 2024 edition of USPAP has an effective start date but no end date. Because the standards have matured, the ASB now states that the need for the standards to be updated on a regular basis has decreased. Therefore, the 2024 USPAP will be effective for an indeterminate number of tax years, or until the next USPAP version is produced.*

**Senate Bill 1652 passed by the Texas Legislature, 79th Regular Session in 2005, amending Section 6.05 of the Texas Property Tax Code, adding Subsection (i) as follows:*

"To ensure adherence with generally accepted appraisal practices, the board of directors of an appraisal district shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of Section 25.18 and shall hold a public hearing to consider the proposed plan. Not later than the 10th day before the date of the hearing, the secretary of the board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place for the hearing. Not later than September 15 of each even-numbered year, the board shall complete its hearings, make any amendments, and by resolution finally approve the plan. Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the district and to the comptroller within 60 days of the approval date."

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POLICY STATEMENT OF PRITCHARD & ABBOTT, INC., ON THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE

Pritchard & Abbott, Inc., (P&A), a privately held company engaged primarily, but not wholly, in the ad valorem tax valuation industry endorses Uniform Standards of Professional Appraisal Practice (USPAP) as the basis for the production of sound appraisals. Insofar as the statutory requirement to appraise groups (or a “universe”) of real and personal property within an established period of time using standardized procedures—and subjecting the resulting appraisals to statistical measures—is the definition of mass appraisal, P&A subscribes to USPAP Standards 5 and 6 (Mass Appraisal, Development and Reporting) whenever applicable in the development and defense of values. When circumstances clearly dictate the use of single property appraisal procedures, P&A adheres to the spirit and intent of the remaining USPAP Standards within all appropriate, practical, and/or contractual limitations or specifications.

A biennial reappraisal plan is, at its core, a discussion of the CAD’s intended implementation of the Scope of Work Rule in USPAP. This plan provides general information about this rather comprehensive USPAP rule, as well as the specific steps P&A takes in the actual appraisal of various property types per our contractual obligations. This Biennial Reappraisal Plan should not be confused or conflated with an “appraisal manual” or other “how-to” guide which may or may not exist within P&A for any particular property type we appraise.

This reappraisal plan discusses a few other USPAP rules that interact with the Scope of Work Rule, such as the Ethics Rule, the Record Keeping Rule, and Jurisdictional Exception Rule. For further information regarding other sections of USPAP, including the Competency Rule, definitions, and appraisal reports, please reference P&A’s “USPAP report” which accompanies our appraisals and supporting documentation provided to clients per Property Tax Code, Sec. 25.01(c) at the completion of each tax year. *An appraisal season thus begins with an appraisal plan (approved by the CAD’s Board of Directors) and ends with appraisal reports.* Providing these reports is definitely part of the plan. Likewise, much of the verbiage in the “USPAP report” is a reiteration of the Biennial Reappraisal Plan.

USPAP defines “appraisal” as the act or process of developing an opinion of value or pertaining to appraising and related functions such as appraisal practice or appraisal services. Valuation services is defined as services pertaining to an aspect of property value, regardless of the type of service and whether it is performed by appraisers or by others. The USPAP definition of “appraiser” is one who is expected to perform valuation services competently and in a manner that is *independent, impartial, and objective*. USPAP Advisory Opinion 21: *USPAP Compliance* states that this expectation (by clients and intended users of appraisal reports) is the basis that creates an ethical obligation to comply with USPAP, even if not legally required. Advisory opinions do not establish new standards or interpret existing standards, but instead are issued to illustrate the applicability of appraisal standards in specific situations.

The majority of property types that P&A typically appraises for ad valorem tax purposes are categorized as unique, complex, and/or “special purpose” properties (mineral interests, industrial, utility, and related personal property). These categories of properties do not normally provide sufficient market data of reliable quality and/or quantity to support the rigorous use of all USPAP-prescribed mass appraisal development mandates (Standard 5: Mass Appraisal, Development), particularly with regards to some, but not all, of the *model calibration* and *statistical performance testing* confines. However, P&A does strive to employ all or most elements of mass appraisal techniques with regards to the *definition* and *identification of property characteristics and model specification* and application.

Per USPAP Advisory Opinion 32: *Ad Valorem Property Tax Appraisal and Mass Appraisal Assignments*, in the interests of equity, the scope of work in mass appraisal assignments for ad valorem taxation can include consideration of appraisal level (the overall proximity between appraised values and actual prices) and the

uniformity of property values (equity within groups of like properties). The appraiser is responsible for recognizing when the concepts of appraisal level and appraisal uniformity are necessary for credible assignment results in a mass appraisal assignment for ad valorem taxation.

Residential real estate property appraisers most frequently apply mass appraisal methods within the sales comparison (market) approach to value. Through the use of standardized data collection (i.e., actual market sales), specification and calibration of mass appraisal models, tables, and schedules are possible. Through ratio study analysis and other performance measures, a cumulative summary of valuation accuracy can thus be produced in order to calibrate the appraisal model(s). Where sufficient data of reliable quality exists, mass appraisal is also used for other types of real estate property such as farms, vacant lots, and some commercial uses (e.g., apartments, offices, and small retail).

Regarding mass appraisal reports due the client and other intended users per USPAP (Standard 6 (Mass Appraisal, Reporting), a written report of the mass appraisal as described in Standards 6-2 is not provided for each individual property. An individual property record or worksheet may describe the valuation of the specific property after the application of the mass appraisal model. To understand the individual property result developed in a mass appraisal requires the examination of all the information and analysis required by Standards 6-2.

P&A will clearly state or otherwise make known all extraordinary assumptions, hypothetical conditions, limitations imposed by assignment conditions, and/or jurisdictional exceptions in its appraisal reports as they are conveyed to our clients. ***Intended users of our reports are typically the client(s) for which we are under direct contract.*** Although taxpayers or their agents who own and/or represent the subject property being appraised often receive these reports either by law or as a courtesy of the client or P&A, this receipt does not mean these parties automatically become Intended Users as defined by USPAP. ***A party receiving a copy of a report in order to satisfy disclosure requirements does not become an intended user of the appraisal or mass appraisal unless the appraiser specifically identifies such party as an intended user.*** Potential other users include parties involved in adjudication of valuation disputes (review board members, lawyers, judges, etc.), governmental agencies which periodically review our appraisals for various statutory purposes (such as the Texas Comptroller's Office) and private parties who may obtain copies of our appraisals through Open Records Requests made to governmental agencies.

USPAP does not currently address communications of assignment results prior to completion of the assignment, thus such communications have no requirements other than to comply with the general requirements in the Ethics Rule, the Competency Rule, and the Jurisdictional Exception Rule. The client and all intended users should be aware that mass appraisals, as opposed to most "fee" appraisals, are somewhat inherently "limited" versus "complete" and that appraisal reports, unless otherwise contracted for by the client, will most often be of a "restricted" nature whereas explanations of appraisal methods and results are more concise versus lengthy in order to promote brevity, clarity, and transparency to the intended user(s).

Per USPAP, the appropriate reporting option and level of information in a report are dependant on the intended use and the intended users. Although the reporting verbiage in USPAP Standard 6 does not specifically offer or promulgate a "Restricted Appraisal Report" such as in Standard 2 (Real Property Appraisal, Reporting) and Standard 8 (Personal Property Appraisal, Reporting), it should be noted that: a) all mass appraisals and mass appraisal reports deal with real and personal property in some form or fashion; and b) P&A is a private consulting firm, a fact which may necessitate the withholding of certain data and/or appraisal models/techniques which are deemed confidential, privileged and/or proprietary in nature. The use of "limited" appraisals in conjunction with "restricted" reports in no way implies non-compliance with USPAP. ***The substantive content of a report determines its compliance.***

P&A believes that, with its vast experience and expertise in these areas of appraisal, all concluded values and reports thereof are credible, competent, understandable, uniform and consistent; and most importantly for ad

valorem tax purposes, accomplished in a cost-efficient and timely manner.

Per previous ASB comments under Standard 6-2(b) [*scope of work... special limiting conditions*]:

“Although appraisers in ad valorem taxation should not be held accountable for limitations beyond their control, they are required by this specific requirement to identify cost constraints and to take appropriate steps to secure sufficient funding to produce appraisals that comply with these standards. Expenditure levels for assessment administration are a function of a number of factors. Fiscal constraints may impact data completeness and accuracy, valuation methods, and valuation accuracy. Although appraisers should seek adequate funding and disclose the impact of fiscal constraints on the mass appraisal process, they are not responsible for constraints beyond their control.”

In any event, however, it is not P&A’s intent to allow constraints, fiscal or otherwise, to limit the scope of work to such a degree that the mass appraisal results provided to our clients are not credible within the context of the intended use(s) of the appraisal.

PREAMBLE

The purpose of USPAP is to establish requirements and conditions for ethical, thorough, and transparent property valuation services. Valuation services pertain to all aspects of property value and include services performed by appraisers and other professionals including attorneys, accountants, insurance estimators, auctioneers, or brokers. Valuation services include appraisal, appraisal review, and appraisal consulting. The primary intent of these Standards is to promote and maintain a high level of public trust in professional appraisal practice.

It is essential that professional appraisers develop and communicate their analyses, opinions, and conclusions to intended users of their services in a manner that is meaningful and not misleading. The importance of the role of the appraiser places ethical obligations upon those who serve in this capacity. These USPAP Standards reflect the current standards of the appraisal profession.

These Standards are for both appraisers and users of appraisal services. To maintain a high level of professional practice, appraisers observe these Standards. However, these Standards do not in themselves establish which individuals or assignments must comply. The Appraisal Foundation nor its Appraisal Standards Board is not a government entity with the power to make, judge, or enforce law. Compliance with USPAP is only required when either the service or the appraiser is obligated to comply by law or regulation, or by agreement with the client or intended users. When not obligated, individuals may still choose to comply.

USPAP addresses the ethical and performance obligations of appraisers through Definitions, Rules, Standards, Statements (if any), and Advisory Opinions. USPAP Standards deal with the procedures to be followed in performing an appraisal or appraisal review and the manner in which each is communicated. A brief description of the USPAP Standards are as follows:

- **Standards 1 and 2:** establish requirements for the development and communication of a real property appraisal.
- **Standards 3 and 4:** establishes requirements for the development and communication of an appraisal review.
- **Standards 5 and 6:** establishes requirements for the development and communication of a mass appraisal.
- **Standards 7 and 8:** establish requirements for the development and communication of a personal property appraisal.
- **Standards 9 and 10:** establish requirements for the development and communication of a business or intangible asset appraisal.

Section 23.01(b) [*Appraisals Generally*] of the Texas Property Tax Code states:

“The market value of property shall be determined by the application of generally accepted appraisal methods and techniques. If the Appraisal District determines the appraised value of a property using mass appraisal standards, the mass appraisal standards must comply with the Uniform Standards of Professional Appraisal Practice....” (underline added for emphasis)

Consequently, USPAP Standards 5 and 6 are assumed to be applicable for ad valorem tax purposes in Texas, if mass appraisal practices are in fact being used to appraise the subject property. USPAP Advisory Opinion 32 suggests several USPAP standards other than Standards 5 or 6 can apply in ad valorem tax work. It appears that an appraiser engaged in ad valorem tax work in Texas is not specifically required by law to rigorously follow USPAP standards if in fact mass appraisal practices have not been used to appraise the subject property. The Jurisdictional Exception Rule could then be invoked because of a contradiction between the requirements of USPAP and the law or regulation of a jurisdiction. Please see the P&A Policy Statement on USPAP as provided elsewhere in this report for a more detailed discussion regarding this matter.

ETHICS RULE

Because of the fiduciary responsibilities inherent in professional appraisal practice, the appraiser must observe the highest standards of professional ethics. This Ethics Rule is divided into four (4) sections:

- Nondiscrimination;
- Conduct;
- Management;
- Confidentiality.

This Rule emphasizes the personal obligations and responsibilities of the individual appraiser. However, it should be noted that groups and organizations *which are comprised of individual appraisers engaged in appraisal practice* effectively share the same ethical obligations. To the extent the group or organization does not follow USPAP Standards when legally required, individual appraisers should take steps that are appropriate under the circumstances to ensure compliance with USPAP.

Compliance with these Standards is required when either the service or the appraiser is obligated by law or regulation, or by agreement with the client or intended users, to comply. *Compliance is also required when an individual, by choice, represents that he or she is performing the service as an appraiser.*

An appraiser must not misrepresent his or her role when providing valuation services that are outside of appraisal practice.

Honesty, impartiality, and professional competency are required of all appraisers under USPAP Standards. To document recognition and acceptance of his or her USPAP-related responsibilities in communicating an appraisal or appraisal review completed under USPAP, an appraiser is required to certify compliance with these Standards.

NONDISCRIMINATION

An appraiser must not act in a manner that violates or contributes to a violation of federal, state, or local anti-discrimination laws or regulations. This includes the Fair Housing Act (FHAct), the Equal Credit Opportunity Act (ECOA), and the Civil Rights Act of 1866.

An appraiser must have knowledge of anti-discrimination laws and regulations and when those laws or regulations apply to the appraiser or to the assignment. An appraiser must complete an assignment in full compliance with applicable laws and regulations.

1. An appraiser, when completing a residential real property assignment, must not base their opinion of value in whole or in part on race, color, religion, national origin, sex, disability, or familial status.
2. An appraiser, when completing an assignment where the intended use is in connection with a credit transaction, not limited to credit secured by real property, must not base their opinion of value in whole or in part on race, color, religion, national origin, sex, marital status, age, source of income, or the good-faith exercise of rights under the Consumer Credit Protection Act.
3. An appraiser must not violate any state or local anti-discrimination laws or regulations applicable to the appraiser or to their assignment.

Whether or not any anti-discrimination law or regulation applies:

1. An appraiser must not develop and/or report an opinion of value that, in whole or in part, is based on the actual or perceived race, ethnicity, color, religion, national origin, sex, sexual orientation, gender, gender identity, gender expression, marital status, familial status, age, receipt of public assistance income, or disability of any person(s).
2. An appraiser must not base an opinion of value upon the premise that homogeneity of the inhabitants of a geographic area is relevant for the appraisal.
3. An appraiser must not perform an assignment with bias with respect to the actual or perceived race, ethnicity, color, religion, national origin, sex, sexual orientation, gender, gender identity, gender expression, marital status, familial status, age, receipt of public assistance income, or disability of any person(s).
4. An appraiser must not use or rely upon another characteristic as a pretext to conceal the use of or reliance upon race, ethnicity, color, religion, national origin, sex, sexual orientation, gender, gender identity, gender expression, marital status, familial status, age, receipt of public assistance income, or disability of any person(s), when performing an assignment.

If an assignment does not involve residential real property and the intended use is not in connection with a credit transaction, the FHAct and ECOA do not apply. If the FHAct and ECOA do not apply, and no other law or regulation prohibits the use of or reliance upon a protected characteristic,⁵ then the use of or reliance upon that characteristic is permitted only to the extent that it is essential to the assignment and necessary for credible assignment results.

CONDUCT

An appraiser must perform assignments with impartiality, objectivity, and independence, and without accommodation of personal interests.

An appraiser:

- must not perform an assignment with bias;
- must not advocate the cause or interest of any party or issue;
- ***must not accept an assignment that includes the reporting of predetermined opinions and conclusions;***
- must not misrepresent his or her role when providing valuation services that are outside of appraisal practice;
- must not communicate assignment results with the intent to mislead or to defraud;
- must not use or communicate a report or assignment results known by the appraiser to be misleading or fraudulent;
- must not knowingly permit an employee or other person to communicate a report or assignment results that are misleading or fraudulent report;
- must not engage in criminal conduct;
- must not willfully or knowingly violate the requirements of the RECORD KEEPING RULE; and must not perform an assignment in a grossly negligent manner.

If known prior to accepting an assignment, and/or if discovered at any time during the assignment, an appraiser must disclose to the client, and in each subsequent report certification:

- any current or prospective interest in the subject property or parties involved; and
- any services regarding the subject property performed by the appraiser within the three year period immediately preceding acceptance of the assignment, as an appraiser or in any other capacity.

The appraiser can agree with the client to keep the mere occurrence of a prior appraisal assignment confidential. If an appraiser has agreed with the client not to disclose that he or she has appraised a property, the appraiser must decline all subsequent assignment that fall with the three year period. In assignments in which there is no report, only the initial disclosure to the client is required.

Presumably all parties in ad valorem tax appraisal will be aware of the ongoing yearly nature of the appraisal assignments performed by valuation consulting firms like Pritchard & Abbott, Inc.—i.e., it will not be confidential—so that this particular conduct instruction is more or less a moot point (regarding the three year period discussed) if the prior service is in fact the ad valorem tax appraisals performed in previous tax years.

MANAGEMENT

The payment of a fee, commission, or a thing of value by the appraiser in connection with the procurement of an assignment must be disclosed. This disclosure must appear in the certification and in any transmittal letter in which conclusions of value are stated; however, the disclosure of the amount paid is not required. Intra-company payments to employees of groups or organizations involved in appraisal practice for business development do not require disclosure.

It is unethical for an appraiser to accept compensation for performing an assignment when it is contingent upon the reporting of a *predetermined result, a direction in assignment results that favors the cause of the client, the amount of a value opinion, the attainment of a stipulated result*, or the occurrence of a subsequent event directly related to the appraiser's opinions and specific to the assignment's purpose.

Advertising for or *soliciting assignments in a manner that is false, misleading, or exaggerated* is unethical. Decisions regarding finder or referral fees, contingent compensation, and advertising may not be the responsibility of an individual appraiser, but for a particular assignment it is the responsibility of the individual appraiser to ascertain that there has been no breach of ethics, that the assignment consulting assignment has been prepared in accordance with USPAP Standards, and that the report can be properly certified when required by USPAP Standards 2-3, 4-3, 6-3, 8-3, or 10-3.

An appraiser must affix, or authorize the use of, his or her signature to certify recognition and acceptance of his or her USPAP responsibilities in an appraisal or appraisal review assignment. An appraiser may authorize the use of his or her signature only on an assignment-by-assignment basis.

In addition, an appraiser must not affix the signature of another appraiser without his or her consent. An appraiser must exercise due care to prevent unauthorized use of his or her signature. However, an appraiser exercising such care is not responsible for unauthorized use of his or her signature.

CONFIDENTIALITY

An appraiser must protect the confidential nature of the appraiser-property owner relationship.

An appraiser must act in good faith with regard to the legitimate interests of the client in the use of confidential information and in the communication of assignment results.

An appraiser must be aware of, and comply with, all confidentiality and privacy laws and regulations applicable in an assignment.

An appraiser must not disclose confidential factual data obtained from a property owner to anyone other than:

1. The client;
2. Parties specifically authorized by the client;
3. State appraiser regulatory agencies;
4. Third parties as may be authorized by due process of law; or
5. A duly authorized professional peer review committee except when such disclosure to a committee would violate applicable law or regulation.

An appraiser must take reasonable steps to safeguard access to confidential information and assignment results by unauthorized individuals, whether such information or results are in physical or electronic form. In addition, an appraiser must ensure that employees, coworkers, subcontractors, or others who may have access to confidential information or assignments results, are aware of the prohibitions on disclosure of such information or results.

It is unethical for a member of a duly authorized professional peer review committee to disclose confidential information presented to the committee.

When all confidential elements of confidential information are removed through redaction or the process of aggregation, client authorization is not required for the disclosure of the remaining information, as modified.

RECORD KEEPING RULE

An appraiser must prepare a workfile for each appraisal or appraisal review assignment. A workfile must be in existence prior to the issuance of any report or other communication of assignment results. A written summary of an oral report must be added to the workfile within a reasonable time after the issuance of the oral report.

The workfile must include the name of the client and the identity, by name or type, of any other intended users, and true copies of all written reports, documented on any type of media. (A true copy is a replica of the report transmitted to the client. A photocopy or an electronic copy of the entire report transmitted to the client satisfies the requirement of a true copy.) A workfile must contain summaries of all oral reports or testimony, or a transcript of testimony, including the appraiser's signed and dated certification; and all other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such other data, information, and documentation.

A workfile in support of a Restricted Appraisal Report or an oral appraisal report must be sufficient for the appraiser to produce an Appraisal Report. A workfile in support of an oral appraisal review report must be sufficient for the appraiser to produce an Appraisal Review Report.

An appraiser must retain the workfile for a period of at least *five years after preparation* or at least two years after final disposition of any judicial proceeding in which the appraiser provided testimony related to the assignment, whichever period expires last.

An appraiser must have custody of the workfile, or make appropriate workfile retention, access, and retrieval arrangements with the party having custody of the workfile. This includes ensuring that a workfile is stored in a medium that is retrievable by the appraiser throughout the prescribed record retention period. An appraiser having custody of a workfile must allow other appraisers with workfile obligations related to an assignment appropriate access and retrieval for the purpose of:

- submission to state appraiser regulatory agencies;
- compliance with due process of law;
- submission to a duly authorized professional peer review committee; or
- compliance with retrieval arrangements.

A workfile must be made available by the appraiser when required by a state appraiser regulatory agency or due process of law.

An appraiser who willfully or knowingly fails to comply with the obligations of this Record Keeping Rule is in violation of the Ethics Rule.

SCOPE OF WORK RULE

For each appraisal or appraisal review assignment, an appraiser must:

1. Identify the problem to be solved;
2. Determine and perform the scope of work necessary to develop credible assignment results; and
3. Disclose the scope of work in the report.

An appraiser must properly identify the problem to be solved in order to determine the appropriate scope of work. The appraiser must be prepared to demonstrate that the scope of work is sufficient to produce credible assignment results.

Scope of work includes, but is not limited to:

- the extent to which the property is identified;
- the extent to which tangible property is inspected;
- the type and extent of data researched; and
- the type and extent of analyses applied to arrive at opinions or conclusions.

Appraisers have broad flexibility and significant responsibility in determining the appropriate scope of work for an appraisal or appraisal review assignment. Credible assignment results require support by relevant evidence and logic. *The credibility of assignment results is always measured in the context of the intended use.*

PROBLEM IDENTIFICATION

An appraiser must gather and analyze information about those assignment elements that are necessary to properly identify the appraisal, appraisal review or appraisal consulting problem to be solved. The assignment elements necessary for problem identification are addressed in the Standard 6-2:

- client and any other intended users;
- intended use of the appraiser's opinions and conclusions;
- type and definition of value;
- effective date of the appraiser's opinions and conclusions;
- subject of the assignment and its relevant characteristics; and
- assignment conditions.

This information provides the appraiser with the basis for determining the type and extent of research and analyses to include in the development of an appraisal. Similar information is necessary for problem identification in appraisal review and appraisal consulting assignments. Assignment conditions include:

- assumptions;
- extraordinary assumptions;
- hypothetical conditions;
- laws and regulations;
- jurisdictional exceptions; and
- other conditions that affect the scope of work.

SCOPE OF WORK ACCEPTABILITY

The scope of work must include the research and analyses that are necessary to develop credible assignment results. The scope of work is acceptable when it meets or exceeds:

- the expectations of parties who are regularly intended users for similar assignments; and
- what an appraiser's peers' actions would be in performing the same or a similar assignment.

Determining the scope of work is an ongoing process in an assignment. Information or conditions discovered during the course of an assignment might cause the appraiser to reconsider the scope of work. An appraiser must be prepared to support the decision to exclude any investigation, information, method, or technique that would appear relevant to the client, another intended user, or the appraiser's peers.

An appraiser must not allow assignment conditions to limit the scope of work to such a degree that the assignment results are not credible in the context of the intended use. In addition, the appraiser must not allow the intended use of an assignment or a client's objectives to cause the assignment results to be biased.

DISCLOSURE OBLIGATIONS

The report must contain sufficient information to allow intended the client and other intended users to understand the scope of work performed. Proper disclosure is required because clients and other intended users may rely on the assignment results. Sufficient information includes disclosure of research and analyses performed or not performed. ***The information disclosed must be appropriate for the intended use of the assignment results.***

Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. ***The appraiser has broad flexibility and significant responsibility in the level of detail and manner of disclosing the scope of work in the appraisal report or appraisal review report.*** The appraiser may, but is not required to, consolidate the disclosure in a specific section or sections of the report, or use a particular label, heading or subheading. An appraiser may choose to disclose the scope of work as necessary throughout the report.

JURISDICTIONAL EXCEPTION RULE

If any applicable law or regulation precludes compliance with any part of USPAP, only that part of USPAP becomes void for that assignment. When compliance with USPAP is required by federal law or regulation, no part of USPAP can be voided by a law or regulation of a state or local jurisdiction. *When an appraiser properly follows this Rule in disregarding a part of USPAP, there is no violation of USPAP.*

In an assignment involving a jurisdictional exception, an appraiser must:

- identify the law or regulation that precludes compliance with USPAP;
- comply with that law or regulation;
- clearly and conspicuously disclose in the report the part of USPAP that is voided by that law or regulation; and
- cite in the report the law or regulation requiring this exception to USPAP compliance.

The purpose of the Jurisdictional Exception Rule is strictly limited to providing a saving or severability clause intended to preserve the balance of USPAP if one or more of its parts are determined as contrary to law or public policy of a jurisdiction. By logical extension, there can be no violation of USPAP by an appraiser who disregards, with proper disclosure, only the part or parts of USPAP that are void and of no force and effect in a particular assignment by operation of legal authority.

It is misleading for an appraiser to disregard a part or parts of USPAP as void and of no force and effect in a particular assignment without identifying the part or parts disregarded and the legal authority justifying this action in the appraiser's report.

“Law” includes constitutions, legislative and court-made law, and administrative rules (such as from the Office of the Texas Comptroller of Public Accounts) and ordinances. “Regulations” include rules or orders having legal force, issued by an administrative agency. *Instructions from a client or attorney do not establish a jurisdictional exception.*

A jurisdictional exception prevalent in Texas is that appraisers are seeking to establish “fair market value” as defined by the Texas Property Tax Code instead of “market value” as found in the USPAP definitions section.

USPAP STANDARDS 5 AND 6: MASS APPRAISAL, DEVELOPMENT AND REPORTING (General Discussion)

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

Standards 5 and 6 apply to all mass appraisals of real and personal property regardless of the purpose or use of such appraisals. It is directed toward the substantive aspects of developing and communicating competent analyses, opinions, and conclusions in the mass appraisal of properties, whether real property or personal property. Standard 5 is directed toward the substantive aspects of developing credible analyses, opinions, and conclusions in the mass appraisal of properties, while Standard 6 addresses the content and level of information required in a written report that communicates the results of a mass appraisal. The reporting and jurisdictional exceptions applicable to public mass appraisals prepared for purposes of ad valorem taxation do not apply to mass appraisals prepared for other purposes.

A mass appraisal includes:

- identifying properties to be appraised;
- defining market areas of consistent behavior that applies to properties;
- identifying characteristics (supply and demand) that affect the creation of value in that market area;
- developing (specifying) a model structure that reflects the relationship among the characteristics affecting value in the market area;
- calibrating the model structure to determine the contribution of the individual characteristics affecting value;
- applying the conclusions reflected in the model to the characteristics of the properties being appraised; and
- reviewing the mass appraisal results.

The Jurisdictional Exception Rule may apply to several sections of Standards 5 and 6 because ad valorem tax administration is subject to various state, county, and municipal laws.

As previously stated in the P&A Policy Statement (page 2), it may not be possible or practicable for all the mass appraisal attributes listed above to be rigorously applied to the many types of complex and/or unique properties that P&A typically appraises. Often there are contractual limitations on the scope of work needed or required. More prevalently, these types of properties do not normally provide a reliable database of market transactions (or details of transactions) necessary for statistically supportable calibration of appraisal models and review of appraisal results. Generally these two functions are effectively accomplished through annual extended review meetings with taxpayers (and clients) who provide data, sometimes confidentially, that allows for appraisal models to be adjusted where necessary. Nevertheless, and notwithstanding whether P&A implicitly or explicitly employs or reports all attributes listed above, in all cases P&A at the minimum employs tenants of “generally accepted appraisal methods” which are the genesis of USPAP Standards.

Per USPAP guidelines, P&A will make known all departures and jurisdictional exceptions when invoked (if an appraisal method or specific requirement is applicable but not necessary to attain credible results in a particular assignment).

The various sections of Standard 5 (development of mass appraisal) and Standard 6 (communication of the mass appraisal results) are briefly summarized below:

- **Standard 5-1:** Establishes the appraiser's technical and ethical framework. Specifically, appraisers must recognize and use established principles, methods and techniques of appraisal in a careful manner while not committing substantial errors of fact or negligence that would materially affect the appraisal results and not give a credible estimate of fair market value. To this end appraisers must continuously improve his or her skills to maintain proficiency and keep abreast of any new developments in the real and personal property appraisal profession. This Standards does not imply that competence requires perfection, as perfection is impossible to attain. Instead, it requires appraisers to employ every reasonable effort with regards to due diligence and due care.
- **Standard 5-2:** Defines the introductory framework requirements of developing a mass appraisal, focusing on the identification and/or definition of: client(s), intended users, effective date, appraisal perspective, scope of work, extraordinary assumptions, hypothetical conditions, the type and definition of value being developed (typically "fair market value" for ad valorem tax purposes), characteristics of the property being appraised in relation to the type and definition of value and intended use, the characteristics of the property's market, the property's real or personal attributes, fractional interest applicability, highest and best use analysis along with other land-related considerations, and any other economic considerations relevant to the property.
- **Standard 5-3:** Defines requirements for developing and specifying appropriate mass appraisal data and elements applicable for real and personal property. For real property, the data and elements include: existing land use regulations, reasonably probable modification of such regulations, economic supply and demand, the physical adaptability of the real estate, neighborhood trends, and highest and best use analysis. For personal property, the relevant data and elements include: identification of industry trends, trade level, highest and best use, and recognition of the appropriate market consistent with the type and definition of value.
- **Standard 5-4:** Further defines requirements for developing mass appraisal models, focusing on development of standardized data collection forms, procedures, and training materials that are used uniformly on the universe of properties under consideration. This rule specifies that appraisers employ recognized techniques for specifying and calibrating mass appraisal models. Model specification is the formal development of a model in a statement or mathematical equation, including all due considerations for physical, functional, and external market factors as they may affect the appraisal. These models must accurately represent the relationship between property value and supply and demand factors, as represented by quantitative and qualitative property characteristics. Models must be calibrated using recognized techniques, including, but not limited to, multiple linear regression, nonlinear regression, and adaptive estimation. Models may be specified incorporating the income, market, and/or cost approaches to value and may be tabular, mathematical, linear, nonlinear, or any other structure suitable for representing the observable property characteristics such as adaptive estimation. Model calibration refers to the process of analyzing sets of property and market data to determine the specific parameters of a model.
- **Standard 5-5:** Defines requirements for collection of sufficient factual data, in both qualitative and quantitative terms, necessary to produce credible appraisal results. The property characteristics collected must be contemporaneous with the effective date of the appraisal. The data collection program should incorporate a quality control procedure, including checks and audits of the data to ensure current and consistent records. This rule also calls for calls for an appraiser, in developing income and expense statements and cash flow projections, to weigh historical information and trends, current market factors affecting such trends, and reasonably anticipated events, such as competition from developments either planned or under construction. Terms and conditions of any leases should be analyzed, as well as the need for and extent of any physical inspection of the properties being appraised.

- **Standard 5-6:** Defines requirements for application of a calibrated model to the property being appraised. This rule calls for: the appraiser to recognize methods or techniques based on the cost, market, and income approaches for improved parcels; the appraiser to value sites by recognized methods or techniques such as allocation method, abstraction method, capitalization of ground rent, and land residual; the appraiser to develop value of leased fee or leasehold estates with consideration for terms and conditions of existing leases, and, when applicable by law, as if held in fee simple whereas market rents are substituted for actual contract rents; the appraiser to analyze the effect on value, if any, of the assemblage of the various parcels, divided interests, or component parts of a property; the appraiser to analyze anticipated public or private improvements located on or off the site, and analyze the effect on value, if any, of such anticipated improvements to the extent they are reflected in market actions.
- **Standard 5-7:** Defines the reconciliation process of a mass appraisal. Specifically, appraisers must analyze the results and/or applicability of the various approaches used while ensuring that, on an overall basis, standards of reasonableness and accuracy are maintained with the appraisal model selected (underline added for emphasis). It is implicit in mass appraisal that, even when properly specified and calibrated models are used, some individual value conclusions will not meet standards of reasonableness, consistency, and accuracy. Appraisers have a professional responsibility to ensure that, on an overall basis, models produce value conclusions that meet attainable standards of accuracy.
- **Standard 6-1:** Defines general requirements of a mass appraisal report which is required to be in writing; no option exists for oral reports. This standard addresses the level of information required so that the report is clearly understood (i.e., not misleading) and sufficiently qualified with any assumptions and conditions (elements of which are further detailed in the next three sections of this report that discuss P&A appraisal procedures with regards to specific categories of property).
- **Standard 6-2:** Defines specific content required to be included in a mass appraisal written report.
- **Standard 6-3:** Defines the certification of the mass appraisal written report.

The following sections of this report discuss in more detail the various elements of the development of P&A's mass appraisals and associated written reports as required by USPAP Standards 5 and 6, with regards to P&A appraisal of Mineral Interests, Industrial, Utility, Related Personal Property, and Real Estate.

USPAP STANDARDS 5, 6-1, 6-2: MASS APPRAISAL OF MINERAL INTERESTS

INTRODUCTION

Definition of Appraisal Responsibility (Scope of Effort): The Mineral Valuation Department of Pritchard & Abbott, Inc. (“P&A” hereinafter), is responsible for developing credible values for mineral interests (full or fractional percentage ownership of oil and gas leasehold interest, the amount and type of which are legally and/or contractually created and specified through deeds and leases, et.al.) associated with producing (or capable of producing) leases. Mineral interests are typically considered real property because of their derivation from the bundle of rights associated with original fee simple ownership of land. Typically all the mineral interests that apply to a single producing lease are consolidated by type (working vs. royalty) with each type then appraised for full value which is then distributed to the various fractional decimal interest owners prorata to their individual type and percentage amount.

P&A’s typical client is a governmental entity charged with appraisal responsibility for ad valorem tax purposes, although other types of clients (private businesses, individuals, etc.) occasionally contract for appraisal services which are strictly for various non-ad valorem tax purposes so that no conflicts of interest are created with P&A’s core ad valorem tax work.

P&A hereby makes the **assumption** that, in all appraisal assignments performed for governmental entities in satisfaction of contractual obligations related to ad valorem tax, the client does not wish to or cannot legally request the appraisal report not identify the client.

Intended users of our reports are typically the client(s) for which we are under direct contract. Although taxpayers or their agents who own and/or represent the subject property being appraised often receive these reports either by law or as a courtesy of the client or P&A, this receipt does not mean these parties automatically become Intended Users as defined by USPAP. **A party receiving a copy of a report in order to satisfy disclosure requirements does not become an intended user of the appraisal or mass appraisal unless the appraiser specifically identifies such party as an intended user.** Potential other users include parties involved in adjudication of valuation disputes (review board members, lawyers, judges, etc.), governmental agencies which periodically review our appraisals for various statutory purposes (such as the Texas Comptroller’s Office) and private parties who may obtain copies of our appraisals through Open Records Requests made to governmental agencies.

This section of P&A’s USPAP report is not applicable to any mineral or mineral interest property that an appraisal district appraises outside of P&A’s appraisal services, in which case the appraisal district’s overall USPAP report should be referenced.

P&A makes the **Extraordinary Assumption** that all properties appraised for ad valorem tax purposes are marketable whereas ownership and title to property are free of encumbrances and other restrictions that would affect fair market value to an extent not obvious to the general marketplace. If and/or when we are made aware of any encumbrances, etc., these would be taken into account in our appraisal in which case the extraordinary assumption stated above would be revoked.

P&A is typically under contract to determine current market value or “fair market value” of said mineral interests. Fair market value is typically described as the price at which a property would sell for if:

- exposed in the open market with a reasonable time for the seller to find a purchaser;
- both the buyer and seller know of all the uses and purposes to which the property is, or can be, adapted and of the enforceable restrictions on its use; and

- both the buyer and seller seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other. [Exigencies are pressing or urgent conditions that leave one party at a disadvantage to the other.]

For ad valorem tax purposes the effective date is usually legislatively specified by the particular State in which we are working - for example, in Texas the lien date is January 1 per the Texas Property Tax Code. For ad valorem tax purposes, the date of the appraisals and reports are typically several months past the effective date, thereby leaving open the possibility that a retrospective approach is appropriate under limited and prescribed circumstances (information after the effective date being applicable only if it confirms a trend or other appraisal condition that existed and was generally known as of the effective date).

P&A believes this section of this report, in conjunction with any attached or separately provided P&A-generated report(s), meets the USPAP definition of “typical practice”; i.e., it satisfies a level of work that is consistent with:

- the expectations of participants in the market for the same or similar appraisal services; and
- what P&A’s peers’ actions would be in performing the same or similar appraisal services in compliance with USPAP.

Legal and Statutory Requirements: In Texas, the provisions of the Texas Property Tax Code and other relevant legislative measures involving appraisal administration and procedures control the work of P&A as an extension of the Appraisal District. Other states in which P&A is employed will have similar controlling legislation, regulatory agencies, and governmental entities. P&A is responsible for appraising property on the basis of its fair market value as of the stated effective date (January 1 in Texas) for ad valorem tax purposes for each taxing unit that imposes ad valorem taxes on property in the contracted Appraisal District. All mineral properties (interests) are reappraised annually. The definition of Fair Market Value is provided and promulgated for use in ad valorem tax work in Texas by the Texas Property Tax Code, and therefore as a **Jurisdictional Exception** supercedes the definition of “market value” as found in USPAP definitions.

NOTE: IN TEXAS, P&A BELIEVES THE PROPERTY BEING APPRAISED AND PLACED ON THE TAX ROLL IS THE INTEREST AND NOT THE OIL OR GAS MINERAL ITSELF, PER PROPERTY TAX CODE SECTION 1.04(2)(F). WHILE OIL AND GAS RESERVES CERTAINLY HAVE VALUE, THE FACT IS THAT IT IS THE INTERESTS IN THESE MINERALS THAT ARE BOUGHT AND SOLD, NOT THE MINERALS THEMSELVES. THE SALE OF MINERALS AS THEY ARE EXTRACTED FROM THE SUBSURFACE OF THE LAND WHERE THEY RESIDE AS MINERALS IN PLACE “MONETIZES” THE INTEREST AND THUS GIVES THE INTEREST ITS VALUE. WHENEVER P&A REFERS TO “MINERAL PROPERTIES” IN THIS REPORT OR IN ANY OTHER SETTING, IT IS THE MINERAL INTEREST, AND NOT THE MINERAL ITSELF, THAT IS THE SUBJECT OF THE REFERENCE.

Administrative Requirements: P&A endorses the principals of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures. P&A also endorses, and follows when possible, the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP). In all cases where IAAO and/or USPAP requirements cannot be satisfied for reasons of practicality or irrelevancy, P&A subscribes to “generally accepted appraisal methods and techniques” so that its value conclusions are credible and defendable. P&A submits annual or biannual contract bids to the Appraisal District Board of Directors or the Office of the Chief Appraiser and is bound to produce appraisal estimates on mineral properties within the cost constraints of said bid. Any appraisal practices and procedures followed by P&A not explicitly defined or allowed through IAAO or USPAP requirements are specified by the Texas Property Tax Code or at the specific request or direction of the Office of the Chief Appraiser.

Appraisal Resources

Personnel: The Mineral Valuation Division staff consists of competent Petroleum Engineers, Geologists, and Appraisers. All personnel are Registered Professional Appraisers with the State of Texas, or are progressing towards this designation within the allowable time frames prescribed by the Texas Department of Licensing and Regulation (TDLR) and/or other licensing and regulatory agencies as applicable.

Data: For each mineral property a common set of data characteristics (i.e. historical production, price and expense data) is collected from various sources and entered into P&A's mainframe computer system. Historical production data and price data is available through state agencies (Texas Railroad Commission, Texas Comptroller, et al.) or private firms who gather, format and repackage such data for sale commercially. Each property's characteristic data drives the computer-assisted mass appraisal approach to valuation.

Information Systems: The mainframe systems are augmented by the databases that serve the various in-house and 3rd-party applications on desktop personal computers. In addition, communication and dissemination of appraisals and other information is available to the taxpayer and client through electronic means including internet and other phone-line connectivity. The appraiser supervising any given contract fields many of the public's questions or redirects them to the proper department personnel.

VALUATION APPROACH (MODEL SPECIFICATION)

Concepts of Value: The valuation of oil and gas properties is not an exact science, and exact accuracy is not attainable due to many factors. Nevertheless, standards of reasonable performance do exist, and there are usually reliable means of measuring and applying these standards.

Petroleum properties are subject to depletion, and capital investment must be returned before economic exhaustion of the resource (mineral reserves). The examination of petroleum properties involves understanding the geology of the resource (producing and non-producing), type of reservoir energy, the methods of secondary and enhanced recovery (if applicable), and the surface treatment and marketability of the produced petroleum product(s).

Evaluation of mineral properties is a continuous process; the value as of the lien date merely represents a "snapshot" in time. The potential value of mineral interests derived from sale of minerals to be extracted from the ground change with mineral price fluctuation in the open market, changes in extraction technology, costs of extraction, and other variables such as the value of money.

Approaches to Value for Petroleum Property

Cost Approach: The use of cost data in an appraisal for market value is based upon the economic principle of substitution. The cost approach typically derives value by a model that begins with replacement cost new (RCN) and then applies depreciation in all its forms (physical depreciation, functional and economic obsolescence). This method is difficult to apply to oil and gas properties since lease acquisition and development may bear no relation to present worth. Though very useful in the appraisal of many other types of properties, the cost approach is not readily applicable to mineral properties. [Keep in mind that the property actually being appraised is the mineral interest and not the oil and gas reserves themselves. Trying to apply the cost approach to evaluation of mineral interests is like trying to apply the cost approach to land; it is a moot point because both are real properties that are inherently non-replaceable.] **As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., does not employ the cost approach in the appraisal of mineral interests.**

Market Approach: This approach may be defined as one which uses data available from actual transactions recorded in the market place itself; i.e., sales of comparable properties from which a comparison to the subject

property can be made. Ideally, this approach's main advantage involves not only an opinion but an opinion supported by the actual spending of money. Although at first glance this approach seems to more closely incorporate the aspects of fair market value per its classical definition, there are two factors that severely limit the usefulness of the market approach for appraising oil and gas properties. First, oil and gas property sales data is seldom disclosed (in non-disclosure states such as Texas); consequently there is usually a severe lack of market data sufficient for meaningful statistical analysis. Second, all conditions of each sale must be known and carefully investigated to be sure one does have a comparative indicator of value per fair market value perquisites.

Many times when these properties do change hands, it is generally through company mergers and acquisitions where other assets in addition to oil and gas reserves are involved; this further complicates the analysis whereby a total purchase price must be allocated to the individual components - a speculative and somewhat arbitrary task at best. In the case of oil and gas properties, a scarcity of sales requires that every evidence of market data be investigated and analyzed. Factors relative to the sale of oil and gas properties are:

- current production and estimated declines forecast by the buyer;
- estimated probable and potential reserves;
- general lease and legal information which defines privileges or limitation of the equity sold;
- undeveloped potential such as secondary recovery prospects;
- proximity to other production already operated by the purchaser;
- contingencies and other cash equivalents; and
- other factors such as size of property, gravity of oil, etc.

In the event that all these factors are available for analysis, the consensus effort would be tantamount to performing an income approach to value (or trying to duplicate the buyer's income approach to value), thereby making the market approach somewhat moot in its applicability. **As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., rarely employs a rigorous application of the market approach in the appraisal of mineral interests.**

Income Approach: This approach to value most readily yields itself to the appraisal of mineral interests. Data is readily available whereby a model can be created that reasonable estimates a future income stream to the property. This future income may then be converted (discounted) into an estimate of current value. Many refer to this as a capitalization method, because capitalization is the process of converting an income stream into a capital sum (value). As with any method, the final value is no better than the reliability of the input data. The underlying assumption is that people purchase the property for the future income the property will yield. If the land or improvements are of any residual value after the cessation of oil and gas production, that value should also be included (if those components are also being appraised).

The relevant income that should be used is the expected future net income. Assumptions of this method are:

- Past income and expenses are not a consideration, except insofar as they may be a guide to estimating future net income.
- That the producing life as well as the reserves (quantity of the minerals) are estimated for the property.
- Future income is less valuable than current income, and so future net income must be discounted to make it equivalent to the present income. This discount factor reflects the premium of present money over future money, i.e., interest rate, liquidity, investment management, and risk.

As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., relies predominantly on the income approach to value in the appraisal of mineral interests.

DATA COLLECTION/VALIDATION

Sources of Data: The main source of P&A's property data is data from the Railroad Commission of Texas as reported by operators. As a monthly activity, the data processing department receives data tapes or electronic files which have updated and new well and production data. Other discovery tools are fieldwork by appraisers, financial data from operators, information from chief appraisers, tax assessors, trade publications and city and local newspapers. Other members of the public often provide P&A information regarding new wells and other useful facts related to property valuation.

Another crucial set of data to obtain is the ownership of these mineral interests. Typically a mineral lease is fractionated and executed with several if not many owners. This information is typically requested (under a promise of confidentiality concerning owners' personal information) from pipeline purchasers and/or other entities (such as operators) who have the responsibility of disbursing the income to the mineral interest owners. Another source of ownership information is through the taxpayers themselves who file deeds of ownership transfer and/or correspond with P&A or the appraisal district directly.

Data Collection Procedures: Electronic and field data collection requires organization, planning and supervision of the appraisal staff. Data collection procedures for mineral properties are generally accomplished globally by the company; i.e., production and price data for the entire state is downloaded at one time into the computer system. Appraisers also individually gather and record specific and particular information to the appraisal file records, which serves as the basis for the valuation of mineral properties. P&A is divided into four district offices covering different geographic areas. Each office has a district manager, appraisal and ownership maintenance staff, and clerical staff as appropriate. While overall standards of performance are established and upheld for the various district offices, quality of data is emphasized as the goal and responsibility of each appraiser.

VALUATION ANALYSIS (MODEL CALIBRATION)

Appropriate revisions and/or enhancements of schedules or discounted cash flow software are annually made and then tested prior to the appraisals being performed. Calibration typically involves performing multiple discounted cash flow tests for leases with varying parameter input to check the correlation and relationship of such indicators as: Dollars of Value Per Barrel of Reserves; Dollars of Value Per Daily Average Barrel Produced; Dollars of Expense Per Daily Average Barrel Produced; Years Payout of Purchase Price (Fair Market Value). In a more classical calibration procedure, the validity of values by P&A's income approach to value is tested against actual market transactions, if and when these transactions and verifiable details of these transactions are disclosed to P&A. Of course these transactions must be analyzed for meeting all requisites of fair market value definition. Any conclusions of this analysis are then compared to industry benchmarks for reasonableness before being incorporated into the calibration procedure.

INDIVIDUAL VALUE REVIEW PROCEDURES

Individual property values are reviewed several times in the appraisal process. P&A's discounted cash flow software dynamically generates various benchmark indicators that the appraiser reviews concurrent with the value being generated. These benchmarks often prompt the appraiser to reevaluate some or all of the parameters of data entry so as to arrive at a value more indicative of industry standards. Examples of indicators are dollars of value per barrel of oil reserve, years payout, etc. In addition to appraiser review, taxpayers are afforded the opportunity to review the appraised values, either before or after Notices of Appraised Value are prepared. Operators routinely meet with P&A's appraisers to review parameters and to provide data not readily available to P&A through public or commercial sources, such as individual lease operating expense and reserve figures. And of

course, all property values are subject to review through normal protest and Appraisal Review Board procedures, with P&A acting as an extension of the Office of the Chief Appraiser.

PERFORMANCE TESTS

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

USPAP STANDARDS 5, 6-1, 6-2: MASS APPRAISAL OF INDUSTRIAL, UTILITY AND RELATED PERSONAL PROPERTY

INTRODUCTION

Definition of Appraisal Responsibility (Scope of Effort): The Engineering Services Department of Pritchard & Abbott, Inc. (P&A) is responsible for developing fair and uniform market values for industrial, utility and personal properties.

P&A's typical client is a governmental entity charged with appraisal responsibility for ad valorem tax purposes, although other types of clients (private businesses, individuals, etc.) occasionally contract for appraisal services which are strictly for various non-ad valorem tax purposes so that no conflicts of interest are created with P&A's core ad valorem tax work.

P&A hereby makes the **assumption** that, in all appraisal assignments performed for governmental entities in satisfaction of contractual obligations related to ad valorem tax, the client does not wish to or cannot legally request the appraisal report not identify the client.

Intended users of our reports are typically the client(s) for which we are under direct contract. Although taxpayers or their agents who own and/or represent the subject property being appraised often receive these reports either by law or as a courtesy of the client or P&A, this receipt does not mean these parties automatically become Intended Users as defined by USPAP. **A party receiving a copy of a report in order to satisfy disclosure requirements does not become an intended user of the appraisal or mass appraisal unless the appraiser specifically identifies such party as an intended user.** Potential other users include parties involved in adjudication of valuation disputes (review board members, lawyers, judges, etc.), governmental agencies which periodically review our appraisals for various statutory purposes (such as the Texas Comptroller's Office) and private parties who may obtain copies of our appraisals through Open Records Requests made to governmental agencies.

This section of P&A's USPAP report is not applicable to any Industrial, Utility, or related Personal Property that an appraisal district appraises outside of P&A's appraisal services, in which case the appraisal district's overall USPAP report should be referenced.

P&A makes the **Extraordinary Assumption** that all properties appraised for ad valorem tax purposes are marketable whereas ownership and title to property are free of encumbrances and other restrictions that would affect fair market value to an extent not obvious to the general marketplace. If and/or when we are made aware of any encumbrances, etc., these would be taken into account in our appraisal in which case the extraordinary assumption stated above would be revoked.

P&A is typically under contract to determine current market value or "fair market value" of said industrial, utility, and related personal property. Fair market value is typically described as the price at which a property would sell for if:

- exposed in the open market with a reasonable time for the seller to find a purchaser;
- both the buyer and seller know of all the uses and purposes to which the property is, or can be, adapted and of the enforceable restrictions on its use; and

- both the buyer and seller seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other. [Exigencies are pressing or urgent conditions that leave one party at a disadvantage to the other.]

For ad valorem tax purposes the effective date is usually legislatively specified by the particular State in which we are working - for example, in Texas the lien date is January 1 per the Texas Property Tax Code. For ad valorem tax purposes, the date of the appraisals and reports are typically several months past the effective date, thereby leaving open the possibility that a retrospective approach is appropriate under limited and prescribed circumstances (information after the effective date being applicable only if it confirms a trend or other appraisal condition that existed and was generally known as of the effective date).

P&A believes this section of this report, in conjunction with any attached or separately provided P&A-generated report(s), meets the USPAP definition of “typical practice”; i.e., it satisfies a level of work that is consistent with:

- the expectations of participants in the market for the same or similar appraisal services; and
- what P&A’s peers’ actions would be in performing the same or similar appraisal services in compliance with USPAP.

Legal and Statutory Requirements: The provisions of the Texas Property Tax Code and relevant legislative measures involving appraisal administration and procedures control the work of P&A as a subcontractor to the Appraisal District. P&A is responsible for appraising property on the basis of its market value as of January 1 for ad valorem tax purposes for each taxing unit that imposes ad valorem taxes on property in the contracted Appraisal District. All industrial, utility and personal properties are reappraised annually. The definition of Fair Market Value is provided and promulgated for use in ad valorem tax work in Texas by the Texas Property Tax Code, and therefore as a **Jurisdictional Exception** supercedes the definition of “market value” as found in USPAP definitions.

Administrative Requirements: P&A follows generally accepted and/or recognized appraisal practices and when applicable, the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures. P&A, when applicable, also subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP). In all cases where IAAO and/or USPAP requirements cannot be satisfied for reasons of practicality or irrelevancy, P&A subscribes to “generally accepted appraisal methods and techniques” so that its value conclusions are credible and defendable. P&A submits annual or biannual contract bids to the Office of the Chief Appraiser and is bound to produce appraisal estimates on industrial, utility and personal properties within the cost constraints of said bid. Any appraisal practices and procedures followed by P&A not explicitly defined through IAAO or USPAP requirements are specified by the Texas Property Tax Code and/or at the specific request or direction of the Office of the Chief Appraiser.

Appraisal Resources

Personnel: The Engineering Services Department and P&A’s appraisal staff consists of appraisers with degrees in engineering, business and accounting. All personnel are Registered Professional Appraisers with the State of Texas, or are progressing towards this designation as prescribed by the Texas Department of Licensing and Regulation (TDLR).

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

sources. This data is maintained in either hard copy or computer files. Each property's characteristic data drives the appropriate computer-assisted appraisal approach to valuation.

Information Systems: P&A's mainframe computer system is composed of in-house custom software augmented by schedules and databases that reside as various applications on personal computers (PC). P&A offers a variety of systems for providing property owners and public entities with information services.

VALUATION APPROACH (MODEL SPECIFICATION)

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

The evaluation and appraisal of industrial, utility and personal property relies heavily on the discovery of the property followed by the application of recognized appraisal techniques. The property is subject to inflation and depreciation in all forms. The appraisal of industrial and personal property involves understanding petroleum, chemical, steel, electrical power, lumber and paper industry processes along with a myriad of other industrial processes. Economic potential for this property usually follows either the specific industry or the general business economy. The appraisal of utility properties involves understanding telecommunications, electrical transmission and distribution, petroleum pipelines and the railroad industry. Utility properties are subject to regulation and economic obsolescence. The examination of utility property involves the understanding of the present value of future income in a regulated environment.

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

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

Approaches to Value for Industrial, Utility, and Personal Property

Cost Approach: The use of cost data in an appraisal for market value is based upon the economic principle of substitution. This method is most readily applicable to the appraisal of industrial and personal property and some utility property. Under this method, the market value of property equals the value of the land plus the current cost of improvements less accrued depreciation. An inventory of the plant improvements and machinery and equipment is maintained by personally inspecting each facility every year. **As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., relies predominantly on the cost approach to value in the appraisal of industrial, utility, and personal property.**

Market Approach: This approach is characterized as one that uses sales data available from actual transactions in the market place. There are two factors that severely limit the usefulness of the market approach for appraising industrial, utility and personal properties. First, the property sales data is seldom disclosed; consequently there

is insufficient market data for these properties available for meaningful statistical analysis. Second, all conditions of sale must be known and carefully investigated to be sure one does have a comparative indicator of value. Many times when these properties do change hands, it is generally through company mergers and acquisitions where other assets and intangibles in addition to the industrial, utility and personal property are involved. The complexity of these sales presents unique challenges and hindrances to the process of allocation of value to the individual components of the transaction.

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

- plant capacity and current production; terms of sale, cash or equivalent;
- complexity of property;
- age of property;
- proximity to other industry already operated by the purchaser; and
- other factors such as capital investment in the property.

As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., rarely employs a rigorous application of the market approach in the appraisal of industrial, utility, and personal property.

Income Approach: This approach to value most readily yields itself to all income generating assets, especially utility properties. Data for utility properties is available from annual reports submitted to regulatory agencies whereby future income may be estimated, and then this future income may be converted into an estimate of value. The valuation of an entire company by this method is sometimes referred to as a Unit Value. Many refer to this as a capitalization method, because capitalization is the process of converting an income stream into a capital sum (value). As with any method, the final value estimate is no better than the reliability of the input data. The underlying assumption is that people purchase the property for the future income the property will yield.

The relevant income that should be used in the valuation model is the expected future net operating income after depreciation but before interest expense (adjustments for Federal Income Taxes may or may not be required). Assumptions of this method are:

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

As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., employs the income approach in the appraisal of industrial and utility property only when quantifiable levels of income are able to be reliably determined and/or projected for the subject property. P&A does not employ the income approach in the appraisal of personal property.

DATA COLLECTION/VALIDATION

Sources of Data: The main source of P&A's property data for industrial and personal property is through fieldwork by the appraisers and commercially/publicly available schedules developed on current costs. Data for

performing utility appraisals is typically provided by the taxpayer or is otherwise available at various regulatory agencies (Texas Railroad Commission, Public Utilities Commission, FERC, et. al.). Other discovery tools are financial data from annual reports, information from chief appraisers, renditions, tax assessors, trade publications and city and local newspapers. Other members of the public often provide P&A information regarding new industry and other useful facts related to property valuation.

Data Collection Procedures: Electronic and field data collection requires organization, planning and supervision of the appraisal staff. Data collection procedures have been established for industrial and personal properties. Appraisers gather and record information in the mainframe system, where customized programs serve as the basis for the valuation of industrial, utility and personal properties. P&A is divided into multiple district offices covering different geographic zones. Each office has a district manager and field staff. While overall standards of performance are established and upheld for the various district offices, quality of data is emphasized as the goal and responsibility of each appraiser. Additionally, P&A's Engineering Services Department provides supervision and guidance to all district offices to assist in maintaining uniform and consistent appraisal practices throughout the company.

VALUATION ANALYSIS (MODEL CALIBRATION)

The validity of the values by P&A's income and cost approaches to value is tested against actual market transactions, if and when these transactions and verifiable details of the transactions are disclosed to P&A. These transactions are checked for meeting all requisites of fair market value definition. Any conclusions from this analysis are also compared to industry benchmarks before being incorporated in the calibration procedure. Appropriate revisions of cost schedules and appraisal software are annually made and then tested for reasonableness prior to the appraisals being performed.

INDIVIDUAL VALUE REVIEW PROCEDURES

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

PERFORMANCE TESTS

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

Defined Market Areas

As of August 1, 2024

The following map is for general location and illustration purposes.

Specific neighborhood boundaries are more specifically recognizable as displayed in the district's GIS system and Matix software associated with PACS Appraisal.



The following table includes market areas currently recognized by NCAD. Appraisal model calibration includes analysis of sales in each identified market area (neighborhood) to determine an adjustment factor (market modifier) that will adjust the appraisal model for its location.

NH Code	Neighborhood Description	Land Adjust	Imp Adjust
2120 SQ	2120 SQUARE	160%	115%
AA	ANN ARBOR	100%	102%
AB OFFW	AZURE BAY OFFW	92%	102%
AB W1	AZURE BAY W1	100%	150%
AB W2	AZURE BAY W2	100%	140%
AB W3	AZURE BAY W3	100%	130%
AH OFFW	ARROWHEAD OFFW	100%	108%

NH Code	Neighborhood Description	Land Adjust	Imp Adjust
AH W1	ARROWHEAD W1	100%	130%
AH W2	ARROWHEAD W2	156%	130%
AH W3	ARROWHEAD W3	100%	130%
AMEST	AMBAR ESTATES	100%	100%
ANGCOR	ANGLERS CORNER	105%	110%
ASR	ADMIRAL SHORES W1	101%	163%
ASR OFFW	ADMIRAL SHORES OFFW	100%	135%
ASR W2	ADMIRAL SHORES W2	102%	163%
ASR W3	ADMIRAL SHORES W3	102%	163%
BAECHTLE R	BAECHTLE RANCH	100%	113%
BAF	BARONS FLATS	100%	100%
BAG	BARONS GROVE	100%	100%
BAR MEADOW	BARONS MEADOWS	100%	100%
BARACRES	Baron Acres Add	100%	100%
BARC	BARONS CORNER	100%	100%
BARON AC N	BARON ACRES NORTH	100%	100%
BARON AC W	BARON ACRES WEST	100%	100%
BAYB OFFW	BAYBRIDGE OFFW	100%	130%
BAYB W1	BAYBRIDGE W1	100%	150%
BAYB W2	BAYBRIDGE W2	100%	150%
BAYB W3	BAYBRIDGE W3	100%	150%
BC CIR	BELCLAIRE CIRCLE	100%	112%
BCE OFFW	BAYVIEW COUNTRY EST OFFW	110%	105%
BCR	BARONS CREEK	100%	100%
BDAS OFFW	BOIS D ARC SQ OFFW	100%	100%
BF BAY	BAREFOOT BAY	100%	100%
BHP OFFW	BARROW HOMEPLACE OFFW	100%	100%
BLUFF OFFW	BLUFFVIEW OFFW 1	100%	100%
BLUFFOF2	Bluffview Off Water 2	100%	100%
BLUFFV W1	BLUFFVIEW W1	100%	100%
BLUFFV W3	BLUFFVIEW W3	100%	100%
BM OFFW	BAY MEADOWS OFFW	100%	100%
BOE OFFW	BAY OAKS EST OFFW	100%	100%
BOE W1	BAY OAKS EST W1	100%	120%
BROOKW	BROOKWOOD	100%	90%
BRY MA WC	BRYN MAWR WOODCASTLE	100%	105%
BV OFFW	BELLA VISTA OFFW	100%	100%
BV W1	BELLA VISTA W1	100%	125%
CAMILA EST	CAMILA ESTATES	100%	100%
CB OFFW	CAJUN BAYOU OFFW	100%	100%
CB W1	CAJUN BAYOU W1	100%	130%
CBA	CITY OF BARRY	100%	100%
CBA COMM	City of Barry Commercial	100%	100%
CBG	CITY OF BLOOMING GROVE	98%	85%
CBG COMM	City of Blooming Grove Commercial	100%	100%
CC OFFW	CLEARVIEW COLLINS OFFW	100%	100%

NH Code	Neighborhood Description	Land Adjust	Imp Adjust
CC W1	CLEARVIEW COLLINS W1	100%	135%
CC W2	CLEARVIEW COLLINS W2	100%	135%
CC W3	CLEARVIEW COLLINS W3	100%	135%
CCL W1	CRAB CREEK LANDING W1	100%	100%
CCO CEN	CITY OF CORSICANA CENTRAL	100%	100%
CCO COMM	CCO Commercial Prop	100%	100%
CCO EAST	CITY OF CORSICANA EAST	100%	110%
CCO MH	CITY OF CORSICANA MOBILE HOMES	100%	100%
CCO NORTH	CITY OF CORSICANA NORTH	100%	110%
CCO SOUTH	CITY OF CORSICANA SOUTH	100%	100%
CCO1	CCO1	100%	100%
CCCOMMON	CORSICANA COMMONS	100%	120%
CCR OFFW	CRAB CREEK RANCHETTES OFFW	100%	100%
CDRD	REVITALIZATION DISTRICT	100%	100%
CDW	CITY OF DAWSON	85%	92%
CDW COMM	City of Dawson Commercial	100%	100%
CEM	CITY OF EMHOUSE	100%	100%
CEM COMM	City of Emhouse Commercial	100%	100%
CFR	CITY OF FROST	95%	96%
CFR COMM	City of Frost Commercial	95%	100%
CGO	CITY OF GOODLOW	100%	100%
CGO COMM	City of Goodlow Commercial	100%	100%
CH BAY OW	Chambers Bay Off-Water	100%	100%
CH BAY W1	Chambers Bay Water 1	100%	100%
CH BAY W2	Chambers Bay Water 2	100%	100%
CH BAY W3	Chambers Bay Water 3	100%	100%
CHANE	CHANDA ESTATES	100%	100%
CHILL EST	CHAPEL HILL ESTATES	100%	95%
CHLAN OFFW	CHANDERL LANDING OFFW	100%	107%
CHLAN W1	CHANDERL LANDING W1	100%	100%
CHLAN W3	CHANDERL LANDING W3	105%	130%
CKE	CITY OF KERENS	95%	88%
CKE COMM	City of Kerens Commercial	95%	100%
CL 1 OFFW	CHAMBERS LANDING 1 OFFW	115%	130%
CL 1 W1	CHAMBERS LANDING 1 W1	100%	130%
CL OFFW	CURRY LANE OFFW	100%	100%
CL W1	CURRY LANE W1	200%	100%
COL CIR	COLLEGE CIRCLE	100%	95%
COM 2ND	COMMERCIAL 2ND AVE	100%	100%
COM 7TH	COMMERCIAL 7TH AVE	100%	100%
CP OFFW	CHAMBERS POINT OFFW	110%	112%
CP W1	CHAMBERS POINT W1	100%	153%
CP W2	CHAMBERS POINT W2	123%	123%
CP W3	CHAMBERS POINT W3	128%	128%
CRI	CITY OF RICE	98%	100%
CRI COMM	City of Rice Commercial	100%	100%

NH Code	Neighborhood Description	Land Adjust	Imp Adjust
CRL	CITY OF RICHLAND	100%	100%
CRL COMM	City of Richland Commercial	100%	100%
CSL OFFW	CREEKSIDE LANDING OFFW	100%	100%
CSL W1	CREEKSIDE LANDING W1	100%	100%
CST	CITY OF STREETMAN	100%	100%
CST COMM	City of Streetman Commercial	100%	100%
DEL ESTATE	DELGADO ESTATES	100%	100%
DFE W1	DALTON FARMER EST W1	100%	100%
DOBB	DOBBINS CROSSING	100%	87%
DP OFFW	DIAMOND POINT OFFW	100%	130%
DP OFFW2	DIAMOND POINT OFFW2	100%	100%
DP W1	DIAMOND POINT W1	100%	130%
DP W2	DIAMOND POINT W2	100%	100%
DP W3	DIAMOND POINT W3	100%	130%
DRANE EST	DRANE ESTATES	100%	91%
DRANE PL	DRANE PLACE	100%	100%
DRANE PL2	DRANE PLACE 2	100%	106%
EAM OFFW	ESTATE AT MIDWAY OFFW	100%	100%
EE W1	ETHERIDGE ESTATES W1	95%	115%
EE W2	ETHERIDGE ESTATES W2	95%	115%
EF OFFW	EUREKA FOREST OFFW	100%	100%
FAIRWAY	FAIRWAY PARKS ADD	100%	105%
FB OFFW	FRANCISCO BAY OFFW	100%	105%
FB W1	FRANCISCO BAY W1	103%	191%
FB W2	FRANCISCO BAY W2	100%	100%
FB W3	FRANCISCO BAY W3	100%	125%
FF MIM	FAIRFAX MIMOSA	100%	103%
FINCA OFFW	FINCA OFFW	100%	100%
FINCA W2	FINCA W2	100%	100%
FINCA W3	FINCA W3	100%	100%
FP OFFW	FOWLERS POINT OFFW	191%	130%
FP OFFW1	FOWLER POINT OFFW1	100%	100%
FP OFFW2	FOWLER POINT OFFW2	100%	106%
FP W1	FOWLERS POINT W1	100%	118%
FP W3	FOWLERS POINT W3	185%	118%
GD W2	GRANDVIEW DEUX W2	100%	154%
GD W3	GRANDVIEW DEUX W3	100%	130%
GE OFFW	GRANDVIEW EST OFFW	125%	130%
GE W1	GRANDVIEW EST W1	160%	168%
GE W2	GRANDVIEW EST W2	100%	134%
GE W3	GRANDVIEW EST W3	100%	124%
GER OFFW	GRANDVIEW EST RANCHETTE OFFW	100%	100%
GL KI BW	GLENBROOK KINGSTON BRIARWOOD	100%	110%
GLAD LOV R	GLADSTONE LOVE RENEE	100%	100%
GLE OFFW	GIBSON LAKEVIEW EST OFFW	130%	115%
GLE W1	GIBSON LAKEVIEW EST W1	100%	120%

NH Code	Neighborhood Description	Land Adjust	Imp Adjust
GLE W2	GIBSON LAKEVIEW EST W2	130%	115%
GLE W3	GIBSON LAKEVIEW EST W3	130%	115%
GLENW CIR	GLENWOOD CIRCLE	100%	102%
GO W1	GRAND OASIS W1	100%	120%
GO W2	GRAND OASIS W2	100%	110%
GOV	GOVERNORS	100%	100%
GRIEST	GRISON ESTATES	100%	100%
HH OFFW	HIDAWAY HARBOR OFFW	100%	100%
HH W1	HIDAWAY HARBOR W1	100%	120%
HH W2	HIDAWAY HARBOR W2	100%	109%
HH W3	HIDAWAY HARBOR W3	100%	120%
HID HIL	HIDDEN HILLS	100%	100%
HO OFFW	HIDDEN OAKS OFFW	125%	100%
HO W1	HIDDEN OAKS W1	150%	130%
HO W2	HIDDEN OAKS W2	150%	137%
HO W3	HIDDEN OAKS W3	150%	130%
HOUT B OFF	HOUT BAY OFFW	94%	130%
HOUT B W1	HOUT BAY W1	120%	130%
HOUT B W2	HOUT BAY W2	120%	130%
HR OFFW	HERMAN RANCHETTES OFFW	100%	100%
IB OFFW	IMPERIAL BAY OFFW	100%	100%
IB W1	IMPERIAL BAY W1	100%	115%
IB W2	IMPERIAL BAY W2	125%	120%
IB W3	IMPERIAL BAY W3	125%	120%
KCS EST	KERENS COUNTRYSIDE ESTATES	100%	100%
KP OFFW	KIRKS POINT OFFW	100%	100%
KP W1	KIRKS POINT W1	120%	120%
LH OFFW	LADDS HARBOR OFFW	100%	127%
LH W1	LADDS HARBOR W1	100%	140%
LH W2	LADDS HARBOR W2	100%	140%
LH W3	LADDS HARBOR W3	100%	140%
LIN TAM	LINDA TAMMY	100%	115%
LINKS	LINKS	100%	100%
LP 1 OFFW	LAGUNA PONT OFFW	100%	100%
LP 1 W1	LAGUNA PONT W1	100%	100%
LP 1 W3	LAGUNA PONT W3	100%	100%
LYNN	LYNN	100%	100%
MADI CI	MADISON CIRCLE	100%	90%
MADI SQ	MADISON SQUARE	100%	94%
MB W1	MARK BRANDON W1	100%	148%
MCA OFFW	McCASLIN ACRES OFFW	100%	100%
MCA W1	McCASLIN ACRES W1	100%	100%
MCA W2	McCASLIN ACRES W2	100%	100%
MCS 2 OFFW	MADIE CASTON SHORE 2 OFFW	120%	100%
MCS 2 W2	MATIE CASTON SHORE 2 W2	120%	100%
MCS 2 W3	MADIE CASTON SHORE 2 W3	100%	115%

NH Code	Neighborhood Description	Land Adjust	Imp Adjust
MCS 3 OFFW	MADIE CASTON SHORE 3 OFFW	100%	100%
MCS 3 W2	MADIE CASTON SHORE 3 W2	100%	118%
MCS 3 W3	MADIE CASTON SHORE 3 W3	100%	118%
MCS OFFW	MATIE CASTON SHORE OFFW	120%	120%
MCS W1	MATIE CASTON SHORE W1	120%	125%
ME OFFW	MILLENNIUM EST OFFW	130%	125%
ME W3	MILLENNIUM EST W3	130%	120%
MEAD	MEADOW	100%	100%
MEADOWS	THE MEADOWS	100%	100%
MILLS PL	MILLS PLACE	100%	97%
MLP W1	MOONLIGHT POINT W1	125%	168%
MLP W2	MOONLIGHT POINT W2	125%	130%
MOCK PL	MOCKINGBIRD PLACE	100%	120%
N 38	NORTH 38TH	100%	125%
NLE OFFW	NORTH LAKE ESTATES OFFW	100%	100%
NLE W2	NORTH LAKE ESTATES W2	100%	100%
NLE W3	NORTH LAKE ESTATES W3	100%	100%
NPARK	NORTHPARK	100%	109%
NSCON	NORTHSORE CONDOS	100%	152%
NSE OFFW	NORTH SHORES ESTATES OFFW	100%	100%
NSE W1	NORTH SHORES ESTATES W1	100%	105%
NSE W2	NORTH SHORES ESTATES W2	100%	105%
NSE W3	NORTH SHORES ESTATES W3	100%	105%
ORC	THE OVERLOOK AT RICHLAND CHAMBERS	100%	100%
ORH OFFW	OAKRIDGE HEIGHTS OFFW	100%	100%
ORH W1	OAKRIDGE HEIGHTS W1	100%	100%
ORH W2	OAKRIDGE HEIGHTS W2	100%	100%
ORH W3	OAKRIDGE HEIGHTS W3	100%	115%
OV ADD	OVERLOOK ADDITION	100%	101%
OV CIR	OVERLOOK CIRCLE	100%	98%
PB OFFW	PARADISE BAY OFFW	135%	120%
PB W1	PARADISE BAY W1	150%	120%
PB W2	PARADISE BAY W2	150%	120%
PB W3	PARADISE BAY W3	150%	120%
PBB OFFW	PLETTENBURG BAY OFFW	100%	100%
PBB W1	PLETTENBURG BAY W1	110%	140%
PBB W2	PLETTENBURG BAY W2	100%	120%
PBB W3	PLETTENBURG BAY W3	100%	100%
PEY PL	PEYTON PLACE	100%	100%
PI OFFW	PELICAN ISLE OFFW	100%	103%
PI W1	PELICAN ISLE W1	100%	110%
PI W2	PELICAN ISLE W2	100%	110%
PI W3	PELICAN ISLE W3	100%	110%
PIKE HI	PIKE HILL	100%	119%
POINT W1	THE POINT W1	100%	100%

NH Code	Neighborhood Description	Land Adjust	Imp Adjust
POINT W2	THE POINT W2	100%	120%
PP OFFW	PENINSULA POINT OFFW	115%	100%
PP POND	PENINSULA POINT POND	100%	100%
PP W1	PENINSULA POINT W1	115%	100%
PP W2	PENINSULA POINT W2	100%	100%
PP W3	PENINSULA POINT W3	100%	100%
PRIN	PRINCETON	100%	95%
PV OFFW	PEARL VALLEY OFFW	100%	100%
PV W1	PEARL VALLEY W1	100%	100%
PV W3	PEARL VALLEY W3	100%	100%
RCL OFFW	RICHLAND CHAMBERS OFFW	100%	100%
RCL W1	RICHLAND CHAMBERS W1	100%	105%
RCL W2	RICHLAND CHAMBERS W2	100%	100%
RCL W3	RICHLAND CHAMBERS W3	100%	100%
ROE OFFW	RUSTLING OAKS EST OFFW	100%	112%
ROE W1	RUSTLING OAKS EST W1	100%	153%
ROE W2	RUSTLING OAKS EST W2	100%	120%
ROE W3	RUSTLING OAKS EST W3	100%	120%
RP OFFW	RICHLAND PARK OFFW	155%	100%
RP W1	RICHLAND PARK W1	100%	100%
RP W3	RICHLAND PARK W3	100%	100%
SBG	ISD BLOOMING GROVE	100%	100%
SBG COMM	SBG Commercial Prop	100%	100%
SBY	ISD BYNUM	100%	100%
SCE OFFW	STARCREST ESTATES OFFW	100%	100%
SCE W1	STARCREST ESTATES W1	100%	97%
SCE W2	STARCREST ESTATES W2	100%	110%
SCE W3	STARCREST ESTATES W3	100%	105%
SCO	ISD CORSICANA	100%	100%
SCO COMM	SCO Commercial Prop	100%	100%
SCR OFFW	SANDY COVE RANCH OFFW	140%	100%
SCR W1	SANDY COVE RANCH W1	177%	100%
SCR W2	SANDY COVE RANCH W2	177%	100%
SCR W3	SANDY COVE RANCH W3	177%	100%
SDW	ISD DAWSON	100%	106%
SDW COMM	SDW Commercial Prop	100%	100%
SEN	ISD ENNIS	100%	100%
SFA	ISD FAIRFIELD	100%	107%
SFA COMM	SFA Commercial Prop	100%	100%
SFR	ISD FROST	100%	100%
SFR COMM	SFR Commercial Prop	100%	100%
SHELTON	SHELTON ADDITION	100%	100%
SHORE P	SHORES POND	100%	100%
SHORE W1	THE SHORES W1	100%	201%
SHORE W2	THE SHORES W2	120%	130%
SHORE W2P	SHORE WATER 2 PENNS	100%	177%

NH Code	Neighborhood Description	Land Adjust	Imp Adjust
SHORE W3	THE SHORES W3	100%	125%
SHORES OFF	THE SHORES OFFW	100%	100%
SHU	ISD HUBBARD	100%	100%
SKE	ISD KERENS	100%	100%
SKE COMM	SKE Commercial Prop	100%	100%
SLAND	SUN LAND ADDITION	100%	100%
SMI	ISD MILDRED	100%	100%
SMI COMM	SMI Commercial Prop	100%	100%
SP 1 W1	SUNRISE POINT W1	100%	108%
SP 2 OFFW	SUNRISE POINT 2 OFFW	188%	100%
SP 3 OFFW	SUNRISE POINT 3 OFFW	247%	100%
SP 4 OFFW	SUNRISE POINT 4 OFFW	100%	100%
SP 4 W1	SUNRISE POINT 4 W1	100%	130%
SP RC OFFW	SPOINT ON RICHLAND CHAM OFFW	143%	100%
SP RC W1	SPOINT ON RICHLAND CHAM W1	210%	160%
SP RC W2	SPOINT ON RICHLAND CHAM W2	172%	129%
SP RC W3	SPOINT ON RICHLAND CHAM W3	140%	129%
SR OFFW	SWEETWATER RANCH OFFW	100%	100%
SR W1	SWEETWATER RANCH W1	100%	150%
SR W2	SWEETWATER RANCH W2	100%	115%
SR W3	SWEETWATER RANCH W3	100%	130%
SRI	ISD RICE	100%	100%
SRI COMM	SRI Commercial Prop	100%	100%
SRPOFFW1	SUNRISE POINT OFFW1	119%	117%
SRPOFFW2	SUNRISE POINT OFFW2	100%	117%
SRPOFFW3	SUNRISE POINT OFFW3	100%	100%
SRPW1	SUNRISE POINT W1	100%	108%
SRWEST	SUNRISE WEST	92%	100%
STERNS	STERNS ADDITION	100%	100%
STORYLAND	STORY LAND ADDN	100%	100%
SUN	SUNNY	100%	103%
SV W1	SHILOH VISTAS W1	100%	130%
SW OFFW	SHERWOOD OFFW	100%	100%
SW SHORES	Stillwater Shores	100%	100%
SW W3	SHERWOOD W3	100%	116%
SWO	ISD WORTHAM	100%	100%
SWR OFFW	S&W RANCH OFFW	100%	100%
TRI SH	Triangle Shores	100%	100%
TRISH OFFW	TRIANGLE SHORES OFFWATER	100%	100%
TRISH WF	TRIANGLE SHORES WATERFRONT	100%	100%
TRISH WV	TRIANGLE SHORES WATERVIEW	100%	100%
TRL RI	TRAIL RIDGE	125%	105%
TRL RI 2	TRAIL RIDGE 2	125%	105%
VR OFFW	VISTA RIDGE OFFW	100%	120%
VR W1	VISTA RIDGE W1	100%	135%
VR W2	VISTA RIDGE W2	100%	110%

NH Code	Neighborhood Description	Land Adjust	Imp Adjust
VR W3	VISTA RIDGE W3	100%	110%
VW OFFW	VILLAGE WOODS OFFW	100%	100%
VW W1	VILLAGE WOODS W1	100%	130%
VW W2	VILLAGE WOODS W2	100%	95%
WC OFFW	WATERFRONT CLUB OFFWATER	100%	100%
WCE W1	WINKLER CREEK ESTATE W1	100%	140%
WCE W2	WINKLER CREEK ESTATE W2	100%	130%
WCE W3	WINKLER CREEK ESTATE W3	100%	100%
WCLH W1	WATERFRONT CLUB LAKE HALBERT W1	100%	100%
WCMLW1	WATERFRONT CLUB MAG LAKE W1	100%	100%
WCMLW2	WATERFRONT CLUB MAG LAKE W2	100%	100%
WCMLW3	WATERFRONT CLUB MAG LAKE W3	100%	100%
WESTW	WESTWOOD	100%	100%
WIL WIN	WILLIAMS WINDFIELD	100%	100%
WILLOW C	WILLOW CREEK	100%	98%
WOH	WESTOVER HILLS ADDN	115%	88%
WR W1	WHITEROCK W1	130%	140%
WR W2	WHITEROCK W2	135%	155%
WR W3	WHITEROCK W3	115%	130%
WRC OFFW	THE WOODS AT RC OFFW	100%	120%
WRC W1	THE WOODS AT RC W1	100%	125%
WRC W2	THE WOODS AT RC W2	100%	135%
WRC W3	THE WOODS AT RC W3	100%	120%

Homestead Exemption Qualification Review Schedule

Properties receiving a residential homestead exemption will be periodically reviewed according to the year in which the application for the exemption was filed.

The following schedule includes the application years to be reviewed during the 2025-2026 reappraisal cycle.

This schedule provides for the periodic review of qualifications for all homesteaded properties over a five-year period.

Review Year	Qualify Year	Parcel Count
2025	0	104
2025	1991	4
2025	1992	6
2025	1993	12
2025	1994	7
2025	1995	19
2025	1996	27
2025	1997	24
2025	1998	29
2025	1999	22
2025	2000	70
2025	2001	35
2025	2002	43
2025	2003	124
2025	2004	115
2025	2005	100
2025	2006	1858
2025	2007	457
2025	2008	493
2025	2009	251

Review Year	Qualify Year	Parcel Count
2026	2009	323
2026	2010	500
2026	2011	493
2026	2012	504
2026	2013	521
2026	2014	641
2026	2015	715
2026	2016	103

Exhibit 6

2025 Schedule of Activities

Date	Event	
8/1/24		EARS and EFTPS data due to State Comptroller
08/01/24		Update appraisal data on TNT Website
08/07/24		Public notice of TNT Website availability published in newspapers and on website prior to this date.
8/20/24		Public Hearing Notice of Reappraisal Plan delivered to Taxing Jurisdictions
8/23/24		Reappraisal Plan Public Hearing in newspaper
8/23/24		Post Public Hearing on office door and website
8/30/24		2025 Reappraisal Cycle Begins
9/1/24		Rental Survey Mail Out
9/2/24		Labor Day Holiday - Office Closed
9/6/24		File BOD meeting agenda to door and website
9/10/24		Public Hearing for consideration and adoption of 2025-2026 Reappraisal Plan 10:00 am
9/10/24		Regular meeting of Board of Directors 10:00 am at CAD office
09/10/24		BOD consider selecting depository for 2025 to 2026
09/10/24		BOD select Auditor for 2024 Financial Audit
9/16/24		Post and Publish ARB Member Applications for 2025-2026
10/01/24		4th quarter payment due from taxing jurisdictions
10/7/24		Chief Appraiser presents 3rd Qtr Appraisal Roll Changes to ARB & BOD
10/7/24		Investment officer's report due for 3rd Qtr
10/10/24		Unpaid 4 th quarter payments from taxing jurisdictions accrue penalty
10/15/24		Deliver 1 st Quarter 2025 Cost Shares to taxing jurisdictions
11/11/24		Veterans Day Holiday - Office Closed
11/14/24		ARB 4 th Quarterly meeting
11/15/24		File BOD meeting agenda to door and website
11/19/24		Regular meeting of Board of Directors 10:00 am at CAD office
11/27/24	to	11/29/24
		Thanksgiving Holiday - Office Closed at 12:00 pm
12/2/24		Mail Renditions to BPP owners
12/24/24	to	12/25/24
		Christmas Holiday - Office Closed
12/31/24		New Year's Eve Holiday - Office Closed At Noon
1/1/25		New Year's Holiday - Office Closed
01/01/25		1 st quarter payment due from entities
1/2/25	to	5/15/25
		Review BPP Renditions

Date	Event		
1/10/25	Chief Appraiser presents 4th Qtr Appraisal Roll Changes to ARB & BOD		
1/10/25	Investment officer's report due for 4th Qtr		
1/11/25	Unpaid 1 st quarter payments from taxing jurisdictions accrue penalty		
1/15/25	Deliver 2 nd Quarter payments to taxing jurisdictions		
1/17/25	File BOD meeting agenda to door and website		
1/17/25	File ARB meeting agenda to door and website		
1/20/25	Martin Luther King Holiday- Office Closed		
1/21/25	Regular meeting of Board of Directors 10:00 am at CAD office		
1/21/25	BOD approves 4th Qtr Appraisal Roll Changes as presented by Chief Appraiser		
1/22/25	Mailout reapply applications		
1/22/25	Mailout exemption applications and ag		
1/23/25	ARB organizational meeting - review 2025 Hearing Rules & Procedures		
1/23/25	ARB approves 4th Qtr Appraisal Roll Changes as presented by Chief Appraiser		
1/31/25	Filing Deadline for PTC Chapter 25 Protests		
1/31/25	Late Filing Deadline for 2024 Homestead Exemptions		
2/3/25	2024 Tax Delinquency Date		
2/3/25	EFTPS due to State Comptroller		
2/17/25	President's Day Holiday- Office Closed		
2/21/25	End Scheduled Real Estate & BPP Inspections		
2/24/25	to	3/7/25	Inspect newly discovered business personal property parcels
3/3/25	to	4/1/25	Review Vehicle Registration List
2/24/24	to	03/28/24	New Improvement Inspections /Other Unscheduled Inspections
3/3/25	to	03/31/25	Internal Ratio Study and Appraisal Model Calibration
3/8/25	Publish Exemption ad in newspapers and website		
3/7/25	File Ag Advisory Board Agenda		
3/12/25	Ag Advisory Board Meeting		
3/28/25	End Scheduled Improvement Inspections		
3/14/25	File BOD meeting agenda to door and website		
3/18/25	Regular meeting of Board of Directors 10:00 am at CAD office		
3/24/25	Request for Appraisal Roll Delivery to Taxing Jurisdictions TPC 26.01(a)		
3/27/25	ARB 1st Quarterly Meeting (Oath, Preliminary Rules & Procedures)		
3/31/25	Last deed date read for ownership changes before notices		
4/01/25	2nd quarter payment due from taxing jurisdictions		
4/4/25	Data entry for appraisal records for real property ends		
4/7/25	Error edits on appraisal file prior to sending file for notices		
4/9/25	Send file to Variverge for 25.19 Notices Real Property		

Date	Event
4/10/25	Unpaid 2 nd quarter payments from taxing jurisdictions accrue penalty
4/14/25	Deliver 3 rd Qtr payments to taxing jurisdictions
4/5/23	Send file to Variverge for 25.19 Notice
4/1/25 to 7/18/25	Ownership changes posted to CAMA and GIS databases from owner documents brought in by property owners/sellers
4/18/25	Good Friday- Office Closed
4/10/25	Chief Appraiser presents 1st Qtr Appraisal Roll Changes to ARB & BOD
4/10/25	Investment officer's report due for 1st Qtr
4/11/25	Unpaid 2nd quarter payments from taxing jurisdictions accrue penalty
4/15/25	Deadline for filing renditions
4/15/25	Deadline for requesting rendition filing extension
4/15/25 to 5/15/25	Late rendition filing period
4/16/25	Variverge send 25.19 Notice of Appraised Value
4/16/25	Update preliminary appraisal data on website - turn on electronic protest option for homestead properties only
4/18/25	Publish public notice of protest procedures on website
4/19/25	Publish public notice of protest procedures in newspaper
4/29/25	Chief Appraiser delivers certified estimates to taxing jurisdictions
5/1/25 to 7/17/25	Accept Late Filed 1-d-1 Open Space & Timber Applications for 2025 -10% penalty applicable
5/1/25 to 7/17/25	Receive late applications for exemptions & special valuations ("ag")
5/16/25	Deadline for data entry for BPP
5/16/25	File BOD meeting agenda to door and website
5/19/25	Error Checks for BPP Notices
5/20/25	Deliver BPP File to Variverge
5/15/25	Deadline for reviewing BPP
5/15/25	Deadline for BPP Extensions
5/16/25	Last Day to Protest 25.19 Notice- Real Property
5/20/25	2026 Budget Workshop during BOD meeting
5/23/25	Deliver 25.19 Notices for BPP & Pritchard & Abbott, Inc
5/23/25	Pritchard & Abbott, Inc Preliminary Data Import
5/26/25	Memorial Day Holiday - office closed
5/30/25	File ARB Agenda for 6/3/25
6/1/25	Send test file for EARS to State Comptroller
6/3/25	ARB Meeting for Chief Appraiser Submission of Records
6/3/25	ARB Approves 1 st Qtr Changes presented by Chief Appraiser
6/3/25	Chief Appraiser presents 2025 Summary Appraisal Report to ARB
6/3/25	Deliver notice to taxing jurisdictions of Proposed Budget
6/10/25	Unpaid 3rd quarter payments from taxing jurisdictions accrue penalty

Date	Event
6/16/25	Deliver 3 rd Qtr Cost Shares to taxing jurisdictions
6/20/25	File ARB meeting agenda to door and website for 6/24 & 6/26
6/9/25	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 06/24/25
6/11/25	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 06/26/25
6/11/25	Add penalties for late 3 rd Qtr Cost Shares
6/23/25	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 07/8/25
6/25/25	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 7/10/25
6/19/25	Juneteenth- Office Closed
6/24/25	ARB Meeting 8:20am for taxpayer protest
6/20/25	Deadline for filing 25.19 Protest for BPP & Pritchard & Abbott, Inc
6/26/25	ARB Meeting 8:20am for taxpayer protest
6/30/25	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 7/15
6/27/25	Publish 2024 Operating Budget Hearing Notice on door and website
6/28/25	Publish 2024 Operating budget Hearing in newspaper
7/1/25	3rd quarter payment due from taxing jurisdictions
7/1/25	Mail 10% Penalty Letters for BPP/ Pritchard & Abbott, Inc
7/1/25	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 7/16
7/2/25	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 7/17
7/3/25	File ARB meeting agenda for 7/8 & 7/10 to door and website
7/3/25	Registry for Abatements due to State Comptroller
7/4/25	Independence Day Observed- office closed
7/8/25	ARB Meeting 8:20am for taxpayer protest
7/10/25	ARB Meeting 8:20am for taxpayer protest
7/10/25	Chief Appraiser presents 2nd Qtr Appraisal Roll Changes to ARB & BOD
7/10/25	Investment officer's report due for 2nd Qtr
7/11/25	File ARB meeting agenda for 7/15, 7/16 & 7/17 to door and website
7/10/25	Unpaid 3rd quarter payments from taxing jurisdictions accrue penalty
7/14/25	Deliver 4 th Qtr Cost Shares to taxing jurisdictions
7/15/25	ARB Meeting 8:20 am for taxpayer protest
7/15/25	BOD Meeting Public Hearing & Regular 10:00am Adopt 2026 Operating Budget
7/16/25	ARB Protest for Real & Pritchard & Abbot Inc. 8:20am
7/16/25	Deliver 2026 Operating Budget to taxing jurisdictions to start 30-day veto resolutions
7/17/25	ARB Meeting 8:20 am for taxpayer protest
7/21/25	Import Pritchard & Abbott, Inc Certified File

Date	Event
7/21/25	Error Check of Pritchard & Abbott, Inc. Abatements and new Value reports
7/25/25	Run TIFF reports for cities, county, and college
7/25/25	Send Certified Totals to taxing jurisdictions
7/25/25	Prepare & archive CAD copies of Certified Appraisal Rolls & lists
7/28/25	Update Certified Appraisal Data to Website
7/28/25	Process taxing jurisdictions request for certified appraisal rolls, records and data files
8/1/25	EARS & EFTPS date due to State Comptroller
8/7/25	Publish Notification of TNT website in newspaper

2026 Schedule of Activities

Date	Event
8/24/25	CA delivers letter to taxing jurisdictions requesting BOD nominations for 2026-2027
9/1/25	Begin Reappraisal Plan for 2026
9/1/25	Labor Day- Office Closed
9/2/25	Mailout of Rental Surveys
10/1/25	4th quarter payment due from taxing jurisdictions
10/10/25	Unpaid 4 th Qtr payments from taxing jurisdictions accrue penalty
10/15/25	Registry for Abatements due to State Comptroller
10/15/25	State Comptroller forms due for 50-253, 50-755, 50-767, and 50-851
10/15/25	Tax Rate submission spreadsheet due to State Comptroller
10/16/25	Entities resolutions due for BOD nominations to CA for 2026-2027
10/19/25	CA prepares & delivers BOD ballot to voting taxing entities
11/11/25	Veterans Day- Office Closed
11/14/25	File BOD Agenda to door and website
11/18/25	Regular meeting of Board of Directors 10:00 am at CAD office
11/26/25 11/27/25 11/28/25	Thanksgiving Holiday- Office Closed at Noon
12/1/25	Mail Rendition to BPP
12/15/25	Entities return BOD ballot and votes with minutes to CA
12/16/25	CA notifies all taxing entities and nominees for BOD election results
12/24/25 to 12/25/25	Christmas Holiday - Office Closed
01/01/26	1st quarter payment due from taxing jurisdictions
1/1/26	New Year's Holiday - Office Closed
1/2/26	Post Abatements due to State Comptroller
1/2/26 to 5/15/26	Review BPP Renditions
1/10/26	Unpaid 1st quarter payments from taxing jurisdictions accrue penalty
1/16/26	File ARB Agenda
1/16/26	File BOD Agenda
1/19/26	Martin Luther King Holiday- Office Closed
1/20/26	Mailout of annual exemption applications and ag applications
1/20/26	Mailout of exemption reappplies
1/20/26	Regular meeting of Board of Directors 10:00 am at CAD office
1/20/26	Chief Appraiser presents 4th Qtr Appraisal Roll Changes to ARB & BOD
1/20/26	PFI report due for 4th Qtr to BOD & Auditor
1/21/26	ARB organizational meeting - review 2026 Hearing Rules & Procedures
1/21/26	ARB approves 4th Qtr Appraisal Roll Changes as presented by Chief Appraiser

Date	Event		
1/31/26	Filing Deadline for PTC Chapter 25 Protests		
1/31/26	Late Filing Deadline for 2025 Homestead Exemptions		
2/2/26	2025 Tax Delinquency Date		
2/2/26	EFTPS due to State Comptroller		
2/16/26	Presidents' Day- Office Closed		
2/20/26	End Scheduled Inspections		
2/23/26	to	4/1/26	Review Vehicle Registration List
2/23/26	Begin New improvement Inspections/ Other Unscheduled Inspections		
3/6/26	Publish Exemption ad in newspaper and website		
3/2/26	to	3/31/26	Internal Ratio Study and Appraisal Model Calibration
3/13/26	File Ag Board Agenda		
3/18/26	Ag Advisory Board Meeting		
3/27/26	File ARB Agenda		
3/31/26	ARB 1st Quarterly Meeting		
3/31/26	Last deed date read for ownership changes before notices		
4/1/26	2 nd quarter payment due from entities		
4/1/26	to	7/16/26	Ownership changes posted to CAMA and GIS databases from owner documents brought in by property owners/sellers
4/3/26	Data entry for appraisal records for real property ends		
4/6/26	to	4/8/26	Error edits on appraisal file prior to printing appraisal notices
4/8/26	Send real property file for 25.19 to Variverge		
4/10/26	Chief Appraiser presents 1st Qtr Appraisal Roll Changes to ARB & BOD		
4/10/26	PFI report due for 1st Qtr		
4/10/26	Unpaid 2nd quarter payments from taxing jurisdictions accrue penalty		
4/14/26	Send 3 rd Qtr Cost Shares to taxing jurisdictions		
4/15/26	Send 25.19 Notices of Appraised Value for Real Property		
4/15/26	Last Day for Filing Rendition Extension Requests		
4/15/26	Last Day for Filing Renditions		
4/15/26	Update preliminary appraisal data on website - turn on electronic protest option		
4/15/26	to	5/15/26	Late rendition filing period
4/24/26	Publish Public notice of protest procedures on website		
4/25/26	Publish public notice of protest procedures in newspaper		
4/30/26	Chief Appraiser delivers certified estimates to taxing jurisdictions		
5/1/26	to	7/16/26	Accept Late Filed 1-d-1 Open Space & Timber Applications for 2021 -10% penalty applicable
5/1/26	to	7/16/26	Receive late applications for exemptions & special valuations ("ag")
5/20/26	Deadline for BPP data entry		
5/20/26	Error Checks for BPP		

Date	Event
5/21/26	Send BPP file to Variverge for 25.19 Notices
5/15/26	Deadline for filing late renditions
5/15/26	Last day to file protests for 04/15/24 appraisal notices (REAL)
5/15/26	File BOD Agenda
5/19/26	2025 Budget Workshop during BOD meeting
5/19/26	Regular meeting of Board of Directors 10:00 am at CAD office
5/25/26	Memorial Day Holiday - office closed
5/26/26	File ARB Agenda
5/26/26	Mail 25.19 Appraisal Notices on Min/Util/Indus/BPP property
5/27/26	Import Pritchard & Abbott, Inc Preliminary Data
5/28/26	ARB Approves 1 st Qtr Changes presented by Chief Appraiser
5/28/26	ARB Meeting for Chief Appraiser Submission of Records
5/28/26	Chief Appraiser presents 2024 Summary Appraisal Report
6/1/26	Send Test File for EARS to State Comptroller
6/8/26	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 6/23
6/18/26	File ARB Agenda for 6/23 & 6/25
6/19/26	Juneteenth- Office Closed
6/10/26	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 6/25
6/22/26	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 7/7
6/23/26	ARB Meeting 8:20 am for taxpayer protest
6/24/26	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 7/9
6/25/26	ARB Meeting 8:20 am for taxpayer protest
6/25/26	Last Day for 25.19 Protest for BPP & Pritchard & Abbott, Inc
6/29/26	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 7/14
6/30/26	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 7/15
7/1/26	3rd quarter payment due from taxing jurisdictions
7/1/26	Last day to mail Notice Of Hearing and requested evidence for protests scheduled on 7/16
7/1/26	Registry for Abatements due to State Comptroller
7/1/26	Mail 10% Penalty Letters for BPP/ Pritchard & Abbott Inc and Ag
7/4/26	Independence Day Observed- office closed
7/7/26	ARB Meeting 8:20 am for taxpayer protest
7/7/26	ARB approves 2nd Qtr Appraisal Roll Changes as presented by Chief Appraiser
7/10/26	Public Notice of Budget on door and website
7/10/26	Chief Appraiser presents 2nd Qtr Appraisal Roll Changes to ARB & BOD
7/10/26	PFI report due for 2nd Qtr

Date	Event
7/10/26	Unpaid 3rd quarter payments from taxing jurisdictions accrue penalty
7/11/26	Publish Public Notice of Budget in newspaper
7/13/26	Deliver 4 th Qtr Cost Shares to taxing jurisdictions
7/14/26	ARB Meeting 8:20 am for taxpayer protest including Pritchard & Abbott, Inc
7/15/26	ARB Meeting 8:20 am for taxpayer protest
7/16/26	ARB Meeting 8:20 am for taxpayer protest
7/16/26	ARB Approves 2026 Appraisal Records
7/17/26	File BOD Agenda for 7/21
7/21/26	BOD approves 2nd Qtr Appraisal Roll Changes as presented by Chief Appraiser
7/21/26	Regular meeting of Board of Directors 10:00 am at CAD office
7/17/26 to 7/23/26	Error edits to close appraisal file for certification
7/24/26	Run TIFF reports for cities, county, and college
7/27/26	Chief Appraiser certifies appraisal records to taxing jurisdictions
7/27/26	Prepare & Archive CAD Copies of Certified Appraisal Rolls & lists
7/27/26	Update certified appraisal data on www.navaracad.com website
7/31/26	Publish to taxpayers the TNT website in newspaper & website
8/1/26	EARS & EFTPS date due to State Comptroller

Kelly Lawhon

From: Kelly Lawhon
Sent: Monday, September 16, 2024 3:23 PM
To: 'ptad.cpa@cpa.texas.gov'
Cc: 'Bud Black'
Subject: 2025-2026 Adopted Reappraisal Plan- Navarro CAD
Attachments: 2025-2026 Adopted Reappraisal Plan.pdf

Good afternoon,

I have attached the 2025-2026 Adopted Reappraisal Plan for Navarro Central Appraisal District.

Kelly Lawhon, R.P.A.
Director of Business Services
Navarro Central Appraisal District
1250 N. 45th St.
Corsicana, TX 75110
(903)872-2476
www.navarrocad.com



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Kelly Lawhon

From: PTAD CPA <PTAD.CPA@cpa.texas.gov>
To: Kelly Lawhon
Sent: Monday, September 16, 2024 3:26 PM
Subject: Read: 2025-2026 Adopted Reappraisal Plan- Navarro CAD

Your message

To: PTAD CPA
Subject: 2025-2026 Adopted Reappraisal Plan- Navarro CAD
Sent: Monday, September 16, 2024 3:23:02 PM (UTC-06:00) Central Time (US & Canada)

was read on Monday, September 16, 2024 3:26:23 PM (UTC-06:00) Central Time (US & Canada).

Kelly Lawhon

From: PTAD Communications <Ptad.Communications@cpa.texas.gov>
Sent: Thursday, September 19, 2024 11:42 AM
To: Kelly Lawhon
Subject: RE: 2025-2026 Adopted Reappraisal Plan- Navarro CAD

Hello,

The Navarro CAD 2025-2026 Reappraisal Plan has been received. Thanks!

Best,

Tyler Hotz

Survey Analyst, Education and Communications
Property Tax Assistance Division
Texas Comptroller of Public Accounts
111 E. 17th Street, 11th Floor
Austin, TX 78701
Office: (512) 936-8340
Phone: 800-252-9121 (press 3)



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From: PTAD CPA <PTAD.CPA@cpa.texas.gov>
Sent: Monday, September 16, 2024 3:27 PM
To: PTAD Communications <Ptad.Communications@cpa.texas.gov>
Cc: PTAD CPA <PTAD.CPA@cpa.texas.gov>
Subject: FW: 2025-2026 Adopted Reappraisal Plan- Navarro CAD

From: Kelly Lawhon <kelly.lawhon@navarrocad.com>
Sent: Monday, September 16, 2024 3:23 PM
To: PTAD CPA <PTAD.CPA@cpa.texas.gov>
Cc: Bud Black <Bud.Black@navarrocad.com>
Subject: 2025-2026 Adopted Reappraisal Plan- Navarro CAD

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Good afternoon,

I have attached the 2025-2026 Adopted Reappraisal Plan for Navarro Central Appraisal District.

Kelly Lawhon, R.P.A.

*Director of Business Services
Navarro Central Appraisal District
1250 N. 45th St.
Corsicana, TX 75110
(903)872-2476
www.navarrocad.com*



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