

How's My Property Appraised?



At least once every two years, each parcel of property in Franklin Cad is reviewed by an appraiser in accordance with Texas law.

During a visit the appraiser reviews property characteristics and records any changes from the last review cycle. This review identifies condition, new additions, such as shops, shed, pools, etc., or other changes that affect value.

Appraisal District appraisers will inspect the interior of your home upon your request or if it's new construction and you are not living in the home.

The appraiser will validate the:

- Square footage
- Construction quality
- Physical condition
- Architect design
- Amenities
- Construction type

Using these facts the appraiser will determine your value as of January 1 considering the following approaches to value

- Sales comparison
- Cost approach
- Income approach

The appraisal district must utilize methods and procedures of each approach and apply them uniformly to similar properties in a process known as mass appraisal.

Sales Approach

By maintaining a database on sold real estate transactions, we can arrive at the property value by studying the sales of similar properties and adjusting those properties to match the description of your property.

Cost Approach

This approach measures the cost to build your home in today's market reducing the cost by adjusting for the age and condition of your property. This reduction process is called depreciation.

Income Approach

This approach is an approach to measure value on income producing properties. This analysis is generated using potential gross rent and allowable expenses to determine a net operating income. This income is capitalized into value.

Mass Appraisal

Mass appraisal methods and techniques used by appraisal districts take a universe of similar properties and appraise them with similar values.

Adjustments are made to account for each properties individual characteristic.

Oil and Gas properties

This income approach to value forecast the future net income attributable to the future sale of oil and gas reserves and then discounts this future net income back to present value.

Market value vs Appraised value

Texas law provides a limitation on homestead properties allowing only a 10% increase in the appraised value of your homestead. This 10% limitation controls your taxable value increase to no more than 10% per year. However, Market Value will reflect the trends in the sale of real property similar to your property. Market Value can exceed the appraised value of your property.

How Can My Value Change

The appraisal districts are charged by law to measure the market activity of real estate within their jurisdictions. A very active demanding market can cause a rapid increase in market value. A sluggish economy and no demand can make a market decline or remain at a level pace until activity creates a recognizable trend. Your value can also change when you make additions or improve your property.

If I disagree with the district

You should contact the district within 30 days of receiving your appraisal notice. If you still disagree you may file a formal protest and appear before the Appraisal Review Board to determine

your value. This board is a panel of local citizens that will listen to the evidence presented by you and the district to determine the value.

How are my taxes calculated?

The taxing jurisdictions (county, cities, schools, and special districts) determine your tax burden based upon the tax rates they adopt to fund their operating budgets. These rates are adopted in August or September of each year after public hearings.

Your taxes are calculated by dividing your taxable value by one hundred and multiplying by the jurisdiction's tax rate.

Market value	\$200,000
<u>Less exemptions</u>	<u>-100,000</u>
Taxable value	100,000
<u>Apply tax rate</u>	<u>x 0.0200</u>
Assessed Taxes	\$2,000.00

How can I lower my taxes

A variety of exemptions are available to homeowners and disabled veterans. If you own a farm or ranch, or grow a crop, you may be eligible to receive a special evaluation based on your land's potential productivity capabilities rather than market value.

For more information visit our website or contact us:

Franklin County Appraisal District
P.O. Box 720 (mailing)
310 W. Main (physical)
Mt. Vernon, Texas 75457
903-537-2286
www.franklin-cad.org