

HOW YOUR PROPERTY IS APPRAISED

The Lavaca County Central Appraisal District recently mailed to all property owners in the county a Notice of Appraised Value for 2016. The letter style notice provides a lot of information and can be somewhat confusing. After the notices are mailed the district receives numerous phone calls from property owners asking how the district appraises property. The following information may help to understand that question.

The legislature requires appraisal districts to use a method called mass appraisal to calculate the value of a large number of properties. In a mass appraisal the district classifies categories of properties and then determines the value of each class of properties. After the property is classed the district then considers each property's individual characteristics such as age, size, condition and location and applies appropriate adjustments.

The value of property is an estimate of the price for which it would sell on Jan. 1. The district compares your property to similar properties that have sold recently and determines its value. Comparable sales must be similar in factors as your property. For example: Commercial property sales are not considered in valuing residential property.

The district considers three approaches to value:

- Market Comparison Approach – This approach looks at what similar properties are selling for. This is the most common approach for residential properties and land.
- Cost Approach – This approach looks at the replacement cost less depreciation. This approach is commonly used for unique properties that are not frequently sold and properties under construction.
- Income Approach – This approach looks at what an investor would pay in anticipation of future income from the property. This approach is commonly used for income producing properties such as shopping malls, hotel/motels and apartment complexes.

The district has a contract agreement with Pritchard & Abbott, Inc. to appraise all industrial, oil and gas properties. For information on how these types of properties are appraised Pritchard and Abbott's website www.pandai.com has frequently asked questions and answer link that has a lot of information on the appraisal of these types of properties.

If you have any questions please feel free to call or come by the district. The office is located at 908 N Glendale Street and the telephone number is 361-798-4396.