Guadalupe Appraisal District

Mass Appraisal Report

2021

The Guadalupe Appraisal District has prepared and published this report to provide intended users with a better understanding of the district's responsibilities, activities, and results of mass appraisal for the January 1st appraisal date. This report has several parts: a general introduction and several sections describing the appraisal efforts and results by the Appraisal District staff.

Operations Department
April 30,2021

Before making copies, some information related to confidential information shall need to be redacted.

Confidential Information

Please be advised that pursuant to Texas Government Code Section 552.149(a), "Information relating to real property sales prices, descriptions, characteristics, and other related information received from a private entity by the comptroller or the chief appraiser of an appraisal district under Chapter 6, Tax Code, is excepted from the requirements of Section 552.021."

MASS APPRAISAL REPORT

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GUADALUPE APPRAISAL DISTRICT
2021 Mass Appraisal Report

INTRODUCTION

Scope of Responsibility

The Guadalupe Appraisal District has prepared and published this report to provide our citizens and property owners with a better understanding of the district's responsibilities, activities, and results of mass appraisal for the January 1st appraisal date. This report has several parts: a general introduction and several sections describing the appraisal efforts and results by the appraisal district and staff.

The Guadalupe Appraisal District (G.A.D.) is a political subdivision of the state of Texas created effective January 1, 1980. The provisions of the Texas Tax Code govern the legal, statutory, and administrative requirements of the appraisal district. A board of directors, appointed by the taxing units within the boundaries of Guadalupe County, constitutes the district's governing body. 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 and exemption administration for 23 jurisdictions in the district. Each jurisdiction, such as the county, a city, school district, municipal utility district, sets its own tax rates to generate revenue to pay for public services provided by the unit to the public. Appraisals established by the appraisal district allocate the year's tax burden based on each taxable property's January 1st market value. The G.A.D. also determines eligibility for partial property tax exemptions such as homestead, disabled veteran's homestead, over 65, disability, and disabled veterans. As well, the G.A.D. also determines eligibility for absolute exemptions, for religious organization, and qualifying charitable organizations that are also specifically outlined in the Texas Tax Code.

The Guadalupe Appraisal District does not perform assessment or collection functions for any taxing units. The collection and assessment function are determined by the taxing unit itself. It should be noted that there could be the situation that the County portion of ad-valorem taxes is assessed and collected by the Guadalupe County Tax Assessor-Collector while ISD and City (if applicable) ad-valorem tax is assessed and collected by another Tax Assessor-Collector, as determined by the taxing unit.

It should also be understood that the scope of appraisal for ad-valorem purposes is conducted as a mass appraisal where there is a universe of properties to appraise, and there could be information that the District does not know about a property, and only becomes aware when either the property owner provides the District with a rendition of real property or when the property owners file a protest.

All taxable property is appraised at its "market value" as of January 1st of each year except as otherwise provided by the Texas Tax Code. Under the Texas 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 buyer 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.

- both the seller and buyer seek to maximize their gains, and neither is able to take advantage of the exigencies of the other.

The Texas Tax Code defines special appraisal provisions for the valuation of residential homestead property (§23.23), productivity (§23.41), real property inventory (§23.12), dealer inventory (§23.121, 23.124, 223.1241 and 23.127) related to motor vehicle, vessels and outboard motors, manufactured housing, and heavy equipment. As well, Texas Tax Code outlines nominal (§23.18) or restricted use properties (§23.83). The owner of real property inventory may elect to have the inventory appraised at its market value as of September 1st of the year proceeding the tax year to which the appraisal applies by filing an application with the chief appraiser requesting that the inventory be appraised as of September 1st.

In addition, §23.01 (c) of the Texas Tax Code indicates that the "chief appraiser may not exclude from consideration the value of other residential property that is in the same neighborhood as the residence homestead being appraised and would otherwise be considered in appraising the residence homestead because the other residential property:

(1) was sold at a foreclosure sale conducted in any of the three years preceding the tax year in which the residence homestead is being appraised and was comparable at the time of sale based on relevant characteristics with other residence homesteads in the same neighborhood; or

(2) has a market value that has declined because of a declining economy.

Distress sales are included in the model calibration for residential properties in the G.A.D. for the 2020 year, as in previous years since requirement under legislation was effective.

Also, in §23.01 (d) the Texas Tax Code indicates that: "The market value of a residence homestead shall be determined solely based on the property's value as a residence homestead, regardless of whether the residential use of the property by the owner is the highest and best use of the property.

The G.A.D. has made a concerted effort to recognize residential properties in areas where the highest and best use of the property is commercial or industrial and value these residential properties on a residential basis. This is a recognized jurisdictional exception required in the Texas Tax Code.

As well, §23.01 (e) of the Texas Tax Code indicates "Notwithstanding any provision of this subchapter to the contrary, if the appraised value of property in a tax year is lowered under Subtitle F, the appraised value of the property as finally determined under that

subtitle is considered to be the appraised value of the property for that tax year." In the following tax year, the chief appraiser my not increase the appraised value of the property unless the increase by the chief appraiser is reasonably supported by substantial evidence when all the reliable and probative evidence in the record is considered in its entirety. If the appraised value is finally determined in a protest under Section 41.41 (a) (2) or an appeal under Section 42.26, the chief appraiser may satisfy the requirement to reasonably support by substantial evidence an increase in the appraised value of the property in the following tax year by presenting evidence showing that the inequality in the appraisal of property has been corrected when compared to properties that were considered in determining the value of the subject property. The burden of proof is on the chief appraiser to support an increase in the appraised value of property under the circumstances described by this subsection." For the 2021 year, the G.A.D. made a concerted effort to abide by this section of the Texas Tax Code and reviewed properties that had an A.R.B. decision or arbitration decision in the 20119year in this light.

The Texas Tax Code, under Section 25.18, requires each appraisal office to implement a plan to update appraised values for real and personal property at least once every three to five years. The district's current policy is to conduct a general reappraisal of real property annually. Personal property, industrial property, complex commercial property, and utility property values are reviewed or reappraised every year and changes are made based on the quality and availability of market data and rendition data.

The appraised value of real estate is calculated using specific information knowledgeable to the Guadalupe Appraisal District about each property. ***As information becomes known to the Guadalupe Appraisal District, the opinion of the appraiser may change based on observations currently known and thus modifications may be made to the market or appraised value of property.*** Using computer-assisted appraisal programs, and recognized appraisal methods and techniques, the Guadalupe Appraisal District will compare that information with the data for similar properties, and with recent market data. The district follows the standards of the International Association of Assessing Officers (I.A.A.O.) regarding its appraisal practices and procedures and subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (U.S.P.A.P.) to the extent they are applicable, and where there are jurisdictional exceptions outlined in the Texas Tax Code. In cases where the appraisal district contracts for professional valuation services, the contract that is entered into by each appraisal firm requires adherence to similar professional standards.

Personnel Resources

The Chief Appraiser is primarily responsible for overall planning, organizing, staffing, coordinating, and controlling of district operations. The function of the Operations Department is to plan, organize, direct and control the business support functions related to human resources, budget, finance, records management, purchasing, fixed assets, facilities and ancillary services. The Appraisal Department is responsible for the valuation of all real and personal property parcels in the district. The property types appraised include commercial, residential, business personal, manufactured housing, and industrial. The Deputy Chief Appraiser maintains oversight and management over this department.

All district appraisers are registered with the Texas Department of Licensing and Regulation (T.D.L.R.) and are in good standing. Support functions include customer service, data entry, mapping-abstracting-G.I.S., and systems. The Director of Administration maintains oversight and management over these departments. The function of the Support Staff is related to serving property owners in a wide range of issues that are not related specifically to the appraisal of properties in the district, however, are crucial to the overall efficient operation, appraisal of property, and administration of exemptions in the Guadalupe Appraisal District.

The appraisal district staff consists of employees with the following classifications:

3–Administrators

2 -Bookkeepers

15- Appraisal Professionals

13-Support Professionals (full-time)

1-Support Professionals (part-time and seasonal)

Data- (Support Function)

The district is responsible for establishing and maintaining approximately 92,879 parcels covering 713 square miles. This data includes individual property characteristic as well as ownership and exemption information. The data currently provided in our database dates to the 2002 year. This was the year in which there was a migration to new appraisal software. Property characteristic data on new construction is updated through an annual field inspection effort and in-house G.I.S. inspection efforts; existing property data is maintained through a field review that is prioritized first by flagged accounts for field inspection and outdated field inspection date ranges. Sales are constantly validated through multiple sources which occur during the field effort as well as by a sales survey letter at the G.A.D., as well as from private entities.

The district has a geographic information system (G.I.S.) that maintains a parcel map and various layers of data, including aerial photography, where available zoning information, flood plain, and floodway information, to point out a few of the more important layers. The aerial photography for the 2021 year was obtained through a new vendor and is no longer considered to be proprietary in nature. The district's website contains a broad range of information available for public access, including detailed information on the appraisal process, the appraisal of property in the Guadalupe Appraisal District, property maps, a portal for eligible e-file properties to file protests online, tax calendar, and a wealth of industry related information. Downloadable files of related tax information (this is not the official tax rate listing, see appropriate Tax Assessor-Collector for this listing), local district promulgated forms, including exemption applications and business personal property renditions are also available. The District website is updated nightly and contains historical data as well. Some information retained in the District records is specifically exempt from Open Records requests, such as sales data, and an individual's personal data where an

owner may qualify to keep their address confidential, social security numbers, rendition information provided by a property owner, and email addresses to list a few.

Information Systems (Support Function)

The Information Systems Department maintains the district's data processing server, software applications, and internet website with the aid of the third-party software vendor. The Information Systems Department also maintains the District's geographical information system with support from the Mapping and Abstracting staff where technical assistance is required. The district operates a Client-Server type systems architecture. This architecture requires a main server, and individual personal computer workstations. The district currently maintains a substation on the west end of the county to more conveniently serve the property owners in that part of the county. The district retains a contract for appraisal database maintenance services, G.I.S. maintenance services, and website maintenance services. The appraisal software is P.A.C.S., which is owned by The Harris Company, D.B.A. True Automation, Inc.

INDEPENDENT PERFORMANCE TEST

According to Chapter 5 of the Texas Tax Code, the Texas Comptroller of Public Accounts is required to test the validity of school district taxable values in each appraisal district and presume the appraisal roll values are correct when values are valid; and determine the level and uniformity of property tax appraisal in each appraisal district. With the implementation of HB 8, the Property Value Study will occur every other year. For 2020, the Texas State Comptroller of Public Accounts conducted a Property Value Study (P.V.S.) on the Guadalupe Appraisal District. There will be no property value study conducted for the Guadalupe Appraisal District for the 2021 year. For each school district tested for the 2020-year, local values were found to be valid and within the established confidence intervals except for Seguin ISD. At the time of this report the district had submitted a timely appeal to the Comptroller's findings for Seguin ISD and is waiting for results of that appeal. The methodology used in the P.V.S. includes stratified samples to improve sample representativeness and techniques or procedures of measuring uniformity. This study utilizes statistical analysis of sold properties (sale ratio studies) and appraisals of unsold properties (appraisal ratio studies) as a basis for assessment ratio reporting. For appraisal districts, the reported measures include weighted mean, median level of appraisal, coefficient of dispersion (C.O.D.), level of properties within 10% of the median, the level of properties within 25% of the median and price-related differential (P.R.D.) for properties overall and by state category tested. For the year 2021, the district did take part in the Methods and Assistance Program Review, (M.A.P.). At the time of this report the Comptroller was still conducting the audit with the district still providing information as requested. The district is waiting for final results and once received will make a concerted effort to correct any recommendations if any. This review investigates several key areas of operation for each appraisal district in the state of Texas. The key areas reviewed are: Appraisal District Governance, Taxpayer Assistance, Operating Standards/Appraisal Standards, and Procedures/Methodology. Beginning with the original M.A.P. review, the Texas State Comptroller of Public Accounts has classified appraisal districts across the State of Texas into three different tiers according to value. With this, Tier I appraisal districts generally are the metro districts and those appraisal districts that

boarder the larger metropolitan districts with values exceeding $10 million. For the 2015 M.A.P. review, the Guadalupe Appraisal District was classified as a Tier I district. This means that the district is held to the same standard of review as the major metropolitan districts such as Bexar, Travis and Harris. The Guadalupe Appraisal District was on the lower threshold end of value classification to be considered a Tier I district, however, there was no recognition for this difference in the review standards for this fact. After results were published for this review, the Guadalupe Appraisal District received a commendation letter from the Texas State Comptroller of Public Accounts recognizing a perfect score for the District on the 2015 M.A.P. survey. For the following M.A.P. Review, the Comptroller's office changed the tier designation from a value standpoint to a population standpoint. With this procedural implementation, the Guadalupe Appraisal District continues to be a Tier I District. The information provided in these independent performance and procedure reviews continue to prove to be invaluable tools.

There are 11 independent school districts in Guadalupe Appraisal District for which appraisal rolls are annually developed. The preliminary results of the P.V.S. are released in January of the year following the year of appraisal. The final results of this study are certified to the Education Commissioner of the Texas Education Agency (T.E.A.) in the following July of each year for the year of appraisal. This outside ratio study provides additional assistance to the Guadalupe Appraisal District in determining areas of market activity, changing market conditions, or areas of appraisal review for the subsequent appraisal year. For the Guadalupe Appraisal District., each even numbered year, the district will be audited in the Comptroller's Property Value Study. Likewise, each odd numbered year, the district will be audited in the Comptroller's Methods and Assistance Program Review.

INTRODUCTION

Appraisal Responsibilities

The appraisal staff is responsible for collecting and maintaining property characteristic data for classification, valuation, and other purposes. Accurate valuation of real and personal property by any method requires physical description of property real and personal, as well as land and building characteristics. This appraisal activity is responsible for administering, planning and coordinating all activities involving data collection and verification and maintenance of all commercial, residential and personal property types which are located within the boundaries of the district. The data collection and validation effort involve the field inspection of real and personal property accounts. Additionally, the use of aerial photography for field inspection efforts is acceptable, where reasonable and reliable information can be discerned from this tool. The goal is to field inspect property in the district once every five years. The G.A.D. retains an ongoing list of parcels both real and personal in this regard that are beyond this regarding the inspection dates.

Appraisal Resources

- **Personnel** – The appraisal department consist of 15 appraisal positions.

- **Data** – The data used by field and G.I.S. appraisers include the existing property characteristic information contained in the appraisal card which is generated from the district's appraisal database. Other data used includes parcel maps, aerial photography, sales data, fire and damage reports, building permits, septic permits, driveway permits, photography, survey information, and actual cost or income information.

PRELIMINARY ANALYSIS

Data Collection/Validation

Data collection of real property involves maintaining data characteristics of the property in the appraisal database. The information contained in the appraisal database includes site characteristics, such as land size, topography, and improvement data, such as square foot of living area (derived from exterior measurements of structures) year built, quality of construction, type of construction and condition. Field appraisers use appraisal manuals that establish uniform procedures for the correct listing of real property, which include established tolerances for measurements of structures. All properties are coded according to these procedures and the approaches to value are structured and calibrated based on this coding system. The field and G.I.S. appraisers use these manuals during their initial training and as a guide in their inspection of properties. Data collection for personal

property involves maintaining information much like that of real property. The type of information retained in the appraisal database will be relative to business inventory, furniture and fixtures, machinery and equipment, cost and location, specifically type of, quality of, and number of, and may include noted density of the items observed. The field appraisers conducting field inspections will use a business personal property manual during their initial training and as a guide to consistently list all personal property that is taxable throughout their inspections processes daily. Data collection will strictly consist of factual property data readily available and photography of the property for appraisal services.

The appraisal manuals that are utilized by the field and G.I.S. appraisers are in the district offices. The master copy of each manual is located on the G.A.D.'s server. The softcopy on the appraisal manuals is considered the master copy for District purposes. Appraisal staff will periodically update the procedural manuals with input from the appraisal department, or when a change in procedure is warranted.

Sources of Data

The sources of data collection are through new construction field inspections, existing parcel field inspections, data review based on prior year discovery field inspection, informal and formal hearings, sales validation/surveys, field inspections, commercial sales verification processes, newspapers/publications, internet websites, exemption applications and validation of structures listed on the appraisal card, as well as property owner correspondence where an updated application is not filed. A large amount of data comes from building permits, mobile home move permits, statements of location filed in the courthouse, driveway and septic permits received from taxing jurisdictions, as well as rendition information deemed reliable from the property owner.

Field inspection of properties in developing neighborhoods is generally a starting point and good source for beginning the data collection and validation process for the next year. Appraisers will validate entire neighborhoods to update the accuracy of characteristics of properties for new subdivisions filed at the County Clerk's office or in subdivisions that have vacant lots in the prior year and are not completely built out. The sales validation effort in real property pertains to the collection of data of properties that have sold. In residential and commercial, the sales validation effort can involve an on-site or aerial inspection by field appraisers to verify the accuracy of district data and to obtain confirmation of the sales price, if not already confirmed. In addition, discussions with the current owner surrounding the sale of the property maybe necessary to acquire additional information concerning the circumstances present during the sale. The real property sales conformation process has occurred for the 2021 year by way of sales survey letters in addition to third party information, and thus were validate using multiple sources.

Another possible source of information that will generate a field/aerial inspection in both real and personal property is information provided by property owners. This may come via a phone call, letter, email correspondence, or in person. This information will need to be carefully verified by a field inspection to be deemed a valid source of information. The district will flag these referenced properties for inspection; however, the appraiser will need to exercise good judgment to consider the ancillary environment for which such

information is presented (i.e., during informal hearings, neighboring property owners, etc.).

Data Collection Procedures

Field data collection requires organization, planning and supervision of the field effort. Data collection procedures have been established for residential, commercial, and personal property. The appraisers make inspections throughout Guadalupe County, and information is recorded on a Data Entry Record Form and on the appraisal card itself. Various Data Entry Record Forms exist, based on type of property inspected in the District, which aids the appraiser in equal and uniform collection of data across specific types of property.

The quality of the data used is extremely important in establishing an accurate market value for a universe of properties. While production standards are established and upheld for the various field activities, quality of data is emphasized as the overriding goal of each appraiser. New appraisers are trained in the specifics of data collection set forth in the appraisal manual as procedures. Experienced appraisers are routinely retrained in listing procedures prior to returning to major field projects such as new construction, sales validation or data review during the appropriate time of year. These retraining efforts are routine during periodic appraisal staff meetings. Any identified quality control concerns are addressed at the periodic appraisal staff meetings. Conversely, the same type of quality assurance program is operational in the Data Entry staff. The Residential Appraisal Team Leader and the Complex Appraisal Team Leader as well as the Deputy Chief Appraiser is charged with the responsibility of ensuring that appraisers follow listing procedures, identify training issues, and provide uniform training throughout the appraisal field staff. As previously stated, identified concerns are brought to light at periodic general appraisal staff meetings and support staff meetings for awareness, training, and retraining purposes. Normally, these meetings will bring other departments into the training and retraining efforts for consistency in any procedural change. During the time of year when a meeting cannot be afforded, a weekly staff memo will be delivered to address quality control results and areas that should be addressed, or close attention paid to.

Data Maintenance

The field appraiser may elect to have data entry enter some of the data collected but appraisers are trending towards entering more of the data themselves. In the instance of the GIS team appraisers almost all the data is entered by the appraiser out of practicality. With the advent of new technology (I pads) the field appraiser is required to enter the data changes resulting from field inspections on their own. Field staff are now storing floor plans of homes electronically in the data base rather than on hard copy paper. Having the calls to each sketch stored electronically contributes considerably to the ease in which field staff can now enter data for new home construction in developing subdivisions. The efficiency created is that a second individual is not required to interpret an appraiser's field inspection and reduces the opportunity for an error in interpretation. This will also free staff used for data entry for other tasks. In instances where there is a large amount of redundant data entry resulting from field inspections, the appraiser may still opt to turn their work into data entry. The appraiser will make every effort to afford neatness and

legibility to aid in accuracy of entry of the collected data. These process changes, created by technology, contribute to efficiency throughout the Guadalupe Appraisal District.

INDIVIDUAL VALUE REVIEW PROCEDURES

Field Review

The date of last inspection, extent of that inspection, and the appraiser responsible are listed on the appraisal card. If a property owner or jurisdiction dispute the entry on the appraisal records concerning this data presented during a hearing, via a telephone call or correspondence received, the appraisal record may be altered based on the level and quality of evidence provided. A field inspection can be made to verify property characteristics for the current year's valuation or for the next year's valuation, unless evidence is presented that in the judgment of the acting appraiser is substantial enough to make change to the appraisal record. The addition of annual aerial photography, along with confirmation received during industry conferences and seminars, the Comptroller's Office has indicated that inspections can be made from aerial photography. This process is used in the Guadalupe Appraisal District, and those inspection dates will reflect January 1st of the inspection year in the official record. Procedurally, the G.A.D. makes a written request to obtain consent from the legal owner or authorized agent of the property prior to any on the ground field inspections, as this enhances safety, and reduces the chance of potential liability claims for the Guadalupe Appraisal District. However, with this, the problem presents itself that there will not be a response from either the property owner or the agent. In these cases, the District will make a conservative estimation of value, based on the evidence and facts that the appraiser is aware of at the time.

Office Review

Office reviews are completed on properties where validated information has been received from the owner of the property, when access to property cannot be attained. When the property data is verified in this manner, field inspections are not required, however may be conducted, and the use of aerial photography is employed, if deemed appropriate and reliable.

PERFORMANCE TEST

The appraisal staff will be responsible for conducting ratio studies and comparative/statistical analysis.

Field appraisers, in many cases, may conduct field inspections to ensure the ratios produced are accurate and the appraised values utilized are based on accurate property data characteristics.

INTRODUCTION

Scope of Responsibility

The Residential Valuation appraisers are responsible for developing equal and uniformed market valuation models for the appraisal of residential improved and vacant property. There are approximately 60,173 residential parcels and approximately 5,570 vacant lots, which includes commercial vacant lots in Guadalupe County.

Appraisal Resources

- **Data** – A common set of data characteristics for each residential dwelling in Guadalupe County is collected in the field or by G.I.S. and data entered to the appraisal database. Through quality and condition classification schedules, the property characteristic data drives the appraisal database values and associated automated depreciation matrices.

VALUATION APPROACH (Model Specification)

Area Analysis

When possible and readily available, data on regional economic forces such as demographic patterns, regional locational factors, employment and income patterns, general trends in real property prices and rents, interest rates trends, availability of vacant land, and construction trends and costs are collected from private vendors and public sources. Information is vetted from real estate publications and sources such as continuing education in the form of I.A.A.O. and T.A.A.D., and T.A.A.O. offerings, as required for T.D.L.R. registration requirements, which provides the appraisers a current economic outlook on the real estate market nationally, statewide and locally.

Neighborhood and Market Analysis

Neighborhood analysis involves the examination of how physical, economic, governmental, social forces and other influences impact property values in a defined market area. The effects of these forces are also used to identify, classify, and stratify comparable properties into smaller, manageable subsets of the universe of properties known as neighborhoods. Residential valuation analysis is conducted on the individual neighborhoods annually. The appraisal staff is constantly redefining and looking for occurrences when a new neighborhood must be developed, or existing neighborhoods combined based on a property or group of properties outpacing or under pacing the general neighborhood in valuation.

The first step in neighborhood analysis is the identification of a group of properties that share certain common traits. A "neighborhood" for analysis purposes is defined as the largest geographic grouping of properties where the property's physical, economic, governmental, and social forces are generally similar and uniform. Geographic stratification accommodates the local supply and demand factors that vary across a jurisdiction. Once a neighborhood has been identified, the next step is to define its boundaries. This process is known as "delineation". Some factors used in neighborhood delineation include location, sales price range, lot size, age of dwelling, quality of construction, type of construction and condition of dwellings, square footage of living area, access to amenities, natural boundaries such as a waterway or jurisdictional/governmental boundaries such as a school district or city limits line. This list of examples is used for illustration purposes only and is not an exhaustive list of items for neighborhood delineation. Delineation can and most of the time will involve the physical drawing of neighborhood boundary lines on a map, but it can also involve statistical separation or stratification based on attribute analysis. Part of neighborhood analysis is the consideration of discernible patterns of growth that influence a neighborhood's individual market. Few neighborhoods are fixed in character, and overtime may ultimately change. Each neighborhood may be characterized as being in a stage of growth, stability or decline. The growth period is a time of development and construction. As new neighborhoods in a community are developed, they compete with existing neighborhoods. An added supply of new homes tends to induce population shift from older homes to newer homes. In the period of stability, or equilibrium, the forces of supply and demand are about equal in nature. Generally, in the stage of equilibrium, older neighborhoods can be more desirable due to their stability of residential character and proximity to the workplace and other community or local facilities. The period of decline reflects diminished demand or desirability. During decline, general property use may change from residential to a mix of residential and commercial uses. Declining neighborhoods may also experience revitalization; rebuilding, reorganization, or restoration which may promote increased demand and economic desirability. It is imperative to understand what stage the neighborhood is in during the delineation and analysis process; this alone will contribute to a better base understanding for the appraiser during calibration process and efforts to arrive at an equal and uniform market value.

Neighborhood identification and delineation is the cornerstone of the residential valuation system at the district. This aids to ensure equality and uniformity across the district. Properly identified neighborhoods additionally increase the accuracy and equality of appraisals across the board. Residential analysis in association with the residential valuation process is neighborhood specific. Neighborhoods are field-inspected and delineated based on observable aspects of homogeneity. This effort may be easier to undertake in track style subdivisions and may require more time to develop for residential properties surrounding a city or town, or waterfront properties. Neighborhood delineation is constantly reviewed to determine if further neighborhood delineation is warranted. Neighborhood grouping is highly beneficial in cost-derived areas of limited or no sales. Neighborhood groups, or clustered neighborhoods, increase the available market data by linking comparable properties outside a given neighborhood. Sales ratio analysis is performed at the neighborhood level annually. The concept of "Super Neighborhoods" can be implemented and effectively used during times of limited market sales information. A "Super Neighborhood" can be identified in a broad way to profile by a few property

characteristics such as builder, general quality and year built in order to gain flexibility regarding statistical analysis in the event of limited market data for the District.

Highest and Best Use Analysis

The highest and best use of property is the reasonable and probable use that supports the highest present value as of the date of the appraisal. The highest and best use must be physically possible, legal, financially feasible, and productive to its maximum. The highest and best use of residential property is normally its current use. This is due in part to the fact that residential development, in many areas, through use of deed restrictions and zoning, precludes other land uses. There is a process of logic for highest and best use analysis conducted for any mixed-use area. If the conclusion is made that the highest and best use remains residential, further highest and best use analysis is performed to decide the type of residential use of a neighborhood basis. Highest and best use analysis is an opinion. For example, it may be determined in a transition area that older, non-remodeled homes are economic miss-improvements, and the highest and best use of such property is the construction of commercial improvements. Legislative changes that have occurred due to HB 3613 amending § 23.01 of the Texas Tax Code, now "require that the market value of a residence homestead, as defined by the property tax code, be determined solely on the basis of the current use of the property regardless of its highest and best use.", and thus evaluated based on the current use and not the highest and best use. This piece of legislation creates a jurisdictional exception and limitation for properties that qualify as a Residence Homestead, where the Highest and Best Use is something other than residential in nature. As stated previously in this report, the Guadalupe Appraisal District has recognized some residence homestead property where the highest and best use of the parcel is commercial in nature. In this situation, the District follows the jurisdictional exception, and the District provides for a residential valuation to the property instead of a commercial valuation of the property. Caution should be exercised in comparing these properties as related to equal and uniform appraisal, as the jurisdictional exception may create the appearance of unequal appraisal, however, it is rather this jurisdictional exception that creates this appearance.

DATA COLLECTION/VALIDATION

Sources of Data

The district's property characteristic data was originally received from the taxing jurisdiction records in 1980 and where absent, collected through ongoing massive data collection efforts coordinated by the district each day. Tax assessor-collector offices, taxing jurisdictions and local newspapers, and the public often provide the district information regarding new construction, market patterns, and other useful facts related to property valuation that the District may not be aware of.

VALUATION AND STATISTICAL ANALYSIS (Model Calibration)

Cost Schedules-Market Modified

Residential parcels in the district are valued from market modified cost schedules using a comparative unit method. The district's residential cost schedules have been customized

to fit Guadalupe County's local residential real estate market, based on acquired sales data. The cost schedules are reviewed annually and updated based on the available and validated cost information over the prior year through information reported in Marshall and Swift Residential Valuation Service and adjusted locally.

An extensive review and modification of the residential cost schedule was performed for the January 1, 2021 appraisal date. As part of this process, sales of new and existing residential properties at various levels of class/quality of construction in Guadalupe County were reviewed. The data characteristics of these properties were verified. The results of the residential analysis for the Guadalupe Appraisal District are detailed at length in Exhibit B. The residential analysis indicates a 2021 sales-based time-adjustment factor of approximately.75% per month.

Sales Information

A sales file for the storage of sales data at the time of sale is maintained. Sales information is categorized by the geographic account numbering system the district assigns related to abstract/survey or subdivision. Residential improved and vacant sales are collected from a variety of sources, including owner's confirmations in the field or during protest hearings, multiple listing service, sales survey letters, various private entities, on line sources, builders, realtors, brokers and various publications. A system of type, source, and verification codes has been established to define salient facts related to a property's purchase or transfer. School district and or neighborhood sales reports are generated as an analysis tool throughout the year for the appraiser in the development of value estimates. Sales information is held confidential by the Guadalupe Appraisal District, and exceptions are outlined in Section 552 of the Texas Government Code.

Land Analysis

Residential land analysis is conducted by the residential appraisers on staff. The appraiser develops a base lot, front foot, or acreage value, and assigns each unique neighborhood to an appropriate land acreage, front foot, or lot schedule. A computerized land table stores the land information required to consistently value individual parcels within neighborhoods. Specific land influences are used, where necessary and when readily known to the appraiser, to adjust parcels outside the neighborhood parameters for such factors as shape, size, and topography, among other relevant factors. The appraisers use abstraction and allocation methods to ensure that the land values created best reflect the contributory market value of the land to the overall property value. Typically, in average track style subdivisions the land will have an average contributory value of 12%, based on a prior Guadalupe Appraisal District study[1]. For land with a waterfront influence, the land will contribute about 50% to the overall property value, based on a Guadalupe Appraisal District study[2]. Further, appraisers will run sales ratio reports for vacant land market data during the calibration of the neighborhood, in determining base land values. Similarly, the use of competing neighborhoods where there may be available sales data can be used to evaluate base land values in addition.

[1] Process to determine base lot values in typical track home subdivisions when there is an absence of confirmed or credible vacant lot market data (2014)
[2] Study Guide Land Contribution (2013)

Statistical Analysis

The residential valuation department performs statistical analysis annually to evaluate whether values are equitable and consistent with the market. Ratio studies are conducted on each of the approximately 500 residential valuation neighborhoods in the district to judge the two primary aspects of mass appraisal level of accuracy and uniformity of value. Appraisal statistics of central tendency and dispersion generated from sales ratios are reviewed where available. These summary statistics include, but are not limited to, the weighted mean, median, standard deviation, coefficient of variation, and coefficient of dispersion. These observations provide the appraisers tools by which to determine both the level and uniformity of appraised value. The level of appraised values can be determined by the weighted mean for individual properties within a neighborhood. A comparison of neighborhood-weighted means can reflect the general level of appraised value between comparable neighborhoods. Review of the standard deviation, coefficient of variation, and coefficient of dispersion can discern appraisal uniformity within and between stratified neighborhoods.

Every residential neighborhood is reviewed annually by the appraiser through the sales ratio analysis process. The first phase involves neighborhood ratio studies that compare the recent sales prices of neighborhood properties to the appraised values of these sold properties. This set of ratio studies affords the appraiser an excellent means of judging the present level of appraised value and uniformity of the sales. The appraiser, based on the sales ratio statistics and designated parameters for valuation update, will make a recommendation as to whether the value level in a neighborhood should be updated in an upcoming reappraisal, or whether the level of market value in a neighborhood and uniformity is at an acceptable level, based on established tolerances. The analysis conducted by the appraisal staff tasked with this level of analysis is subjected to random review by the Residential Team Leader and Deputy Chief Appraiser for quality assurance purposes.

Market Adjustment or Trending Factors

Neighborhood, or market adjustment, factors are developed from appraisal statistics provided from ratio studies and are used to ensure that estimated values are consistent with the market. The district's primary approach to the valuation of residential properties uses a market modified cost comparison approach. This type of approach accounts for neighborhood market influences not specified in cost model.

The following equation denotes a general illustration of the market modified cost comparison model used:

Market Value of Subject= **{**{[Sq. Ft.* (Replacement Cost New * Countywide Market Adjustment)] * Depreciation} + Land Value**}** * Neighborhood Adjustment

The cost approach separately estimates both land and building values which reflect only the replacement cost of the property, The County wide market adjustment to the cost value is needed to calibrate the cost approach to value to an average level of market value

for the County as a whole. Automated depreciation factors are applied and neighborhood adjustments account for market variances across a jurisdiction.

When a neighborhood is to be reviewed, the appraiser uses a ratio study that compares recent sales prices of properties within a delineated neighborhood to the County wide average market modified cost approach derived value. The calculated ratio derived from the sum of the sold properties' County wide average modified cost value divided by the sum of the sales prices indicates the average weighted mean level of accuracy for the neighborhood. The average weighted mean level of accuracy, if under 100% or over 100%, identifies if the neighborhood, as a whole including sold and unsold properties, needs to be factored up or down. This helps ensure equity. This market adjustment factor is needed to trend the values obtained through the County wide average market modified cost approach closer to the actual market evidenced by recent sales prices within a given neighborhood. The sales used to determine the market adjustment factor will reflect the market influences and conditions only for the specified neighborhood, thus producing more accurate and equitable values for the public regarding the stated scope of appraisals for ad-valorem tax purposes. The market adjustment factor calculated for each neighborhood is applied uniformly to all properties within a neighborhood. Once the market-trend factors are applied, ratio studies are reviewed with the proposed appraised values for these properties. From this set of ratio studies, the appraiser judges the appraisal results for level of accuracy and uniformity.

TREATMENT OF RESIDENCE HOMESTEADS

Beginning in 1998, the State of Texas implemented a highest and best use restriction concerning the appraisal of residential property that receives a residence homestead exemption. Under the law, beginning in year two of qualification, under a residence homestead exemption; increases in the value of that property are "capped." The value for tax purposes (appraised value not market value) of a qualified residence homestead will be no more than the preceding year's appraised value:

PLUS, 10 percent for each year since the property was re-appraised.
PLUS, the value of any improvements added.

Values of capped properties must be recomputed annually. If a capped property sells, the cap automatically expires as of January 1st of the following year. In that following year, that home is reappraised at its market value to bring its appraisal into uniformity with other properties without any base cap limitation in place. An analogous provision applies to new homes. While a developer owns them, unoccupied residences may be appraised as part of an inventory, subject to an application and rendition process. However, in the year following a transfer of ownership, any applicable adjustments for the developer inventory status are removed. It should be noted that for equity comparisons, the market value is the base comparison, rather than the capped value, as this would lead to extreme cases of inequity due to the jurisdictional exception outlined in the Texas Tax Code. Further, not all property that have a Homestead Exemption are capped, thus the accurate comparison for equity purposes would be the market value as the baseline.

INDIVIDUAL VALUE REVIEW PROCEDURES

G.I.S./Field Review

The appraiser identifies individual properties in critical need of G.I.S./field review through sales ratio analysis, among other sources of discovery. Sold properties with a high variance in sales ratios are field inspected and or reviewed by G.I.S. to check for accuracy of data characteristics and updating all relevant individual property characteristics.

As the district's parcel count has skyrocketed through new home construction historically and presently, the appraisers are continually performing the field and G.I.S. review activity associated with transitioning and high demand neighborhoods. The increased sales activity in the western and northwestern end of the district, since the early 2000's, has resulted in a substantial field effort on the part of the residential appraisers to review and resolve sales outliers, and seek additional sales confirmation and market data sources. As part of the G.I.S./field review, the appraiser reviews subjective data items such as quality of construction, condition (physical depreciation), functional and economic obsolescence, factors which contribute significantly to the market value of the property. The subjective data is reviewed when properties are flagged for inspection or during new flagged construction on an ongoing basis.

Office Review

Given the ample resources and time required to conduct a routine field review of all properties, homogeneous properties consisting of tract housing with a low variance in sales ratios and other properties having a recent field inspection date may be reviewed in the office. Valuation reports comparing previous values against proposed and final values are generated for residentially improved properties; these reports will be run to gain a total review. The dollar amount and percentage of value differences are noted for each property within a delineated neighborhood allowing the appraiser to identify, research, and resolve value anomalies before final appraised values are released. Previous values resulting from an A.R.B. hearing, arbitration or lawsuit protest are individually reviewed to determine if the value remains appropriate for the current year in relation to equity for the coming year.

Once the appraiser is satisfied with the level and uniformity of value for each neighborhood within his area of responsibility, the value estimates may be released for the notice process.

PERFORMANCE TESTS

Sales Ratio Studies

The primary analytical tool used by the appraisers to measure and improve performance is the ratio study.

Management Review Process

Once the proposed value estimates are finalized, the appraiser reviews the sales ratios by neighborhood and presents pertinent valuation data to the Residential Team Leader, Complex Appraisal Team Leader, or Deputy Chief Appraiser for final review and approval. The primary objective of this review is to ensure that the proposed values have met preset appraisal standards of tolerance.

An independent test of the appraisal performance of the district is conducted by the State of Texas Comptroller's Office through the Property Value Study. The study determines the accuracy, degree of uniformity and the median level of appraisals by the appraisal district within each major category of property. The Comptroller's Office publishes a report of the findings of the study for each category of property tested, including the median appraisal levels, the coefficient of dispersion, and any other standard statistical measures that the Comptroller deems appropriate.

A complete copy of the district's 2020 Texas Comptroller of Public Accounts Property Value Study can be found online at: *https://comptroller.texas.gov/taxes/property-tax/pvs/2016p/094index.php*
For the sake of volume, the website for this stored data is referenced in Exhibit A.
A complete copy of the district's 2021 Texas Comptroller MAPS Review can be found online at:
https://comptroller.texas.gov/taxes/property-tax/map/2017/guadalupe-2017.pdf
For the sake of volume, the website for this stored data is referenced in Exhibit A.

INTRODUCTION

Appraisal Responsibility

This mass appraisal assignment includes all the commercially classed real property which falls within the responsibility of the Complex Appraisal Team Leader of the Guadalupe Appraisal District and located within the boundaries of the jurisdiction. The appraisal roll displays and identifies each parcel of real property individually. Commercial appraisers appraise the fee simple interest of properties according to statute. However, the effect of easements, restrictions, encumbrances, leases, contracts, or special assessments are considered on an individual basis, as is the appraisal of any non-exempt taxable fractional interests in real property (i.e., certain multi-family housing projects). Fractional interests or partial holdings of real property are appraised in fee simple for the whole property and divided based on their prorated interests.

Appraisal Resources

The improved real property appraisal responsibilities are categorized according to major property types of multi-family or apartment, office, retail, warehouse, and special use (i.e., hotels, hospitals, and nursing homes). 2 appraisers spend a portion of their time assigned to improved commercial property types and commercial land plus the Complex Appraisal Team Leader.

Data – The data used by the commercial appraiser includes verified sales of vacant land and improved properties and the pertinent data obtained from each (sales price levels, capitalization rates, income multipliers, marketing period, etc.). Other data used by the appraiser includes actual income and expense data typically obtained through the hearings process, surveys conducted by the Commercial Appraisal team, actual contract rental data, leasing information (commissions, tenant finish, length of terms, etc.) publications, and actual construction cost data. In addition to the actual data obtained from specific properties, market data publications are also reviewed and used to provide additional support for market trends and or capitalization rates. Various publications are attained for this purpose.

PRELIMINARY ANALYSIS

Pilot Study

Pilot studies are utilized to test new or existing procedures or valuation modification in a limited area of the district and are also considered whenever substantial changes are made. These studies, which are inclusive of ratio studies, reveal whether a new system is producing accurate and reliable values or whether procedural modifications are required. The appraiser implements this methodology when developing both the cost approach and income approach models.

VALUATION APPROACH (Model Specification)

Area Analysis

Data on regional economic forces such as demographic patterns, regional location factors, employment and income patterns, general trends in real property prices and rents, interest rate trends, availability of vacant land, and construction trends and costs are collected from private vendors as well as from public sources. Continuing education as related to economic and legislative changes is in the form as required by the Texas Department of Licensing and Regulation (T.D.L.R.) is made available by offerings provided by Texas Association of Appraisal Districts (T.A.A.D.), Texas Association of Assessing Officers (T.A.A.O) and International Association of Assessing Officers (I.A.A.O.).

Neighborhood Analysis

The neighborhood is comprised of the land area and commercially classed properties located within the boundaries of Guadalupe County. This area consists of a wide variety of property types including residential, commercial, and industrial. Neighborhood analysis involves the examination of how physical, economic, governmental, and social forces and other influences affect property values. The effects of these forces are also used to identify, classify, and organize comparable properties into smaller, manageable subsets of the universe of properties known as neighborhoods, and for commercial valuation, commercial neighborhoods, or land areas. In the mass appraisal of commercial properties these subsets of a universe of properties are generally referred to as market areas or economic areas.

Economic areas are defined by each of the improved property use types (apartment, office, retail, warehouse, and special use) based upon an analysis of similar economic or market forces. These include but are not limited to similarities in rental rates, classification of projects date of construction, overall market activity or other pertinent influences, such as location. Economic area identification and delineation by each major property use type is the benchmark of the commercial valuation system. All income model valuation (income approach to value estimates) is economic area specific. This can be seen as developed and implemented in commercial valuation in the district where such influences as westerly and easterly commercial property types that are the same may have different values due to the delineated economic area due to location within Guadalupe County.

Highest and Best Use Analysis

The highest and best use is the most reasonable and probable use that generates the highest present value of the real estate as of the date of valuation. The highest and best use of any given property must be physically possible, legally permissible, financially feasible, and maximally productive. For improved properties, highest and best use is evaluated as improved and as if the site were still vacant. This assists in determining if the existing improvements have a transitional use, interim use, nonconforming use, multiple uses, speculative use, excess land, or a different optimum use if the site were vacant. For vacant tracts of land within this jurisdiction, the highest and best use is considered speculative based on the surrounding land uses. Improved properties reflect a wide variety of highest and best uses which include, but are not limited to office, retail,

apartment, warehouse, light industrial, special purpose, or interim uses. In many instances, the property's current use is the same as its highest and best use. This analysis ensures that an accurate estimate of market value is derived.

On the other hand, value in use represents the value of a property to a specific user for a specific purpose. This is significantly different than market value, which approximates market price under the following assumptions: (1) no coercion of undue influence over the buyer or seller to force the purchase or sale, (2) well-informed buyers and sellers acting in their own best interests, (3) a reasonable time for the transaction to take place, and (4) payment in cash or its equivalent.

Market Analysis

Market analysis relates directly to market forces affecting supply and demand. This study involves the relationships between social, economic, environmental, governmental, and site conditions. Current market activity including sales of commercial properties, new construction, new leases, lease rates, absorption rates, vacancies, allowable expenses (inclusive of replacement reserves), expense ratio trends, capitalization rate studies are analyzed.

DATA COLLECTION / VALIDATION

Data Collection Manuals

The primary manual pertinent to data collection and documentation is the Commercial Appraisal Manual. This manual is continually updated providing a uniform system of itemizing the multitude of components comprising improved commercial properties. All commercial properties located in Guadalupe Appraisal District's inventory are coded according to this manual and the approaches to value are structured and calibrated based on this coding system.

The sales information retained by the district is protected in nature, according to Chapter 552 of the Government Code, and only exempted from public disclosure in certain circumstances that are outlined therein.

Sources of Data

With respect to the property characteristic data inventory system, every property subject to taxation by a jurisdiction within Guadalupe Appraisal District's area of responsibility is incorporated into the computer assisted mass appraisal database. Appraisers perform maintenance of special purpose properties. Any alterations to the properties involving building permits or other sources of discovery upon modifications are then reviewed. Also, if any major discrepancies are discovered during the hearings process or at any other time, properties are scheduled for field inspection process prior to the following notice cycle for the following January 1st appraisal date.

In terms of commercial sales data, Guadalupe Appraisal District receives a copy of the deeds recorded in the Guadalupe County Clerk's office that convey commercially classed properties. The deeds involving a change in commercial ownership are entered into the sales information system and researched to obtain the pertinent sales information. Other sources of sales data include the hearings process, local, regional and national real estate and financial publications. It is recognized by the district that since there is not any requirement of sales disclosure in the State of Texas, limited commercial sales data is obtained through multiple listing services, and thus is extremely problematic in the development process of a sales comparison approach to value. Instead, the Guadalupe Appraisal District relies heavily upon the survey process for income and expense information, as well as individual owner confirmations of properties sold, third party publications, and cost of construction may be discovered with new construction of various facilities in the Guadalupe Appraisal District.

Data Collection Procedures

Data collection procedures have been established for commercial collection of data. Appraisers conduct G.I.S. and field inspections and record information on either a specifically designed commercial property data entry record or an appraisal card. This information is entered into the computer system and serves as the basis for the valuation of property.

The quality of data used is of paramount importance to accurate valuation of taxable commercial property. While production standards are established and upheld for the various field activities, quality of data is emphasized as the goal and responsibility of each appraiser. New appraisers are trained in the specifics of data collection set forth in the listing manual as procedures. Experienced appraisers are routinely re-trained in listing procedures prior to reentering major field projects such as new construction, sales validation, or data review.

For those properties involved in a transfer of commercial ownership, an appraiser inquiry to research and validate the sale begins. Due to the limited and exclusive nature of the transfers of commercial property other sources may be used by the district to validate the sale in addition to the traditional sales survey. Other sources may include contacting the brokers involved in the sale, property managers or commercial vendors. In other instances, sales verification is obtained from local industry professionals. Finally, closing statements are periodically provided during the hearings process. The actual closing statement is the most reliable and preferred method of sales verification. Also, deeds of trust will be given some weight, especially in the absence of any other available information.

VALUATION ANALYSIS (Model Calibration)

Model calibration involves the process of periodically adjusting the mass appraisal formulas, tables, and schedules to reflect current local market conditions. Once the models have undergone the specification process, adjustments can be made to reflect new construction procedures, materials and/or costs, which can vary from year to year. The basic structure of a mass appraisal model can be valid over an extended period, with

trending factors utilized for updating the data to the current market conditions. However, at some point, if the adjustment process becomes too involved and laborious, the model calibration technique can mandate new model specifications or a revised model structure.

Cost Schedules

The cost approach to value is applied to improved real property utilizing the comparative unit method. This methodology involves the utilization of national cost data reporting services as well as actual cost information on comparable properties whenever possible. Cost model foundations are built and developed based on the Marshall & Swift Valuation Service models which includes the derivation of replacement cost new (RCN) of all improvements. These include comparative base rates, per unit adjustments and lump sum adjustments. This approach also employs the sales comparison approach in the valuation of the underlying land value. Time and location modifiers may be necessary to adjust cost data to reflect conditions in a specific market and changes in costs over a period. Automated depreciation schedules have been developed and employed based on what is typical for each property type.

Market adjustment factors such as external and/or functional obsolescence can be applied if warranted and based on evidence presented and are at the discretion of the appraiser during the hearing process. Procedurally, documented evidence is required to substantiate and validate these adjustments. A depreciation calculation override can be used if the condition or effective age of a property varies from the normal conditions by appropriately noting the physical condition and functional utility ratings on the property data characteristics. These adjustments are typically applied to a specific property type or location and can be developed via ratio studies or other market analysis. Accuracy in the development of the cost schedules, condition ratings and depreciation schedules will usually minimize the necessity of this type of adjustment factor, but nonetheless may be necessary to arrive at market value, based on the opinion of the appraiser. For a 2020 Summary Report for Commercial refers to Exhibit C.

Income Models

The income approach to value is applied to those real properties which are typically viewed by market participants as "income producing", and for which the income methodology is considered a leading value indicator. The first step in the income approach pertains to the estimation of market rent on a per unit basis. This is derived primarily from actual rent data furnished by property owners and from local market study publications, or surveys conducted by the District. This per unit rental rate multiplied by the number of units results in the estimate of potential gross rent.

A vacancy and collection loss allowance is the next item to consider in the income approach. The projected vacancy and collection loss allowance is established from actual data furnished by property owners and on local market publications, and district surveys provided by property owners. This allowance accounts for periodic fluctuations in occupancy, both above and below an estimated stabilized level. The market derived stabilized vacancy and collection loss allowance is subtracted from the potential gross rent estimate to yield an effective gross rent.

Next a secondary income or service income is calculated as a percentage of stabilized effective gross rent. Secondary income could represent parking income, laundry room facilities, escalations, reimbursements, and other miscellaneous income generated by the operations of real property. The secondary income estimate is derived from actual data collected and available market information. The secondary income estimate is then added to effective gross rent to arrive at an effective gross income.

Allowable expenses and expense ratio estimates are based on a study of the local market, with the assumption of prudent management practices. Different expense ratios are developed for different types of commercial property based on use, and what is typical.

Another form of allowable expense is the replacement of short-lived items (such as roof or floor coverings, air conditioning or major mechanical equipment, appliances, and the like) requiring expenditures of large lump sums. When these capital expenditures are analyzed for consistency and adjusted, they may be applied on an annualized basis as stabilized expenses. When performed according to local market practices by commercial property type, these expenses when annualized are known as reserves for replacement.

Subtracting the allowable expenses, the effective gross income yields an estimate of net operating income.

Rates and multipliers are used to convert income into an estimate of market value. These include income multipliers, overall capitalization rates, and discount rates. Each of these is used in specific applications. Rates and multipliers also vary between property types, as well as by location, quality, condition, design, age, and other factors. Therefore, application of the various rates and multipliers must be based on a thorough analysis of the market. A good example locally would be differences in market areas as seen in the west and northwest portion of the district compared to rest of the district.

Capitalization analysis is used in the income approach models. This methodology involves the capitalization of net operating income as an indication of market value for a specific property. Capitalization rates, both overall cap rates for the direct capitalization method and terminal cap rates for discounted cash flow analyses, can be derived from the market. When this information is available from the market, these capitalization rates are derived. Sales of improved properties from which actual income and expense data are obtained provide a very good indication of what a specific market participant is requiring from an investment at a specific point in time. In addition, overall capitalization rates can be derived from the built-up method (band-of-investment). This method relates to satisfying the market return requirements of both the debt and equity positions of a real estate investment. This information is obtained from real estate and financial publications specific to the region. The District will rely upon industry accepted publications by property type for the surveyed area closest to the District for capitalization rates for use in the income model for the 2021 year, as well as capitalization rates derived from the sales when available and deemed reliable.

For a 2021 Summary Report for Commercial property refer to Exhibit C.

Sales Comparison (Market) Approach

Although all three of the approaches to value are based on market data, the Sales Comparison Approach is most frequently referred to as the Market Approach. This approach is utilized not only for estimating land value but also in comparing sales of similarly improved properties to each parcel on the appraisal roll. As previously discussed in the Data Collection / Validation section of this report, pertinent data from actual sales of properties, both vacant and improved, is pursued throughout the year in order to obtain relevant information which can be used in all aspects of valuation. Sales of similarly improved properties can provide a basis for the depreciation schedules in the Cost Approach, rates and multipliers used in the Income Approach, and as a direct comparison in the Sales Comparison Approach. Improved sales are also used in ratio studies, which afford the appraiser an excellent means of judging the present level and uniformity of the appraised values.

Final Valuation Schedules

Based on the market data analysis and review discussed previously in the cost, income and sales approaches, the cost (market modified) and income models become finalized. The results are keyed to the schedules and models in the appraisal database for utilization on all commercial properties in the district. The schedules are summarized in the Commercial Appraisal Manual. This manual is provided to appraisers and is made available to the public in a detailed and easy to understand format.

Statistical and Capitalization Analysis

Statistical analysis of final values is an essential component of quality control. This methodology represents a comparison of the final value against the standard and provides a concise measurement of the appraisal performance. Statistical comparisons of many different standards are used including sales of similar properties, the previous year's appraised value, value change analysis and sales ratio analysis.

Appraisal statistics of central tendency may be generated from sales ratios and are available for each property type. These summary statistics provide the appraisers an analytical tool by which to determine both the level and uniformity of appraised value of a particular property type. The level of appraised values can be determined by the weighted mean for individual properties within a specific type, and comparison of weighted means can reflect the general level of appraised value.

The first phase involves ratio studies that compare the recent sales prices of properties to the appraised values of the sold properties. This set of ratio studies affords the appraiser an excellent means of judging the present level of appraised value and uniformity of the appraised values. The appraiser, based on the sales ratio statistics and designated parameters for valuation update, makes a preliminary decision as to whether the value level of a particular property type needs to be updated in an upcoming reappraisal, or whether the level of market value is at an acceptable level.

Potential gross rent estimates, vacancy and occupancy levels, secondary income, allowable expenses, net operating income and capitalization rate and multipliers are continuously reviewed and validated. Income model conclusions are compared to actual information obtained on individual commercial properties during the hearings process as well as information from published sources, area vendors, and District surveys.

INDIVIDUAL VALUE REVIEW PROCEDURES

G.I.S./Field Review

The date of last inspection, extent of that inspection, and the Guadalupe Appraisal District appraiser responsible are listed in the appraisal records. If a property owner disputes the District's records concerning this data in an informal or formal protest hearing, the appraisal records may be altered based on the credibility and weight of the evidence provided. Typically, a G.I.S. or field check may be requested to verify this evidence for the current year's valuation or for the next year's valuation. In addition, if a building permit or any other similar source of discovery type is filed for a particular property indicating a change in properties characteristics, that property is flagged for an inspection. Finally, even though every property cannot be inspected each year, each appraiser typically designates certain segments of their area of responsibility to conduct G.I.S. and or field inspections to update individual property characteristics.

Commercial appraisers are somewhat limited in the time available to field review all commercial properties annually. However, a major effort is made by appraisers to conduct a G.I.S. and or field inspection once every three to five years or as many properties as time allows or in economic areas experiencing large numbers of remodels, renovations, or retrofits, changes in occupancy levels or rental rates, new leasing activity, new construction, or wide variations in sale prices. Additionally, the appraisers frequently field inspect to review subjective data items such as building class, quality of construction, condition, and physical, functional and economic obsolescence factors contributing significantly to the market value of a commercial property. In some cases, field inspections are warranted when sharp changes in occupancy or rental rate levels occur between building classes or between economic areas. With preliminary estimates of value in these targeted areas, the appraisers test computer assisted values against their own appraisal judgment. While in the field, and when sales information is available, the appraisers physically inspect sold and unsold properties for comparability and consistency of values District wide.

Office Review

Office reviews are completed on properties not flagged for field inspections. The use of all three approaches to value for commercial property is necessary, as information essential to fully develop and perfect a specific approach to value will remain limited due to the nature and source of available data from the property owners. Thus, the Appraiser will need to determine annually what information is available and the quality of this available information to guide them to decide which would be the most appropriate model.

Once the appraiser is satisfied with the level and uniformity of value for each commercial property within their area of responsibility, the estimates of value are submitted to the notice process. Therefore, although the value estimates are determined in a computerized mass appraisal environment, value edits and rework lists enable an individual parcel review of value anomalies before the estimate of value is released for the notice process.

PERFORMANCE TESTS

The primary tool used to measure mass appraisal performance is the ratio study. A ratio study compares appraised values to market values. In a ratio study, market values are typically represented by sales prices. Independent appraisals may also be used to represent market value in a ratio study when presented and are deemed reliable. This can be particularly useful for commercial, warehouse or industrial real property for which sales are limited. In addition, appraisal ratios studies can be used for properties statutorily not appraised at market value but reflect the use-value requirement. An example of this is multi-family housing projects subject to subsidized rent provisions or other governmental guarantees as provided by legislative statutes.

Guadalupe Appraisal District adheres to the IAAO Standards on Ratio Studies. Ratio studies generally have six basic steps: (1) determination of the purpose and objectives, (2) data collection and preparation, (3) comparing appraisal and market data, (4) stratification, (5) statistical analysis, and (6) evaluation and application of the results.

Sales Ratio Studies

Sales ratio studies are an integral part of establishing equitable and accurate market value estimates, and ultimately assessments for the taxing jurisdictions. The primary uses of sale ratio studies include the determination of a need for general reappraisal; prioritizing selected groups of property types for reappraisal; identification of potential problems with appraisal procedures; assist in market analyses; and, to calibrate models used to derive appraised values during valuation or reappraisal cycles.

Commercial sales ratios may be generated by use type to allow appraisers to review general market trends in their area of responsibility. The appraisers utilized desktop applications such as Microsoft Excel programs as well as sales ratio analysis programs folded into the appraisal database to evaluate subsets of data by economic area or a specific and unique data items. In many cases, field inspections may be conducted to ensure the ratios produced are accurate and the appraised values utilized are based on accurate property data characteristics. These ratio studies aid the appraisers by providing an indication of market activity by economic area or changing market conditions.

Comparative Appraisal Analysis

The commercial appraiser performs an average unit value comparison in addition to a traditional ratio study for some specific property types. These studies are performed on commercially classed properties by property use type. The objective to this evaluation is to determine appraisal performance of sold and unsold properties. Appraiser's average unit prices of sales and average unit appraised values of the same parcel and the comparison of average value changes of sold and unsold properties. In this way, overall appraisal performances are evaluated geographically, by specific property type to discern whether sold parcels have been selectively appraised. When sold parcels and unsold parcels are appraised equally, the average unit values are similar when accounting for differences.

INTRODUCTION

Appraisal Responsibility

There are three different personal property types appraised by the district's personal property section: General Business Personal Property accounts; Leased Assets, and Vehicles. The three types total to approximately 3,453 business personal property accounts in Guadalupe County.

Appraisal Resources

- **Personnel –** The personal property staff consists of 2.0 appraisers.

- **Data –** A common set of data characteristics for each personal property account in Guadalupe County is collected in the field and data entered to the district's computer. The field data is collected by the personal property appraisers.

VALUATION APPROACH (Model Specification)

SIC Code Analysis

Four-digit numeric codes, called Standard Industrial Classification (SIC) codes were modeled from those outlined by O.S.H.A., which are referenced by the Texas State Comptroller of Public Accounts Sales Tax Division. These classifications are used by Guadalupe Appraisal District to classify personal property by business type.

SIC code identification and delineation is the cornerstone of the personal property valuation system at the district. All of the personal property analysis work done in association with the personal property valuation process is SIC code specific. 130 business personal property SIC codes are currently in use by the district. O.S.H.A. outlines approximately 1,000 SIC codes. SIC codes are reviewed to determine if further SIC code delineation is warranted.

The Guadalupe Appraisal District has made a concerted effort to convert all existing SIC codes which has proved useful in comparative analysis purposes.

Highest and Best Use Analysis

The highest and best use of property is the reasonable and probable use that supports the highest present value as of the date of the appraisal. The highest and best use must be physically possible, legal, financially feasible, and productive to its minimum. The highest and best use of personal property is normally its current use.

DATA COLLECTION / VALIDATION

Data Collection Procedures

Personal property data collection procedures are published and distributed to all appraisers involved in the appraisal and valuation of personal property. The appraisal procedures are reviewed and revised to meet the

changing requirements of field data collection process. Renditions received by the Guadalupe Appraisal District are deemed confidential, under Section 22.27 of the Texas Tax Code.

Sources of Data

Business Personal Property

The district's property characteristic data was originally received from the taxing jurisdictions and various school district records in 1980, and where absent, collected through a massive field data collection effort coordinated by the district over a period. When revaluation activities permit, district appraisers collect new data via the annual field and G.I.S. inspection process. This project results in the discovery of new businesses not revealed through other sources. Various discovery publications which are referenced in detail in the business personal property manual are also employed to discover new or historically existing business personal property. Tax assessor, city and local newspapers, tenant lists, internet website listings, and the public often provide the district information regarding new business personal property and other useful facts related to property valuation.

Vehicles

An outside vendor will provide the Guadalupe Appraisal District with a listing of vehicles within Guadalupe County. The vendor develops this listing from the Texas Department of Transportation (DOT) Title and Registration Division records. This information will aid the Business Personal Property Appraisers to implement a Quality Control Project when comparing the renditions supplied by a company. Other sources of data include property owner renditions and G.I.S. and field inspections.

Leased Assets

The primary source of leased and multi-location assets is property owner or agent rendition of property. Other sources of data include G.I.S. and field inspections at the specific location(s) where such leased assets hold situs.

VALUATION AND STATISTICAL ANALYSIS (model calibration)

Cost Schedules

Cost schedules may be developed by SIC code by district Business Personal Property Appraisers. The cost schedules may be developed by analyzing cost data from property owner renditions, hearings, state, schedules, and published cost guides. The cost schedules are reviewed as necessary to conform to changing market conditions. Since confirming sales for this type of property is rare, the District will rely on the cost approach less depreciation method for valuation of business personal property in the Guadalupe Appraisal District. The District has built local schedules, where data to do so is available and reliable, applicable to several SIC codes in the District.

Statistical Analysis

Summary statistics including, but not limited to, the median, weighted mean, and standard deviation provide the appraisers an analytical tool by which to determine both the level and uniformity of appraised value by SIC code. Review of the standard deviation can discern appraisal uniformity within SIC codes.

Depreciation Schedule and Trending Factors:

<u>Business Personal Property</u>

Guadalupe Appraisal District's primary approach to the valuation of business personal property is the cost approach. The replacement cost new less depreciation (RCNLD) is developed from property owner reporting the original cost and acquisition year data. The percent good depreciation factors used by Guadalupe Appraisal District are updated annually.

<u>Vehicles</u>

Value estimates for vehicles are provided by an outside vendor and are based on NADA published book values. Vehicles that are not valued by the vendor are valued by an appraiser using published guides. The valuation method is based on market value with adjustments made for known upgrades and mileage where applicable.

<u>Leased Assets</u>

Leased and multi-location assets are valued using the RCNLD method as well. If the asset to be valued in this category is a vehicle, then NADA published book values are used. Assets that are not valued by the vendor are valued by an appraiser determining the present value of the asset or published industry guides.

INDIVIDUAL VALUE REVIEW PROCEDURES

Office Review

Business Personal Property
A district valuation computer program exists in the client server environment that identifies accounts in need of review based on a variety of conditions. Property owner renditions, accounts with field or other data changes, accounts with prior hearings, new accounts, parcels that exceed $1 million in value are validated annually, as well as the systematic field inspection of non-rendered business personal property accounts from the prior year and parcels that have recently transacted.

Vehicles

A vehicle master file is received in a soft file format from an outside vendor. The district conducts a match in conjunction with working the renditions, and any unmatched vehicles used for business purposes will have a new account created as needed where there is an identifiable business entity within the jurisdiction. In those instances where there are a vast number of vehicles under an individual's name, the District will take an opportunity to correlate this information with additional District resources to validate if these could potentially be used for business purposes. Vehicles that are not valued by the vendor are valued by an appraiser using the present market value of the asset using recognized published industry guides.

Leased Assets
Leased assets are required to be rendered annually, as is all business personal property. The appraisers will individually catalog assets in like jurisdictions into one account. The reported data is used to match existing accounts or create new accounts on the appraisal roll. Application of the RCNLD method of valuation will be applicable to these assets. Assets that are not rendered may likely no longer be located at the situs, and the appraiser will need to verify this with the deleted properties listing if provided or determine if the asset is at the location. The appraiser will take the necessary action to validate whether the asset is still at the location, either through a field inspection or documentation from a reporting agency, or both.

PERFORMANCE TESTS

Ratio Studies

With the implementation of HB8, the Property Tax Division of the Texas State Comptroller of Public Accounts will conduct a Property Value Study (P.V.S.), every other year and may occur annually if local value is not certified to T.E.A. The P.V.S. is a ratio study used to gauge appraisal district performance. Results from the P.V.S. play a role in the school funding formula. Rather than a sales ratio study, the business personal property PVS is a ratio study using state cost and depreciation schedules to develop comparative personal property values. These values are then compared to Guadalupe Appraisal District's personal property values and ratios are formed.

Contracted Valuation Process

MASS APPRAISAL REPORT

INDUSTRIAL PROPERTY

APPRAISED BY CAPITOL APPRAISAL GROUP

2021-2022

Overview

This type of property consists of processing facilities and related personal property. Capitol Appraisal Group, Inc. is contracted to reappraise this type of property according to the scope of work in the normal course of business of the client consistent with the Uniform Standards of Professional Appraisal Practice guidelines. The completed appraisals are all retrospective in nature. The purpose of the appraisals is to estimate market value as of January 1 in accordance with the definition of market value established in the Texas Property Tax Code (Sec. 1.04). "Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

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

The effective date of the appraisals is January 1 of the year for which this report is submitted unless the property owner or agent has applied for and been granted September 1 inventory valuation as allowed by Section 23.12(f) of the Texas Property Tax Code. The date of this report is April 20 of the tax year for which it is submitted.

The client for the mass appraisal is the Texas appraisal district named on the last page of this report. The intended users of this report are the client and the property owners of the client appraisal district.

The appraisal results will be used as the tax base upon which a property tax will be levied. The properties are appraised in fee simple in conformance with the Texas Property Tax Code Sec. 25.06. This is a jurisdictional exception to the Standards Rule 6-5 © Comment of the Uniform Standards of Professional Appraisal Practice 2008. A listing of the industrial properties appraised by Capitol Appraisal Group, Inc. for the appraisal district is available at the appraisal district office. Industrial properties are normally re-inspected annually.

Documents relevant to an understanding of these appraisals include the confidential rendition, if any, filed with the appraisal district by the owner or agent of the property; other reports described in the Texas Property Tax Code; asset lists and other confidential

data supplied by the owner or agent; the General Appraisal Manual adopted by the Texas Comptroller of Public Accounts; Property Assessment Valuation published by the International Association of Assessing Officers and adopted by the Texas Comptroller of Public Accounts; and Engineering Valuation and Depreciation by Marston, Winfrey, and Hempstead; and the Texas Property Tax Code.

Capitol's industrial appraisal staff includes licensed engineers as well as experienced appraisers who are knowledgeable in all three approaches to value. Industrial appraisal staff stays abreast of current trends affecting industrial properties through review of published materials, attendance at conferences, course work, and continuing education. All industrial appraisers are registered with the Texas Board of Tax Professional Examiners.

Assumptions and Limiting Conditions

All appraisals are subject to the following assumptions and limiting conditions:

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
3. The appraisers developing these appraisals are not requested to give testimony or attendance in court by reason of the appraisals, unless directed by, employed by, and provided legal counsel by the Appraisal District.
4. The appraisers do not necessarily inspect every property every year.
5. All sketches on the appraisal documents are intended to be visual aids and should not be construed as surveys or engineering reports unless otherwise specified.
6. All information in the appraisal documents has been obtained by members of Capitol Appraisal Group's staff or by other reliable sources.
7. The appraisals were prepared exclusively for ad valorem tax purposes.
8. The appraisers have inspected as far as possible, by observation, the improvements being appraised, however, it is not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore no representations are made as to these matters unless specifically considered in an individual appraisal.

Data Collection and Validation

Data on the subject properties is collected as part of the inspection process and through later submissions by the property owner. Submitted data may be on a rendition form or in other modes which require confidentiality. Subject property data is verified through previously existing records and through published reports. Additional data are obtained and verified through published sources, regulatory reports, and through analysis of comparable properties, if any. Due to the unique nature of many industrial properties there is no standard data collection form or manual.

Valuation Approach and Analysis

Industrial properties are appraised using replacement/reproduction cost new less depreciation models. Replacement costs are estimated from published sources, other publicly available information, and comparable properties. Reproduction costs are based on actual investment in the subject or comparable properties adjusted for typical changes in cost over time. Depreciation is calculated on the age/life method using typical economic lives and depreciation rates based on published sources, market evidence, and the experience of knowledgeable appraisers. Adjustments for functional and economic obsolescence may be made if utilization and income data for the subject property justify such. Income Approach models (direct capitalization and discounted cash flow) are also used when economic and/or subject property income information is available. Capitalization and discount rates are based on published capital costs for the industry of the subject property. A market data model based on typical selling prices per unit of capacity is also used when appropriate market sales information is available.

Because cost information is the most readily available type of data, the cost approach model is always considered and used. If sufficient data is available either of both of the other two models may also be considered and used. The market data and income approach models may need to

Model calibration in the cost approach involves the selection of the appropriate service life for each type or class of property. Further calibration can occur through the use of utilization or through-put data provided by the owner or agent. Income approach calibration involves the selection of the cost of capital or discount rate appropriate to the type of property being appraised as well as adjusting the projected income stream to reflect the individual characteristics of the subject property. Model calibration in the market data approach involves adjusting sales prices of comparable properties to reflect the individual characteristics of the subject property.

The mathematical form of each model is described below.

Cost Approach

RCN
-PD
-FO
-EO
=Cost Indicator of Value

Where:
RCN = Replacement or Reproduction Cost New
PD = Physical Depreciation
FO = Functional Obsolescence
EO = Economic Obsolescence

Income Approach

PGR
-VCL
-FE
-VE
NOI

NOI/R = Income Indicator of Value

Where:
NOI = Net Operating Income
PGR = Potential Gross Rent
VCL = Vacancy and Collection Loss
FE = Fixed Expenses
VE = Variable Expenses
R = Discount Rate or Cost of Capital

A variation of the income model is:

NOI for year 1 x DF for year 1 = PW of year 1 NOI
NOI for year n x DF for year n = PW of year n NOI
Net Reversion x DF for year n = PW of Reversion
Sum of PW's for all years 1 - n = Income Indicator of Value

Where:
DF = Discount Factor
PW = Present Worth
n = Last year of holding period

Market Data Approach

ASPCP/U = PU
PU x SU = Market Data Indicator of Value

Where:
ASPCP = Adjusted Sales Price of Comparable Property
U = Unit of comparison
PU = Price per Unit of comparison
ASPU = Adjusted Sales Price per Unit of comparison
SU = Subject Property's number of Units of comparison

In reconciling multiple model results for a property the appraiser considers the model results that best address the individual characteristics of the subject property and that are based on the most reliable data while maintaining equalization among like properties. Final results for each property may be found on the appraisal district's appraisal roll.

Land valuation for industrial properties is the responsibility of appraisal district staff as is the highest and best use analysis of the site. Sites are analyzed for highest and best use as though they were vacant. Highest and best use analysis of the improvements is based on the likelihood of the continued use of the improvements in their current and/or intended

use. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact.

Review and Testing

Field review of appraisals is performed through the regular inspection of subject properties. The periodic reassignment of properties among appraisers or the review of appraisals by an experienced appraiser also contributes to the review process. A computer-assisted statistical review of property value changes is also conducted.

Appraisal-to-sales ratios are the preferred method for measuring performance, however sales are very infrequent. Furthermore, market transactions normally occur for multiple sites and include both real and personal property, tangible and intangible, making analysis difficult and subjective. Performance is also measured through comparison with valid single-property appraisals submitted for staff review. Lastly, Capitol Appraisal Group's industrial appraisal methods and procedures are subject to review by the Property Tax Division of the Texas Comptroller's office. The Comptroller's review as well as comparisons with single-property appraisals indicate the validity of the models and the calibration techniques employed.

MASS APPRAISAL REPORT

BUSINESS PERSONAL PROPERTY

APPRAISED BY CAPITOL APPRAISAL GROUP

2021-2022

Overview

This type of property consists of tangible personal property owned by a business or individual for the purpose of producing an income. The Uniform Standards of Professional Appraisal practice define personal property as "identifiable portable and tangible objects which are considered by the general public as being "personal," e.g. furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all property that is not classified as real estate.". The Texas Property Tax Code (Sec. 1.04(5)) defines tangible personal property as "…personal property that can be seen, weighed, measured, felt, or otherwise perceived by the senses but does not include a document or other perceptible object that constitutes evidence of a valuable interest, claim, or right and has negligible or no intrinsic value." The Texas Property Tax Code (Sec. 1.04(4)) defines personal property as "…property that is not real property."

Capitol Appraisal Group, Inc. is contracted to reappraise this type of property according to the scope of work in the normal course of business of the client consistent with the Uniform Standards of Professional Appraisal Practice guidelines. The completed appraisals are all retrospective in nature. The purpose of the appraisals is to estimate market value as of January 1 in accordance with the definition of market value established in the Texas Property Tax Code (Sec. 1.04). "Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

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

A separate definition of the value of inventory is found in the Texas Property Tax Code (Sec. 23.12(a)), "…the market value of an inventory is the price for which it would sell as a unit to a purchaser who would continue the business." Additionally, some inventories may qualify for appraisal as of September 1 in accordance with the provisions of Texas Property Tax Code Section 23.12(f).

The effective date of the appraisals is January 1 of the year for which this report is submitted unless the property owner or agent has applied for and been granted September 1 inventory valuation as allowed by Section 23.12(f) of the Texas Property Tax Code. The date of this report is April 20 of the tax year for which it is submitted.

The client for the mass appraisal is the Texas appraisal district named on the last page of this report. The intended users of this report are the client and the property owners of the client appraisal district.

The appraisal results will be used as the tax base upon which a property tax will be levied. A listing of the personal property appraised by Capitol Appraisal Group, Inc. for the appraisal district is available at the appraisal district office. Personal property is normally re-inspected annually.

Documents relevant to an understanding of these appraisals include the confidential rendition, if any, filed with the appraisal district by the owner or agent of the property; other reports described in the Texas Property tax Code; asset lists and other confidential data supplied by the owner or agent; Property Assessment Valuation published by the International Association of Assessing Officers and adopted by the Texas Comptroller of Public Accounts; and Engineering Valuation and Depreciation by Marston, Winfrey, and Hempstead; and the Texas Property Tax Code.

Capitol's personal property appraisal staff includes licensed engineers as well as experienced appraisers who are knowledgeable in all three approaches to value. Personal property appraisal staff stays abreast of current trends affecting personal property through review of published materials, attendance at conferences, course work, and continuing education. All personal property appraisers are registered with the Texas Board of Tax Professional Examiners.

Assumptions and Limiting Conditions

All appraisals are subject to the following assumptions and limiting conditions:

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
3. The appraisers developing these appraisals are not Requested to give testimony or attendance in court by reason of the appraisals, unless directed by, employed by, and provided legal counsel by the Appraisal District.
4. The appraisers do not necessarily inspect every property every year.
5. All sketches on the appraisal documents are intended to be visual aids and should not be construed as surveys or engineering reports unless otherwise specified.
6. All information in the appraisal documents has been obtained by members of Capitol Appraisal Group's staff or by other reliable sources.
7. The appraisals were prepared exclusively for ad valorem tax purposes.

Data Collection and Validation

Data on the subject properties are collected as part of the inspection process and through later submissions by the property owner. Submitted data may be on a rendition form or in other modes which require confidentiality. Subject property data is verified through previously existing records and through published reports. Additional data are obtained and verified through published sources, regulatory reports, and through analysis of comparable properties. Due to the multitude of personal property types there is no standard data collection form or manual.

Valuation Approach and Analysis

Personal property is appraised using replacement/reproduction cost new less depreciation models. Replacement costs are estimated from published sources, other publicly available information, and comparable properties. Reproduction costs are based on actual investment in the subject or comparable properties. Depreciation is calculated on the age/life method using typical economic lives and depreciation rates based on published sources, market evidence, and the experience of knowledgeable appraisers. Adjustments for functional and economic obsolescence may be made if utilization and income data for the subject property justify such. Income Approach models (direct capitalization and discounted cash flow) are also used when economic and/or subject property income information is available. Capitalization and discount rates are based on published capital costs for the industry of the subject property. A value estimate derived from an income approach model in which the operating income of a business was capitalized must be reduced by the value of any real property in order to arrive at the value of the operating personal property. A market data model based on typical selling prices per item or unit of capacity is also used when appropriate market sales information is available. In the case

of some personal property types, such as licensed vehicles, market data from published pricing guides is used to construct a market value model. In other cases, models are based on sales information available through published sources or through private sources.

Because cost information is the most readily available type of data, the cost approach model is always considered and used. If sufficient data is available either of both of the other two models may also be considered and used. The market data and income approach models may need to be reduced by the value of the land in order to arrive at a value of improvements and personal property.

Model calibration in the cost approach involves the selection of the appropriate service life for each type or class of property. Further calibration can occur through the use of utilization or through-put data provided by the owner or agent. Income approach calibration involves the selection of the cost of capital or discount rate appropriate to the type of property being appraised as well as adjusting the projected income stream to reflect the individual characteristics of the subject property. Model calibration in the market data approach involves adjusting sales prices of comparable properties to reflect the individual characteristics of the subject property.

The mathematical form of each model is described below.

Cost Approach

RCN
-PD
-FO
-EO
=Cost Indicator of Value

Where:
RCN = Replacement or Reproduction Cost New
PD = Physical Depreciation
FO = Functional Obsolescence
EO = Economic Obsolescence

Income Approach

PGR
-VCL
-FE
-VE
NOI

NOI/R = Income Indicator of Value

Where:
PGR = Potential Gross Rent
VCL = Vacancy and Collection Loss

FE = Fixed Expenses
VE = Variable Expenses
R = Discount Rate or Cost of Capital

A variation of the income model is:

NOI for year 1 x DF for year 1 = PW of year 1 NOI
NOI for year n x DF for year n = PW of year n NOI
Net Reversion x DF for year n = PW of Reversion
Sum of PW's for all years 1 - n = Income Indicator of Value

Where:
NOI = Net Operating Income
DF = Discount Factor
PW = Present Worth
n = Last year of holding period

Market Data Approach

ASPCP/U = PU
PU x SU = Market Data Indicator of Value

Where:
ASPCP = Adjusted Sales Price of Comparable Property
U = Unit of comparison
ASPU = Adjusted Sales Price per Unit of comparison
SU = Subject Property's number of Units of comparison

In reconciling multiple model results for a property, the appraiser considers the model results that best address the individual characteristics of the subject property and that are based on the most reliable data while maintaining equalization among like properties. Results for each property may be found on the appraisal district's appraisal roll.

Highest and best use analysis of personal property is based on the likelihood of the continued use of the personal property in its current and/or intended use. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact.

Review and Testing

Field review of appraisals is performed through the regular inspection of subject properties. The periodic reassignment of properties among appraisers or the review of appraisals by an experienced appraiser also contributes to the review process. A computer-assisted statistical review of property value changes is also conducted.

Appraisal-to-sales ratios are the preferred method for measuring performance and are used when possible. However, sales for some types of personal property are very

infrequent. Furthermore, many market transactions occur for multiple sites and include both real and personal property, tangible, and intangible, making analysis difficult and subjective. Performance is also measured through comparison with valid single-property appraisals submitted for staff review. Lastly, Capitol Appraisal Group's industrial appraisal methods and procedures for real and personal property are subject to review by the Property Tax Division of the Texas Comptroller's office. The Comptroller's review as well as appraisal-to-sale ratios and comparisons with single-property appraisals indicate the validity of the models and the calibration techniques employed. Commercial personal property appraised by Capitol Appraisal Group, Inc. is not subject to a methods and procedures review however it is included in the Property Tax Division's annual ratio study with satisfactory results.

MASS APPRAISAL REPORT

UTILITY, RAILROAD, AND PIPELINE PROPERTIES

APPRAISED BY CAPITOL APPRAISAL GROUP, INC.
2021-2022

Overview

This type of property consists of operating property, excluding land, owned by utility, railroad, and pipeline companies, and related personal property and improvements. Capitol Appraisal Group, Inc. is contracted to reappraise this type of property according to the scope of work in the normal course of business of the client consistent with the Uniform Standards of Professional Appraisal Practice guidelines. The completed appraisals are all retrospective in nature. The purpose of the appraisals is to estimate market value as of January 1 in accordance with the definition of market value established in the Texas Property Tax Code (Sec. 1.04). "Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

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

The effective date of the appraisals is January 1 of the year for which this report is submitted unless the property owner or agent has applied for and been granted September 1 inventory valuation as allowed by Section 23.12(f) of the Texas Property Tax Code. The date of this report is April 20 of the tax year for which it is submitted.

The client for the mass appraisal is the Texas appraisal district named on the last page of this report. The intended users of this report are the client and the property owners of the client appraisal district

The appraisal results will be used as the tax base upon which a property tax will be levied. The properties are appraised in fee simple in conformance with the Texas Property Tax Code Sec. 25.06. This is a jurisdictional exception to Standards Rule 6-5 (c) comment of the Uniform Standards of Professional Appraisal Practice 2008. A listing of the utility, railroad, and pipeline properties appraised by Capitol Appraisal Group, Inc. for the appraisal district is available at the appraisal district office. Such utility, railroad, and pipeline properties that are susceptible to inspection (e.g. compressor stations, pump stations, buildings, and power plants) are normally re-inspected at least every three years.

Capitol's utility, railroad, and pipeline appraisal staff includes licensed engineers as well as experienced appraisers who are knowledgeable in all three approaches to value. The appraisal staff stays abreast of current trends affecting utility, railroad, and pipeline properties through review of published materials, attendance at conferences, course work, and continuing education. All appraisers are registered with the Texas Board of Tax Professional Examiners.

Assumptions and Limiting Conditions

All appraisals are subject to the following assumptions and limiting conditions:

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
3. The appraisers developing these appraisals are not Requested to give testimony or attendance in court by reason of the appraisals, unless directed by, employed by, and provided legal counsel by the Appraisal District.
4. The appraisers do not necessarily inspect every property every year.
5. All sketches on the appraisal documents are intended to be visual aids and should not be construed as surveys or engineering reports unless otherwise specified.
6. All information in the appraisal documents has been obtained by members of Capitol Appraisal Group's staff or by other reliable sources.
7. The appraisals were prepared exclusively for ad valorem tax purposes.
8. The appraisers have inspected as far as possible, by observation, the improvements being appraised, however, it is not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore no representations are made as to these matters unless specifically considered in an individual appraisal.

Data Collection and Validation

Data on the subject properties is collected as part of the inspection process and through later submissions by the property owner. Submitted data may be on a rendition form or in other modes which require confidentiality. Subject property data is verified through previously existing records and through published reports. Additional data are obtained and verified through published sources, regulatory reports, and through analysis of comparable properties. Due to the varied nature of utility, railroad, and pipeline properties there is no standard data collection form or manual.

Valuation Approach and Analysis

For all pipelines a value is calculated using a Replacement Cost New Less Depreciation (RCNLD) model. This involves first calculating the cost of building a new pipeline of equal utility using current prices. The Replacement Cost New (RCN) is a function of location, length, diameter, and composition. Depreciation is then subtracted from RCN to produce the final value estimate. Depreciation is defined as the loss of value resulting from any cause. The three common forms of depreciation are physical, functional, and economic.

Physical depreciation is accounted for on the basis of the age of the subject pipeline. Functional and economic obsolescence (depreciation) can be estimated through the use of survivor curves or other normative techniques. Specific calculations to estimate abnormal functional and/or economic obsolescence can be made on the basis of the typical utilization of the subject pipeline.

After deductions from RCN have been made for all three forms of depreciation the remainder is the RCNLD or cost approach model indicator of value.

In addition to the RCNLD indicator, a unit value model may also be used for those pipelines for which appropriate income statements and balance sheets are also available. Generally, this model is used for those pipelines that by regulation are considered to be common carriers. The unit value model must be calculated for the entire pipeline system.
The unit value model typically involves an income approach to value and a rate base cost approach. The income approach is based on a projection of expected future typical net operating income (NOI). The projected NOI is discounted to a present worth using a current cost of capital that is both typical of the industry and reflective of the risks inherent in the subject property. The unit value model cost approach is typically an estimation of the current rate base of the subject pipeline (total investment less book depreciation allowed under the current form of regulation). An additional calculation is made to detect and estimate economic obsolescence. Any economic obsolescence is deducted from the rate base cost less book depreciation to achieve a final cost indicator. The unit value model may also include a stock and debt approach in lieu of a market data approach. The stock and debt approach involves finding the total value of the owner's liabilities (equity and debt) and assuming that they are equal to the value of the assets. The two (or three, if the stock and debt approach is included) unit value indicators are then reconciled into a final unit appraisal model indicator of value. The unit value must then be reconciled with the RCNLD model indicator of value for the entire pipeline system being appraised. The final correlated value of the system can then be allocated among the various components of the system to determine the tax roll value for each pipeline segment.

Utility and railroad properties are appraised in a manner similar to pipeline except the RCNLD model is not used. For all three types of property (utility, railroad, and pipeline) the appraiser must first form an opinion of highest and best use. If the highest and best use of the operating property is the current use under current regulation, the unit value model is considered highly appropriate. If the highest and best use is something different, then the RCNLD model may be more appropriate.

Compressor stations, pump stations, improvements, and related facilities are appraised using a replacement cost new less depreciation model.

Model calibration in the RCNLD model involves the selection of the appropriate service life for each type or class of property. Further calibration can occur through the use of utilization or through-put data provided by the owner or agent. Model calibration in the unit value cost approach involves the selection of the appropriate items to include in the rate base calculation and selection of the best measure of obsolescence, if any. Income approach calibration involves the selection of the cost of capital or discount rate appropriate to the type of property being appraised as well as adjusting the projected income stream to reflect the individual characteristics of the subject property. Model

calibration in the stock and debt approach involves allocating sales prices of debt and equity to reflect the contribution to value of the operating property of the subject company.

The mathematical form of each model is described below.

RCNLD Approach

RCN
-PD
-FO
-EO
=RCNLD Indicator of Value

Where:
RCN = Replacement or Reproduction Cost New
PD = Physical Depreciation
FO = Functional Obsolescence
EO = Economic Obsolescence

Unit Cost Approach

OC
-AD
-EO
=Unit Cost Approach Indicator of Value

Where:
OC = Original Cost
AD = Allowed Depreciation
EO = Economic Obsolescence

Unit Income Approach

PGR
-VCL
-FE
-VE
NOI

NOI/R = Income Indicator of Value

Where:
PGR = Potential Gross Rent
VCL = Vacancy and Collection Loss
FE = Fixed Expenses
VE = Variable Expenses
R = Discount Rate or Cost of Capital

A variation of the income model is:

NOI for year 1 x DF for year 1 = PW of year 1 NOI
NOI for year n x DF for year n = PW of year n NOI
Net Reversion x DF for year n = PW of Reversion
Sum of PW's for all years 1 - n = Income Indicator of Value

Where:
NOI = Net Operating Income
DF = Discount Factor
PW = Present Worth
n = Last year of holding period

Stock and Debt Approach

MVE
+MVD
=Market Value of Assets

Where:
MVE = Market value of Equity
MVD = Market value of Debt

In reconciling multiple model results for a property, the appraiser considers the model results that best address the individual characteristics of the subject property while maintaining equalization among like properties. Final results for each property may be found on the appraisal district's appraisal roll.

Land valuation for utility and pipeline properties is the responsibility of appraisal district staff as is the highest and best use analysis of the site. Sites are analyzed for highest and

best use as though they were vacant. Highest and best use analysis of the improvements is based on the likelihood of the continued use of the improvements in their current and/or intended use. Railroad corridor land is included in the appraisal of the operating property. The highest and best use of railroad corridor land is presumed to be as operating property. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact.

The rate-base cost approach, stock and debt approach, and income approach models must be reduced by the value of the land to arrive at a value of improvements, personal property, and other operating property.

Review and Testing

Field review of appraisals is performed through the regular inspection of subject properties. The periodic reassignment of properties among appraisers or the review of appraisals by an experienced appraiser also contributes to the review process. A computer-assisted statistical review of property value changes is also conducted.

Appraisal to sales ratios are the preferred method for measuring performance, however sales are very infrequent. Furthermore, market transactions normally occur for multiple sites and include both real and personal property, tangible, and intangible, making analysis difficult and subjective. Performance is also measured through comparison with valid single-property appraisals submitted for staff review. Appraisal results are tested annually by the Property Tax Division of the Texas Comptroller's Office. The Comptroller's review as well as comparisons with single-property appraisals indicate the validity of the models as well as the calibration techniques employed.

MASS APPRAISAL REPORT

OIL AND GAS RESERVES

APPRAISED BY CAPITOL APPRAISAL GROUP

2021-2022

Overview

Capitol Appraisal Group, Inc. (CAGI) contracts with Appraisal Districts and other governmental entities to appraise all oil & gas subsurface, producing, mineral interests within the purview of the entity. The contractual purpose is to estimate market value as defined in Section 1.04 of the Texas Property Tax Code as of January 1 of each year and report these values to the entity. The results of our work are used as part of the tax base upon which property taxes are levied. Each mineral interest is listed on the appraisal roll separately from other interests in the minerals-in-place in conformance with the Texas Property Tax Code Sec. 25.12. Subsurface mineral rights are not susceptible to physical inspection. This provision requires a jurisdictional exception to Standards Rules 5-2 (c) of the Uniform Standards of Professional Appraisal Practice 2018-2019. However, the inability to physically examine the sub-surface mineral rights does not appreciably affect the appraisal process or the quality of the results.

Assumptions and Limiting Factors

All appraisals are subject to the following:

1. Title to the property is assumed to be good and marketable and the ownership interest and legal description is assumed to be correct.
2. No responsibility for legal matters is assumed. Properties are appraised as if free and clear of any encumbrance and operated under responsible ownership and competent management.
3. Not every property is inspected every year.
4. All information in the appraisal documents has been obtained by Capitol Appraisal Group's employees or through other reliable sources.
5. The appraisals were prepared exclusively for ad valorem tax purposes.

Data Collection

Data on the properties appraised are collected from regulatory agencies, such as the Texas Railroad Commission and the Texas Comptroller of Public Accounts, from submissions by the property operator or owner(s), or from other sources. **Submitted data from operators, taxpayers and/or their agents on the appraised properties are considered "rendition statements" and, as such, are confidential data, subject to Sec. 22.27 of the Texas Property Tax Code.** Additional data are obtained through published sources, regulatory reports, public investment reports, licensed data services,

service for fee organizations and through comparable properties, if any. The state of Texas is a non-disclosure state and thus many forms of information, pertinent to the value of the properties, are not available to the appraiser.

Valuation and Analysis

The Income Method of Appraisal, as described in Section 23.012 of the Texas Property Tax Code, is the principal appraisal method used. The Market Data Comparison Method of Appraisal (section 23.013) and the Cost Method of Appraisal (section 23.011) are considered. Industry averages of reserve replacement cost and acquisition cost are used for comparative purposes. The non-disclosure nature of the laws of Texas makes market data comparison unreliable. However, if within the scope of Capitol's work assignment market sales disclosures on interests are available, then those data is considered. The nearly exclusive reliance on the income approach, using the discounted cash flow (DCF) technique adjusted for specific property risk and market conditions, is typical of the oil and gas industry. Fee for service organizations are used for survey data with respect to price expectations and discount rates, and licensed data services are used for Industry indicators detailing costs, income, acquisitions costs in dollars per barrel of oil equivalent ($/BOE), finding and development costs ($/BOE) and reserve replacement costs ($/BOE) for over 100 E&P companies.

Due to the demands of Section 23.175 of the Texas Property Tax Code and the Texas Constitution, Capitol Appraisal Group, Inc. takes great care to not appraise properties more than their fair market value. We analyze a segment of the Petroleum Producing E&P market, determining the impact on their stock and debt value of the pricing requirements of Sec. 23.175 and the pricing that could be reasonably anticipated from the market. Capitol Appraisal Group Inc.'s opinion of oil and gas prices is guided by the market's anticipation of those prices through the futures market, oil and gas stock prices and oil and gas industry indexes. A base discount rate is developed using the Securities and Exchange Commission (SEC) 10k Standard Measure of Value, Before Federal Income Tax (BFIT), for a grouping of 20 Exploration and Production (E&P) companies, and then matching their 10k Standard Measure of Value (BFIT), reserves and costs, through a discounted cash flow (DCF) technique. This reserve and cost match is used with Capitol's developed pricing scenario and Section 23.175 pricing directives to determine a discount rate necessary to equal the stock and debt value of the companies, as of January 1 for a given tax year.

The Weighted Average Cost of Capital (WACC) technique is also performed for a subset of these companies grouped according to the Petroleum Producing Industry Exploration and Production companies used in *The Value line Investment Survey.* These separate pricing scenarios and the resulting discount rates derived from using the stock and debt techniques are applied to the universe of oil and gas properties we appraise. In seeking to avoid appraising any oil and gas property **above** its fair cash market value, Capitol Appraisal employs a market adjustment factor (MAF) to its base discount rate to apply property specific risk(s). These factors, which create a wide range of discount rates for the properties that Capitol appraises, are necessary to equitably evaluate disparate leases with respect to remaining reserves, price and costs. By performing two DCF income approach appraisals on each property, Capitol Appraisal provides clients with our opinion of market value, while always endeavoring to guard against appraising a mineral lease at

greater than its fair cash market value. [A **jurisdictional exception** to the Discounted Cash Flow technique, as this process is described in the Statement on Appraisal Standards #5, 2018-2019 edition of the Uniform Standards of Professional Appraisal Practice, must be taken. Section 23.175(a) of the Texas Property Tax Code both specifies the directives concerning oil and gas pricing that appraisal districts in Texas must follow and also that each appraisal district must adhere to procedure and methodology contained in manuals developed by the Property Tax Division (PTD) of the Texas Comptroller of Public Accounts. Because adherence to this Property Tax Code directive, without discretion, can result in values greater than fair cash market value, we must express caution.]

The resulting oil and gas lease value is then allocated to each owner on the lease based upon his fractional mineral ownership interest. Royalty and working interests have different impacts on their respective values,
since only working interests bear the costs of lease operation. Therefore, royalty mineral interest owner's values are allocated from 100% of the appraised royalty value of the lease, according to their fractional royalty interest, while the working interest owner's value(s) are allocated from 100% of the determined working interest value of the lease, according to their fractional working interest.

Review and Testing

Each year we review the estimated market value for each mineral property appraised according to its year-to-year value change and to industry expected payouts and income indicators. We also examine income projected to be received with the previous year's income and test that income against the lease's appraised value. Market value for income producing properties is a multiple of its monthly or annual income. Our experience through the years indicates that values typically vary within in a range of 2-5 times income, provided all appropriate income factors have been appropriately identified. Periodic reassignment of properties among appraisers and review of appraisals by a more experienced appraiser also contribute to the review process.

Application of appraisal-to-sales ratios is another method for measuring performance. However, single property sales or sales of interest(s) within a property remain difficult to obtain due Texas' disclosure laws. Furthermore, many market transactions are normally for multiple properties in multiple areas and include both real and personal property, tangible and intangible. We access licensed databases providing statistical data for company and property sales to compare our efforts. We also measure our performance through comparison of valid single-property market transactions, if any, that are submitted for staff review. Lastly, Capitol Appraisal's mineral appraisal values are subject to review each year in the Property Value Study conducted by the Property Tax Division of the Texas Comptroller of Public Accounts. The Property Tax Division's review as well as comparisons to industry transactions and to single-property market value sales (when available), indicate the validity of the models, techniques and assumptions used.

LIMITING CONDITIONS

The appraised value estimates provided by the district are subject to the following conditions:

1. The appraisals were prepared exclusively for ad valorem tax purposes only. Any other use of appraisal records is expressly prohibited. The issuer does not warrant any other uses.

2. The extraordinary assumption is that title to the property is good and marketable and the legal description is correct.

3. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.

4. All sketches in the appraisal documents are intended to be visual aids and should not be construed as surveys or engineering reports.

5. Appraisers who are developing appraisals under mass appraisal guidelines and for ad-valorem purposes only are not required to give testimony or attendance in court by reason of the appraisal, unless directed by, employed by and provided legal counsel by the Guadalupe Appraisal District.

6. The Appraisers have inspected properties by observation and are limited where consent is not given by property owners for a field inspection. Inspections may be conducted via aerial observations and where consent is given for exterior field inspections. However, it is not possible to personally observe conditions unavailable to view such as the interior of structures or items beneath the soil or hidden structural components within the improvements. Therefore, no representations are made as to these matters unless specifically considered in an individual appraisal. Interior structure inspections are not conducted.

7. The property characteristic data upon which the appraisals are based is assumed to be correct. Exterior inspections of the property appraised were performed as appraisal staff resources and time allowed, with use of aerial photography where access to the property is not granted or when time constraints are present.

8. Validation of sales transactions are attempted through, owner sales confirmations, field inspections, and sales data obtained from private entities, and are deemed reliable. The sales file held by the Guadalupe Appraisal District is deemed confidential in nature as outlined in Section 552 of the Texas Government Code.

9. Attached is a list of those staff members and contract appraisers who have provided significant mass appraisal assistance.

10. Extraordinary assumptions are made through the entirety of the mass appraisal for the January 1st valuation date conducted and are based on the available information known to the Guadalupe Appraisal District at the time of the appraisal. If it is proven that the extraordinary assumption made is inaccurate, either in whole or part, the appraiser may change their opinion of value, and revise the opinion of value related to the January 1st value of the property.

Certification Statement:

"I, Peter Snaddon, Chief Appraiser for the Guadalupe Appraisal District, solemnly swear that I have made or caused to be made a diligent inquiry to ascertain all property in the district subject to appraisal by me, and that I have included in the records all property that I am aware of, at this time, at an appraised value which, to the best of my knowledge and belief, was determined as required by law. I have no present or prospective interest in the properties that are the subject of the report. I have no bias in respect to the properties that are the subject of this report. My engagement in the assignment was not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, or the attainment of a stipulated result. All appraisal staff and contracted appraisal firms that have provided significant mass appraisal assistance are identified on the subsequent pages."

Peter Snaddon R.P.A., C.C.A.
Guadalupe Appraisal District, Chief Appraiser
TDLR # 72458

GENERAL INFORMATION RELATIVE TO G.A.D. VALUES FOR 2021

The following information is provided to the property owners and citizens of the district to give a general understanding of the legislative requirements required of the Guadalupe Appraisal District for the 2021 year. The Texas Tax Code requires the district to appraise all taxable property at its market value as of January 1st of each year.

Residential-
Specifically, the analysis conducted revealed that for the January 1, 2021 appraisal date, the overall number (volume of sales confirmed by the District) has generally increased over the 2020 year. Projects included a Sales-Based Time Adjustment Factor, which resulted in a monthly inflationary trend of 0.75%. See Exhibits A1 for the project reports for time adjustment factors developed.

The residential analysis project indicates an overall annual 2020 to 2021 inflationary trend for effective RCN of approximately 9.00%". See Exhibit A for detailed statistical summary report. Additionally, provided in Exhibit A3 is the residential neighborhood analysis summary report which outlines improvement and land modifiers as result of completed calibration processing for the 2021 year.

During 2020, elections were held to create Water Improvement Districts on three of the four lakes previously affected by spill gate failures or the potential for a spill gate failure. In all three elections the motions to create a water improvement district passed. As of yet, the residents of Meadow lake have not taken steps to create a water improvement district. During the 2020 year, the appraisal district confirmed approximately 84 sales on all 5 lakes. An analysis of these sales supported a change in valuation for the 2021 year.

Rural Land-

The rural land valuation process for the 2020 appraisal year was performed by an analysis of the rural land market by rural land neighborhood (geographic regions grouped together for their similarities in location). These rural land neighborhoods are defined in Exhibit D1. Properties that were commercial in nature, located on major thoroughfares or have river/lake front amenity were excluded from the analysis, as previously noted. The base rural land schedules were recalibrated this year to re-establish and standardize the base price per acre for each size of property, for each rural land neighborhood. This standardization was achieved by the continued development of a single countywide rural land schedule, utilizing linear regression analysis to develop a trend line that represented an average market for the entire county. This county wide trend line/schedule was then compared to the market data during the previously stated timeframes from each rural neighborhood. The trend line/schedule, representing the base county wide average, was then adjusted to best represent the individual market in each rural neighborhood through this comparison. Exhibit D2 depicts the research and analysis of rural land for the district for the 2021 year which includes the previously implemented Geo reconstruction effort. Also, for the 2021 year, as observed and documented in the 2014 year that delineation of parcels consisting of 50 acres and larger in Geos 16,18,19,20,22,23,24 and 25 where there is confirmation by the District of greater than 50% minerals, continue to require a 30% standardized positive adjustment to arrive at market value.

Agriculture Use-
The agricultural productivity values for year 2021 have remained relatively stable in comparison to the 2020 agricultural productivity values. Attached in Exhibit D3 are the recaps and the analysis conducted in calculating the 2021 agricultural productivity values for the district. The District confirms cash leases through surveys sent in conjunction with Agriculture use applications mailed to new owners annually. In addition, lease information is acquired from Agricultural Advisory Board members.

Commercial Properties-

Key activities performed by the Commercial Department for the 2020 year included:

- Tested current cost schedules for relevance, when compared to current cost guide figures, and equity among the quality spectrum found within individual construction classes. As a result of these testing measures, approximately 33 cost schedules were calibrated.
- Documented various income and expense data obtained from completed property performance surveys, conducted telephone surveys, and during the course of held 2020 informal and formal hearings.
- Mailed Covid-19 impact surveys to a random sample of owners of the following property uses apartments, restaurants, distribution warehouses, flex spaces (industrial), lodging, mobile home parks, medical offices, professional offices, recreational vehicle parks, retail centers, and self-storage facilities.
- Calibrated/Implemented income schedules for Hotel/Motel with two market area, two property types with three economic classes.
- Conducted inspections of state coded F1/2 and B1/2 improved with a noted last inspection date greater than 3 years old.
- Inspected parcels with new construction or addition projects to sketch, class, and add to appraisal roll.
- Reviewed all commercial land and/or commercial neighborhood codes within the county for schedule calibration purposes (Sales Ratio Analysis).

The 2021Annual Commercial Summary Report is detailed as Exhibit C.

Business Personal Property-

For the 2021 year, the Business Personal Property Department developed and implemented a new RCNLD schedule for SIC#5372 for discount stores. The deadline for filing a Business Personal Property Rendition is April 15th. See Exhibit E for research and analysis related to locally developed RNCLD schedules for the 2021 year. Property owner renditions, accounts with field or other data changes, accounts with prior hearings, new accounts, accounts that are valued at $1 million and more, the systematic field inspection of non-rendered business personal property accounts from the prior years and parcels that have recently transacted are validated annually.

District Wide Totals-

Exhibit F includes a 2021 Preliminary Recap that includes all the value changes indicated through the 2021 Mass Appraisal Report and submitted to the notice process to proceed into the appeal process.

G.A.D. STAFF PROVIDING
SIGNIFICANT MASS APPRAISAL ASSISTANCE

NAME	TITLE	T.D.L.R. #	TYPE OF ASSISTANCE
Erich Strey, R.P.A.	Deputy Chief Appraiser	63449 05/31/2021	Valuation Correlation
Jim Fealy, R.P.A.	Residential Appraisal Team Leader	69774 02/31/2021	Valuation Correlation Residential Team Mgmt.
Jennifer Tovar, R.P.A.	Complex Appraisal Team Leader	71947 10/12/2021	Data Collection/Update Property Data Valuation Correlation
Jessica Lopez, R.P.A.	Lead B.P.P Appraiser	71054 03/10/2022	Data Collection/Update Property Data Valuation Correlation
Jason Herrera, R.P.A.	Lead Ag/Land Appraiser	73438 1/18/2022	Data Collection/Update Property Data/ Valuation Correlation
Tom Shirley, R.P.A.	Sr. Residential Appraiser	73416 12/22/2021	Data Collection/Update Property Data Valuation Correlation
Robin Baker, R.P.A.	Commercial/ Land Appraiser	74593 10/08/2021	Data Collection/ Update Property Data Valuation Correlation
David Carpenter, R.P.A.	Commercial/Waterfront Appraiser	75262 10/26/2021	Data Collection/Update Property Data/ Valuation Correlation
Joe Clark Class III Appraiser	Residential Appraiser	75591 11/1/2021	Data Collection/ Update Property Data
Angel Patterson Class III Appraiser	B.P.P. Appraiser	75617 11/17/2021	Data Collection/Update Property Data
Laura Acuna Class III Appraiser	G.I.S. Appraiser	75341 01/12/2022	Data Collection/Update Property Data
James Flores Class II Appraiser	Residential Appraiser	75896 09/14/2021	Data Collection/ Update Property Data
Amber Sepulveda Class II	G.I.S. Appraiser	75288 02/20/2022	Data Collection/Update Property Data
M'Cheyl Cox Class I	G.I.S. Appraiser	76351 10/22/2021	Data Collection/Update Property Data

Maria Villanueva Class I Appraiser	Residential Appraiser	76588 11/16/2021	Data Collection/Update Property Data
Cassidy Smith Class I Appraiser	Residential Appraiser	76639 01/22/2022	Data Collection/Update Property Data

CONTRACTED APPRAISAL FIRMS PROVIDING MASS APPRAISAL ASSISTANCE MINERALS AND INDUSTRIAL

Capitol Appraisal Group
9300 Research Blvd., Suite 100
Austin, Texas 78759-6510
512.346.5480

Appraisal Staff-

NAME	***TDLR#***	***EXPIRATION DATE***
Dave Popelar-	#71614	December 27, 2021
Kenneth Hitt-	#71452	June 27, 2021
Gregg Davis-	#71552	October 13, 2021
Noel Wilcoxson-	#71581	November 21, 2021
Geri "Tilly" Renfroe	#70171	March 16, 2022
Sandra Fain	#74641	November 13, 2021
Jeff Ronk	#75306	December 01,2021

EXHIBIT A-2020 P.V.S. Results/2021 M.A.P.S. Review

Guadalupe County provided herein, complete results by ISD can be found at:

https://comptroller.texas.gov/taxes/property-tax/pvs/2018p/094index.php
https://comptroller.texas.gov/taxes/property-tax/map/2019/guadalupe-2017.pdf

EXHIBIT B-2021 Residential Exhibits

(Available Onsite)

2021 Annual Waterfront Report

Report Date: 04/07/2021

Prepared for:
Peter Snaddon, Chief Appraiser
Guadalupe Appraisal District
3000 N. Austin Street
Seguin, Texas 78155

Prepared by:
David Carpenter
TDLR Registered Appraiser R.P.A. #75262

Confidential Information
Please be advised that pursuant to Texas Government Code Section 552.149(a), "Information relating to real property sales prices, descriptions, characteristics, and other related information received from a private entity by the comptroller or the chief appraiser of an appraisal district under Chapter 6, Tax Code, is accepted from the requirements of Section 552.021."

INTRODUCTION

This report has been prepared for use by the Guadalupe Appraisal District and may serve as a component of the District's 2021 mass appraisal of property located within Guadalupe County, Texas, for ad valorem taxation purposes. As such, this report may be considered part of the District's work file and should be retained in accordance with USPAP Record Keeping Rule.

Work file is defined by USPAP as, "Documentation necessary to support an appraiser's analysis, opinions, and conclusions".

PURPOSE

The purpose of this assignment is to review, analyze, calibrate, and/or modify existing waterfront land table schedules and mass market modifiers used for the purpose of the mass appraisal of properties that fall under the responsibility of the Complex Appraisal Waterfront Department. New land schedule, land tables and mass market modifiers will be developed, if the need to do so is deemed necessary, when the review and analysis process has concluded.

INTENDED USE / INTENDED USER

The intended use of this report is to aid in the production of the District's 2021 mass appraisal of property located within Guadalupe County, Texas, for ad valorem taxation purposes.

The intended user of this report is the Guadalupe Appraisal District.

Use of this report by others, or for any other purpose, is not intended by the appraiser.

Scope of Work

Analysis described herein was conducted in accordance with USPAP Rules and applicable sections of Standard 5 & 6, 2020-2021 Edition, Uniform Standards of Professional Appraisal Practice (USPAP).

Essentially, the Scope of Work Rule states that 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.

The problem to be solved in this assignment is to accurately interpret current market conditions for the purpose of appraising the real estate within Guadalupe County that falls within the residential waterfront department's scope of duties and responsibilities (vacant or improved).

In order to solve the problem defined in this assignment, the appraiser will use various data collection methods (sales surveys, MLS data and county deed records, etc.) and approved appraisal techniques and methods for market and schedule analysis. The appraiser performed a ratio study utilizing confirmed sales within Guadalupe County that

were found to have met the necessary requirements to be considered an arms-length transaction.

The analysis described herein was conducted in accordance with the IAAO Standard on Ratio Studies. (Approved April 2013)

The search criteria utilized in this assignment's Ratio Study is as follows:

- Searched for Improved Properties and Vacant Land.
- Searched by Sale Date - from 09/01/2019 to 01/15/2021. This time frame was established in accordance with the jurisdictional time limitation dictated by the Texas Property Tax Code, Section 23.013(b).
- Searched by State Code – A1 (Residential Single Family), A2 (Mobile Residential) A6 (Person Property Mobile on land with same owner) E1 (Real Farm and Ranch Improvements), E2 (Mobile Homes Rural), E6 (Varies By Year) A3(Substantial non res+1000), C1(Vacant Res & Comm lots) , C3 (Description Varies By Year)D1(Acreage Ranch Land), D1A(Conv Code) D2(Description Varies By Year),D3(Cultivated Land), D4(Barren Land) D5 (Native Pasture Land) D5G(Conv Code) D7(Ochards), E3(Barns, Sheds,Silos and Other Bldgs), E5(Rural land Non-Qualified) O1(Inventory-Residetial)
- Searched by Sale Type – WS(Waterfront Sale) LS(Land Sale)-DS (Distressed Sale), MS (Multiple Sale), QS (Questionable Sale) and SP (Sales Price).
- Searched by All Waterfront Neighborhood Codes.

EVENTS AFFECTING GUADALUPE RIVER WATERFRONT VALUES

On the morning of May 14, 2019, at 8:05AM, the middle spillgate on the Lake Dunlap dam unexpectedly collapsed, nearly draining the lake by day's end. GBRA (Guadalupe-Blanco River Authority), on August 15, 2019, announced the potential dewatering of the remaining lakes located on the Guadalupe River Valley in Guadalupe County. These events caused uncertainty to enter the waterfront marketplace. Due to these events, GAD contracted Patrick Brown, MAI, to conduct a study to estimate the changes in market value for the lakefront land and improved properties. The results of this study were utilized in conjunction with the Ratio Study to determine the value adjustments to be applied to each lake for the 2020 valuation year.

Upon review of this data for 2021, it was determined that there was enough sales data available to make sound value decisions without the use of Patrick Brown's market study. The mass market adjustments from the previous year were removed and the analysis was conducted based on actual sales that occurred after the events in 2019 that introduced uncertainty in the waterfront market.

2021 WATERFRONT ANALYSIS

The waterfront appraisal staff implemented a new valuation strategy for 2021 to help create a new land schedule for waterfront land values based on regression and multiple regression analysis of sold properties. This analysis consisted of using the sales prices and removing the improvement values to establish a residual land value. The land value was then divided by the amount of Waterfront Footage for the corresponding property to establish a dollar value per Front Foot. All size adjustments used in previous years were removed and new land tables were implemented.

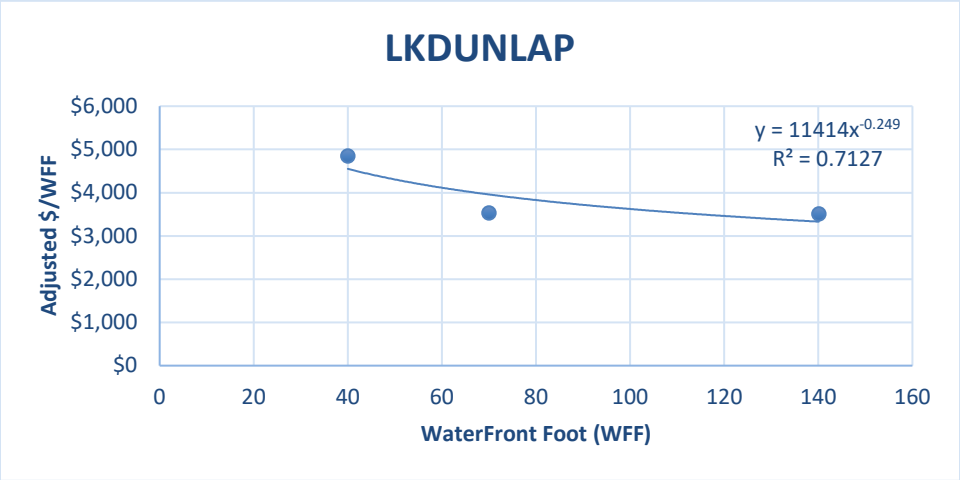
The waterfront properties on Guadalupe River were analyzed according to the lake they are found on. Any property on the Guadalupe River that was located below the Meadow Lake dam is on the Lower Guadalupe River. Also considered in the waterfront analysis is the San Marcos River waterfront. The existing Neighborhood codes were maintained for this year. After the land schedules were determined, a Neighborhood Analysis was performed to determine any neighborhood specific adjustments needing to be applied.

A multiple regression analysis was used to find the adjustment factors to be assigned for properties located on a canal and properties identified to have Hydrilla/Lily Pads in the immediate vicinity. A reduction of land values of 54% was identified for properties located on a canal and a reduction of 3% was identified for properties on Lake McQueeney directly affected by Lily Pad/Hydrilla.

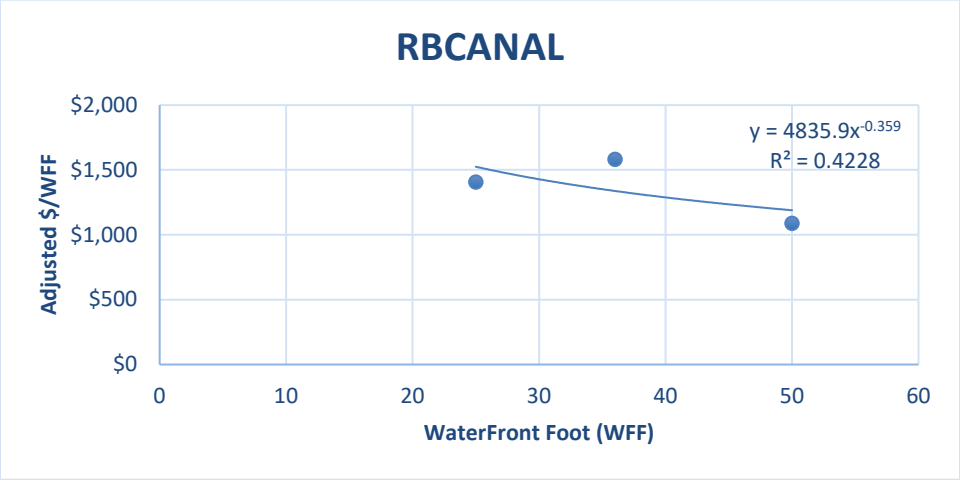
A summary of the findings are below. The complete working files are maintained on the Guadalupe Appraisal District shared server in the *WATERFRONT > 2021 Waterfront* folder.

- Lake Dunlap Market Area – Lake Dunlap suffered a spill gate failure in 2019 which created uncertainty in the real estate market. In November 2020, an election was held which approved the creation of the Lake Dunlap Water Control & Improvement District. This WCID will fund the improvements needed to rebuild the Lake Dunlap Dam. Since the spill gate failure, there has been less than typical sales data available to analyze. There were two Front Foot Land Tables created for Lake Dunlap; LKDUNLAP and RBCANAL.

The data points on the graphs below correspond to the FF value of a sale and were used to value the waterfront land on Lake Dunlap.



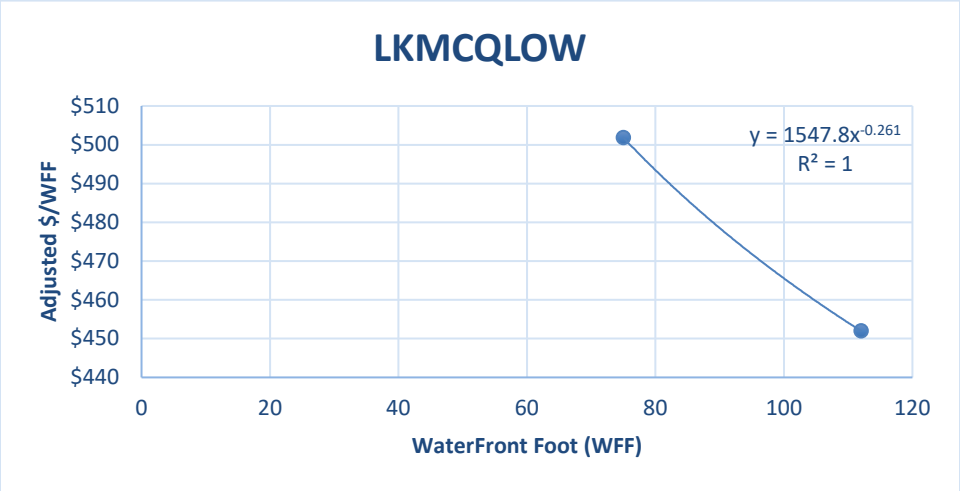
WFF	$/WFF
50	$ 4,309
75	$ 3,895
100	$ 3,626
125	$ 3,430
150	$ 3,278
175	$ 3,154
200	$ 3,051
225	$ 2,963
250	$ 2,886
300	$ 2,758



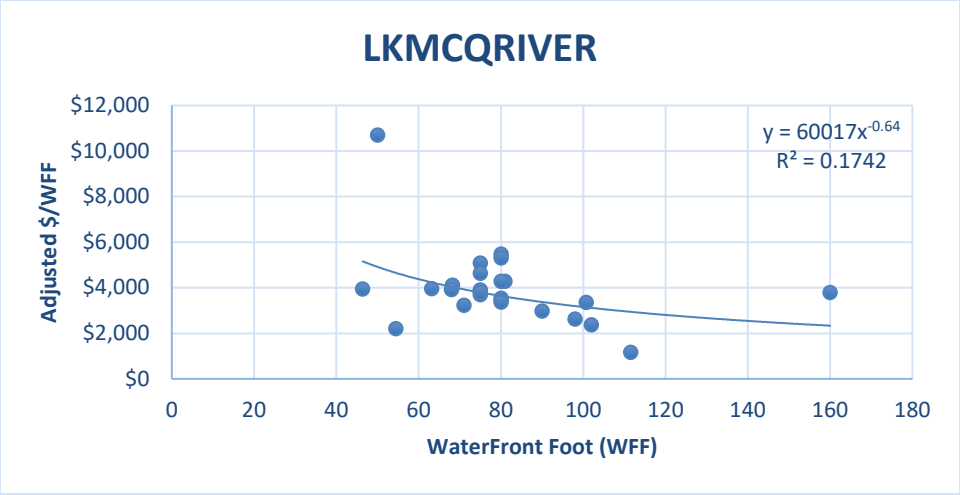
WFF	$/WFF
50	$ 1,187
75	$ 1,026
100	$ 926
125	$ 854
150	$ 800
175	$ 757
200	$ 722
225	$ 692
250	$ 666
300	$ 624

- Lake McQueeney Market Area – Lake McQueeney did not suffer a spill gate failure, but in November 2020, an election was held to which approved the creation of the Lake McQueeney Water Control & Improvement District. This WCID will fund the improvements needed to restore and maintain Lake McQueeney Dam. There were four Front Foot Land Tables created for Lake McQueeney; LKMCQLOW, LKMCQRIVER, LKMCQISCAN and LKMCQUEENE.

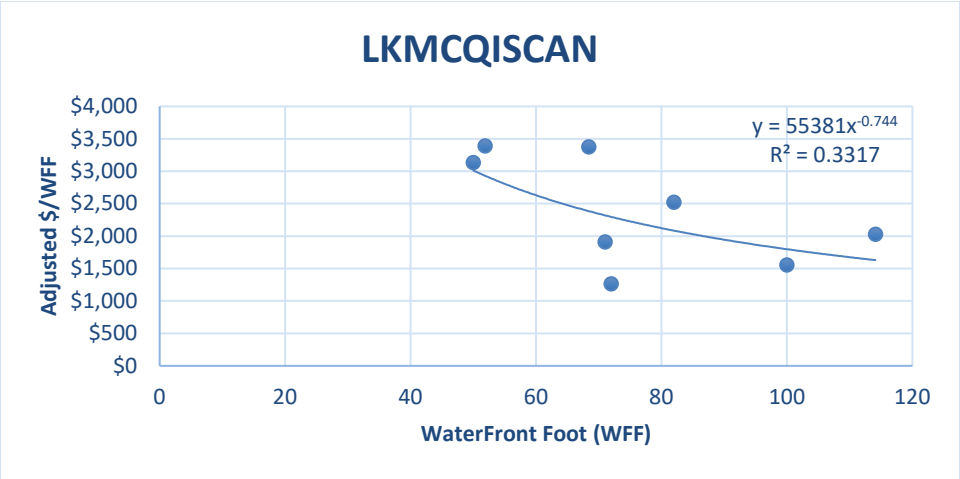
The data points on the graphs below correspond to the FF value of a sale and were used to value the waterfront land on Lake McQueeney.



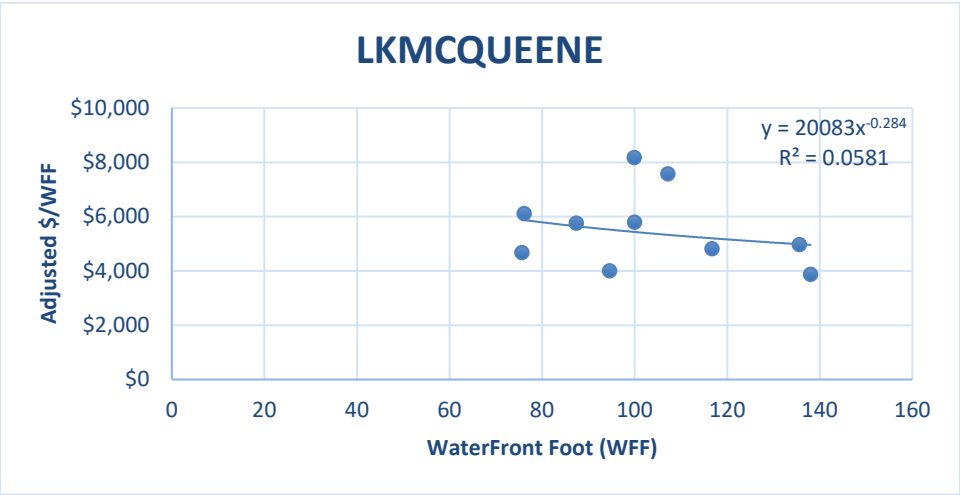
WFF	$/WFF
50	$ 558
75	$ 502
100	$ 465
125	$ 439
150	$ 419
175	$ 402
200	$ 388
225	$ 377
250	$ 366
300	$ 349



WFF	$/WFF
50	$ 4,908
75	$ 3,786
100	$ 3,150
125	$ 2,731
150	$ 2,430
175	$ 2,202
200	$ 2,021
225	$ 1,874
250	$ 1,752
300	$ 1,559



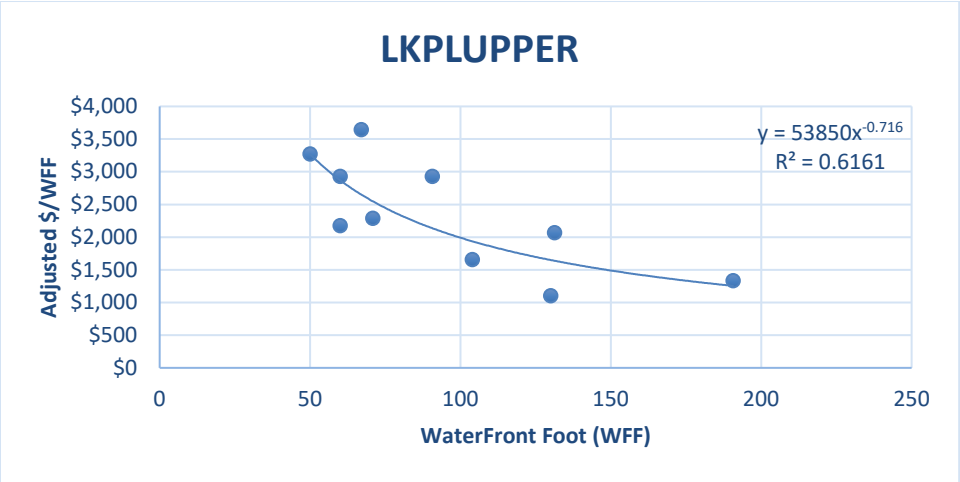
WFF	$/WFF
50	$ 3,015
75	$ 2,230
100	$ 1,800
125	$ 1,525
150	$ 1,332
175	$ 1,187
200	$ 1,075
225	$ 985
250	$ 911
300	$ 795



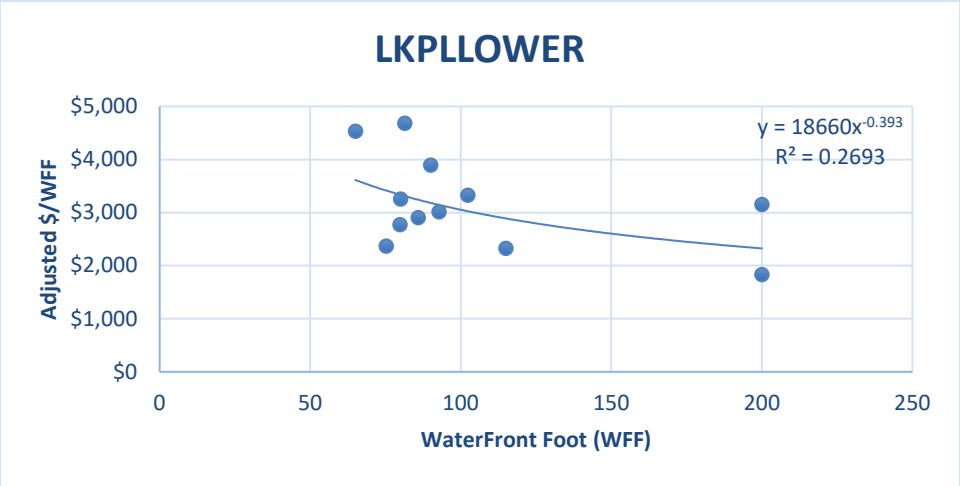
WFF	$/WFF
50	$ 6,612
75	$ 5,893
100	$ 5,430
125	$ 5,097
150	$ 4,840
175	$ 4,632
200	$ 4,460
225	$ 4,313
250	$ 4,186
300	$ 3,975

- Lake Placid – Lake Placid did not suffer a spill gate failure, but in November 2020, an election was held which approved the creation of the Lake Placid Water Control & Improvement District. This WCID will fund the improvements needed to restore and maintain Lake Placid Dam. There were three Front Foot Land Tables created for Lake Placid; LKPLUPPER, LKPLLOWER and LKPLCANAL.

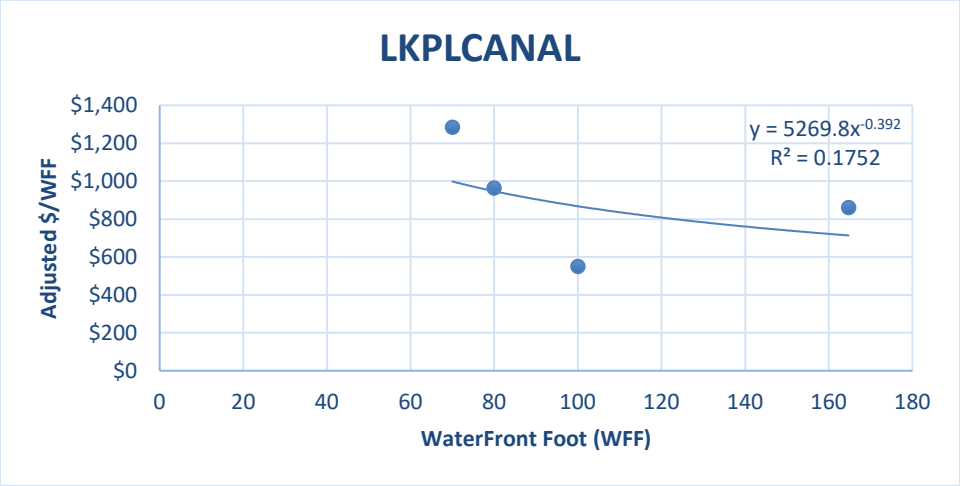
The data points on the graphs below correspond to the FF value of a sale and were used to value the waterfront land on Lake Placid.



WFF	$/WFF
50	$ 3,271
75	$ 2,447
100	$ 1,992
125	$ 1,697
150	$ 1,490
175	$ 1,334
200	$ 1,212
225	$ 1,114
250	$ 1,033
300	$ 907



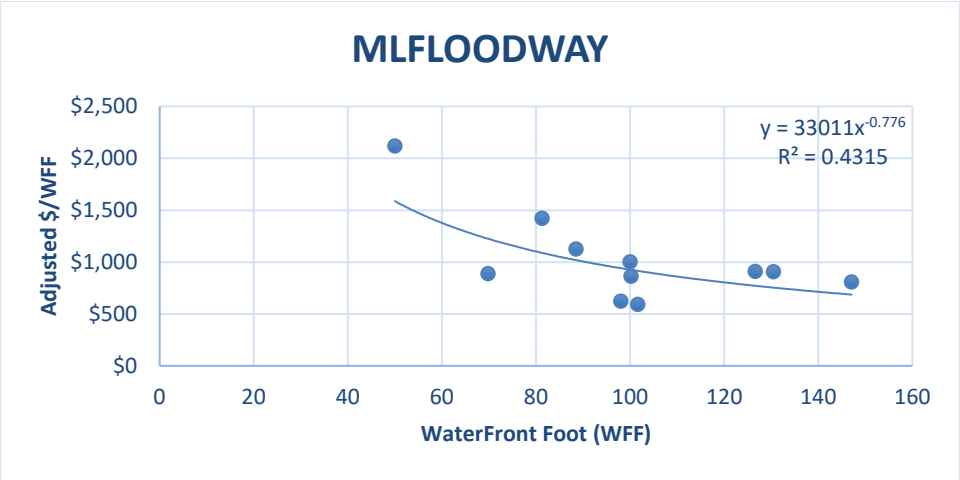
WFF	$/WFF
50	$ 4,011
75	$ 3,420
100	$ 3,054
125	$ 2,798
150	$ 2,604
175	$ 2,451
200	$ 2,326
225	$ 2,221
250	$ 2,131
300	$ 1,983



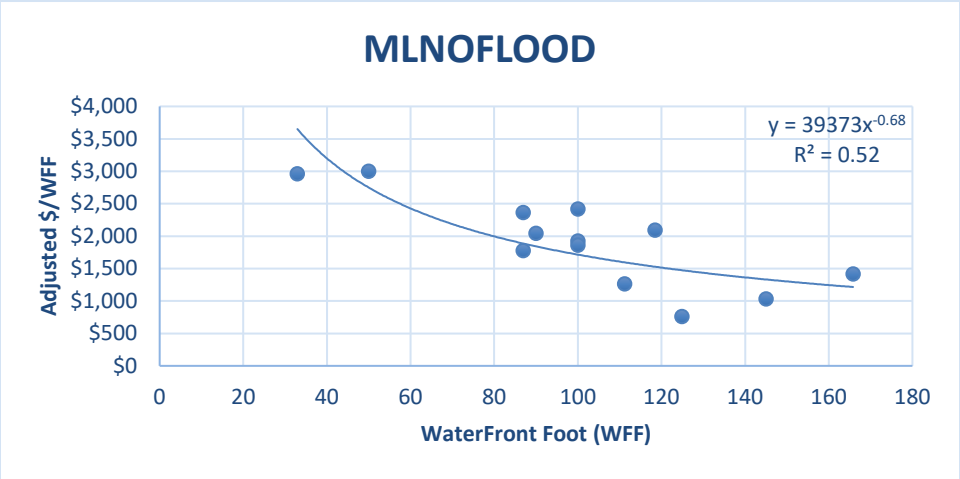
WFF	$/WFF
50	$ 1,137
75	$ 970
100	$ 867
125	$ 794
150	$ 739
175	$ 696
200	$ 660
225	$ 631
250	$ 605
300	$ 563

- Meadow Lake & Lake Seguin – Meadow Lake and the area considered Lake Seguin were combined into one analysis due to their similar characteristics. There were two Front Foot Land Tables created for Lake Placid based on the improvement's location in the Floodway or out of the Floodway; MLFLOODWAY and MLNOFLOOD.

The data points on the graphs below correspond to the FF value of a sale and were used to value the waterfront land on Meadow Lake and Lake Seguin.



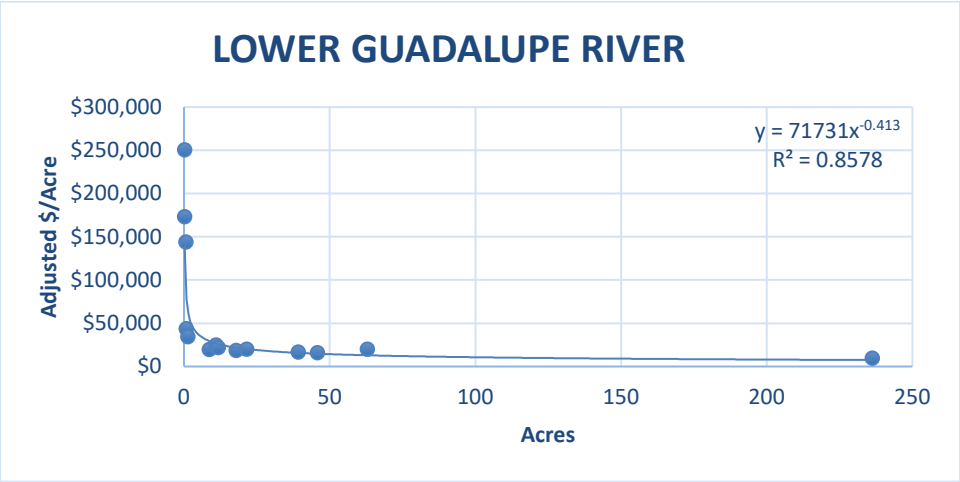
WFF	$/WFF
50	$ 1,586
75	$ 1,158
100	$ 926
125	$ 779
150	$ 676
175	$ 600
200	$ 541
225	$ 494
250	$ 455
300	$ 395



WFF	$/WFF
50	$ 2,754
75	$ 2,090
100	$ 1,719
125	$ 1,477
150	$ 1,305
175	$ 1,175
200	$ 1,073
225	$ 990
250	$ 922
300	$ 814

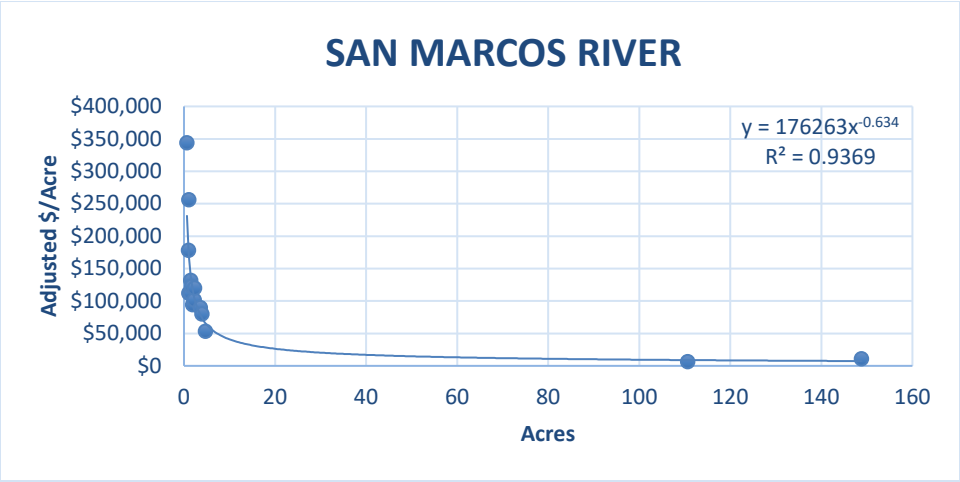
- **Restricted Zones** – The areas around the spillgates that are considered restricted use were reduced by an additional -5% due to the use restrictions put in place.

- Lower Guadalupe River - The Lower Guadalupe River waterfront land table was analyzed based on a price per acre method.



ACRE	$/ACRE
0.125	$169,310
0.25	$127,162
0.5	$ 95,506
1	$ 71,731
3	$ 45,568
5	$ 36,901
10	$ 27,714
15	$ 23,441
20	$ 20,815
40	$ 15,633
60	$ 13,223
80	$ 11,742
100	$ 10,708

- San Marcos River – The San Marcos River waterfront land tables were analyzed based on a price per acre method.



ACRE	$/ACRE
0.125	$658,749
0.25	$424,490
0.5	$273,536
1	$176,263
3	$ 87,835
5	$ 63,535
10	$ 40,941
15	$ 31,661
20	$ 26,382
40	$ 17,000
60	$ 13,147
80	$ 10,955
100	$ 9,510

The effective date of the analysis as it relates to the above referenced mass appraisal is January 1 of the current appraisal year as prescribed by the Texas Property Tax Code, Section 23.01.(a), or 01/01/2021.

The market area considered was all of Guadalupe County, Texas, pursuant to the Texas Property Tax Code, Section 6.02.(a). Numerous economic market segments and neighborhoods, within Guadalupe County, have been developed for the purpose of creating land schedules and neighborhood calibration, through use of mass adjustment factors, to achieve acceptable ratio analysis results. The appraiser's work file contains sales ratio reports, spreadsheets, subdivision/neighborhood profiles, other supporting documentation, and reconciliation notes.

USPAP Advisory Opinion 32 "Scope of Work" states in part that, "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)."

ASSUMPTIONS AND LIMITING CONDITIONS

The appraiser signing this report's Certification Statement has conducted this analysis and arrived at the conclusions contained herein subject to the following extraordinary assumptions and limiting conditions:

1. This report has been prepared exclusively for mass appraisal for ad valorem tax purposes.
2. GAD Staff Members, if any, that provided significant mass appraisal assistance related to this report are listed in the attached Certification Statement.
3. The property characteristic data upon which this analysis is based is assumed to be correct. Exterior inspections of properties appraised were performed as staff resources and time allowed.
4. The schedules, tables, modifiers, etc. utilized in the mass appraisal are assumed to be properly calibrated within acceptable guidelines.
5. Validation of sales transactions are attempted through owner confirmations, field reviews, and sales data obtained from third party vendors, and are deemed reliable.

Extraordinary assumption is defined by USPAP as, *"An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions."*

Extraordinary assumptions, when necessary, were taken during the process of schedule development, modification, and calibration and are noted within the 2021 Annual Residential Waterfront Report.

RESEARCH / COLLECTION OF DATA

The collection of data pertaining to the current market conditions was obtained through numerous methods. They include:

- In-house surveys
- MLS sales data
- County Deed records
- 2019-2020 Formal and Informal Hearings

ANALYSIS AND EXHIBITS

Work file contains all analysis documentation that was used to arrive at conclusions and recommendations outlined within the Annual Residential Waterfront Report.

CONCLUSIONS

Having reviewed and reconciled the findings generated from this analysis, the Residential Waterfront Department has found various areas that required either modifications or calibrations of existing schedules and neighborhood modifiers.

RECOMMENDATIONS FOR APPLICATION AND IMPLEMENTATION

Changes to land should be representative of conclusions found during sales ratio analysis of vacant land and improved sales found within noted waterfront neighborhoods. After updating improvement modifiers for changes found in land and neighborhood modifiers. Abstracting land values, calibration of improvement schedules should then be done so with changes to market modifiers based on conclusions found during sales ratio analysis of residential waterfront property. Further calibration of neighborhood modifiers should follow based on conclusions found during sales ratio analysis of those specific neighborhoods where transactions have occurred.

CERTIFICATION STATEMENT

The undersigned appraisers do hereby certify that, to the best of their knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The report analysis, opinions, and conclusions are limited only by the disclosed extraordinary assumptions, hypothetical conditions, and limiting conditions, and are our personal, impartial, and unbiased analyses, opinions, and conclusions.
- We have no present or prospective interest in any property directly or indirectly referenced in this report (a), and no personal interest with respect to the parties involved with this assignment.
- We have no bias with respect to any property directly or indirectly referenced in this report (a) or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our engagement in this assignment was not contingent upon developing or reporting of a predetermined factor or direction in factor, the amount of the factor opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this assignment.
- The report analysis, opinions, and conclusions were developed, and this report has been prepared, in accordance with applicable sections of the Uniform Standards of Professional Appraisal Practice (USPAP).
- We have not made a recent on-site physical inspection, relevant to the purpose of this report, of properties that are the subject of this report. (b)
- No one provided significant mass appraisal assistance to the appraisers signing this certification.

(a)We own property within statutory bounds of Guadalupe Appraisal District; however, valuation for ad valorem tax purpose is not affected by implementation of recommendations contained within this report.

(b) We have, prior to conception of this analysis, physically inspected and / or valued properties analyzed in this report while performing assignments in the normal course of being an appraiser for Guadalupe Appraisal District. As part of this assignment, we have reviewed aerial photographs of properties and, if necessary, made adjustments as would otherwise have been carried out as an appraiser in the normal course of being employed by Guadalupe Appraisal District.

David Carpenter _____ April 7, 2021
TDLR Registered Appraiser R.P.A. #75262

EXHIBIT C-2021
Guadalupe Appraisal District Mass Appraisal
Commercial Summary Report
(Available on-site)

EXHIBIT D1-2021
Rural Land Geo Market Areas

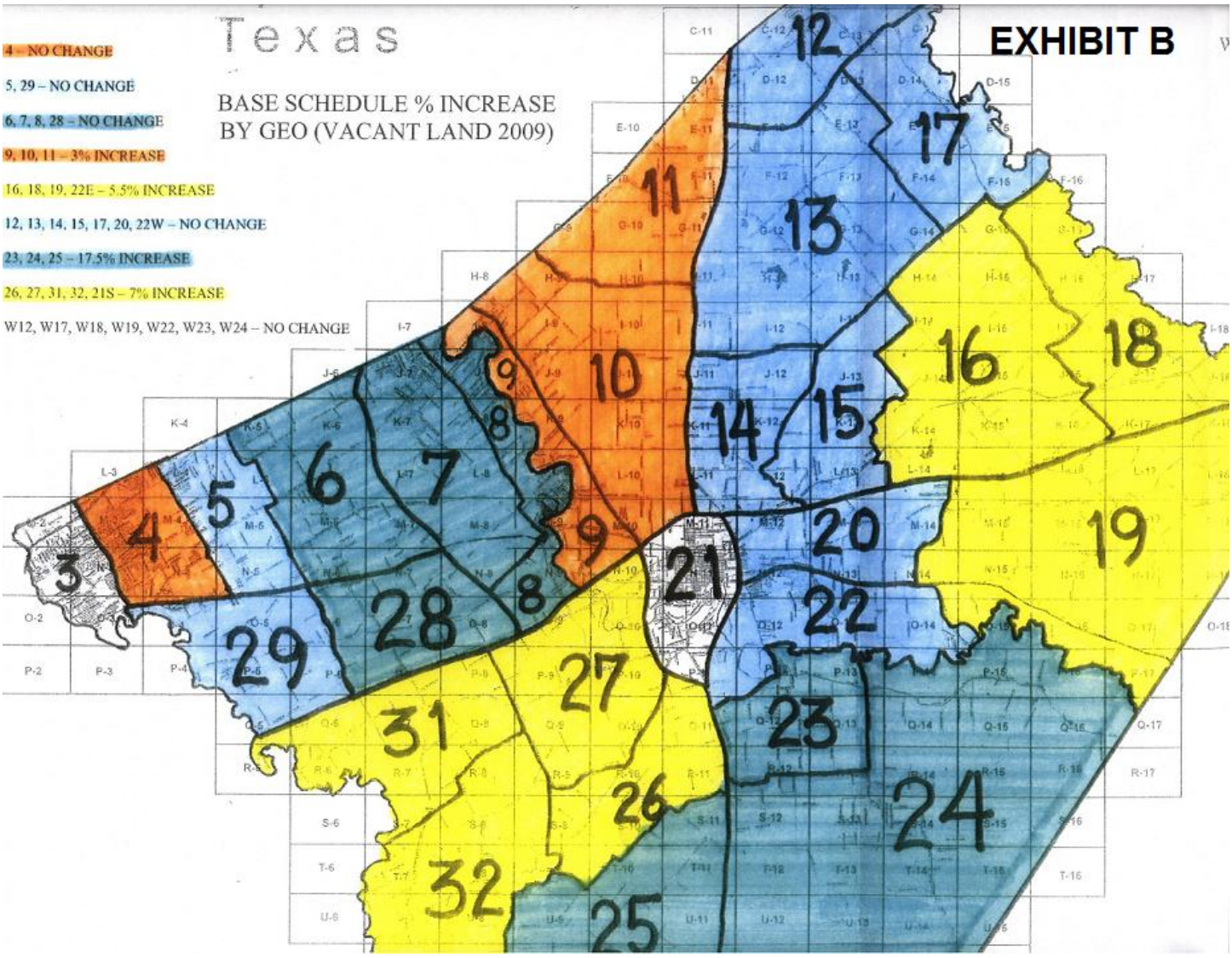


EXHIBIT D2-2021 Rural Land Schedule Calibration Mass Appraisal

Research and Analysis

Of

Rural Land

As pertinent to

Rural Land Schedule

Guadalupe Appraisal District

Guadalupe County Texas

Date of Report: February 22nd. 2021

Effective Date of Analysis-Implementation: January 1st. 2021

Prepared for:

Pete Snaddon

Chief Appraiser

&

Erich Strey

Deputy Chief Appraiser

3000 N. Austin Street

Seguin, Texas 78155

Prepared by:

Jason Herrera R.P.A

Appraiser, TDLR # 73438

Guadalupe Appraisal District

3000 N. Austin Street

Seguin, Texas 78155

Analysis indicated wide variations in market values for rural land. It would appear that the land value is highly dependent on the location, size, accessibility, topography and buyer's preference as indicated contributory values for the rural land values.

The fallowing analysis was conducted in accordance with Standard 6 of USPAP.

1. The client and or intended users are taxing entities within the determined market area and the Guadalupe Appraisal District.

2. The intended use to create a standardized adjustment for certain negative characteristics of rural land to provide equal and uniform assessment of land within a certain market area.

3. Market value, as determined by an equal and uniformed analysis of 2020 market land sales, is the objective of this assignment.

4. The effective date of this analysis is January 1st. 2021.

5. The market area to be analyzed is Guadalupe County

Scope of Work:

The problem to be solved in this assignment is creation of weighted mean average of rural land in specific geographical areas.

The following will outline a procedure to determine the average mean property values based on market data.

USPAP Advisory Opinion32 "Scope of Work" states, "In the interest of equity, the scope of work in mass appraisal assignment of 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)

For the purpose of this study “rural land” is undeveloped land but not limited to, usually as a parcel or tract of several acres.

The appraiser proposed the best way to determine the current market value, is comparison of mean average sales of land by sales ratio report on land sales that have been confirmed by the appraisal district. Through a sales ratio report all rural land sales during the dictated by the Texas Property Tax Code, Section 23.013(b).

At this point, the appraiser excluded commercial properties, properties on major thoroughfares and waterfront properties. The remaining properties will be individually categorized as follows.

1. Vacant Land

2. Land with Improvements

All sold properties are to be entered into a countywide average to develop a base-line.

Each sold property will have been viewed on GIS to determine if all appropriate land adjustments are applied to effected properties.

Sales Ratio Report to I identify Rural Land Sales

1. Search by state code: D1 (Acreage Ranch Land), D3 (Cultivated Land), D4 (Waist Land), D5 (Native Pasture Land), D7 (Orchard), E1 (Real Farm & Ranch Improvements), E2 (Mobile Homes Rural), E3 (Barns, Sheds, Silos & Other Buildings), E4 (Leasehold Impr. Residential), E5 (Rural Land Non-Qualified)

2. Search by Sale Type: DS (Distress Sale), LS (Land Sale), MS (Multiple Sale), SP (Sales Price), QS (Questionable Sale)

3. Search by region code: 3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,23,24,25,26,27,28,29,31, 32,22W,22E

4. Search by sale date; From 01/01/2019 To 02/22/2021

5. Sort by: Exclude all but Rural Land Sales

Assumptions, Extraordinary Assumptions & Limiting Conditions

Analysis is conducted under assumption:

1. Data and values contained within records maintained by Guadalupe Appraisal District are true and correct with respect to improvements -/- land class, size, condition and adjustments on sold properties evaluated.
2. Sales information contained within the records maintained by Guadalupe Appraisal District is true and correct.

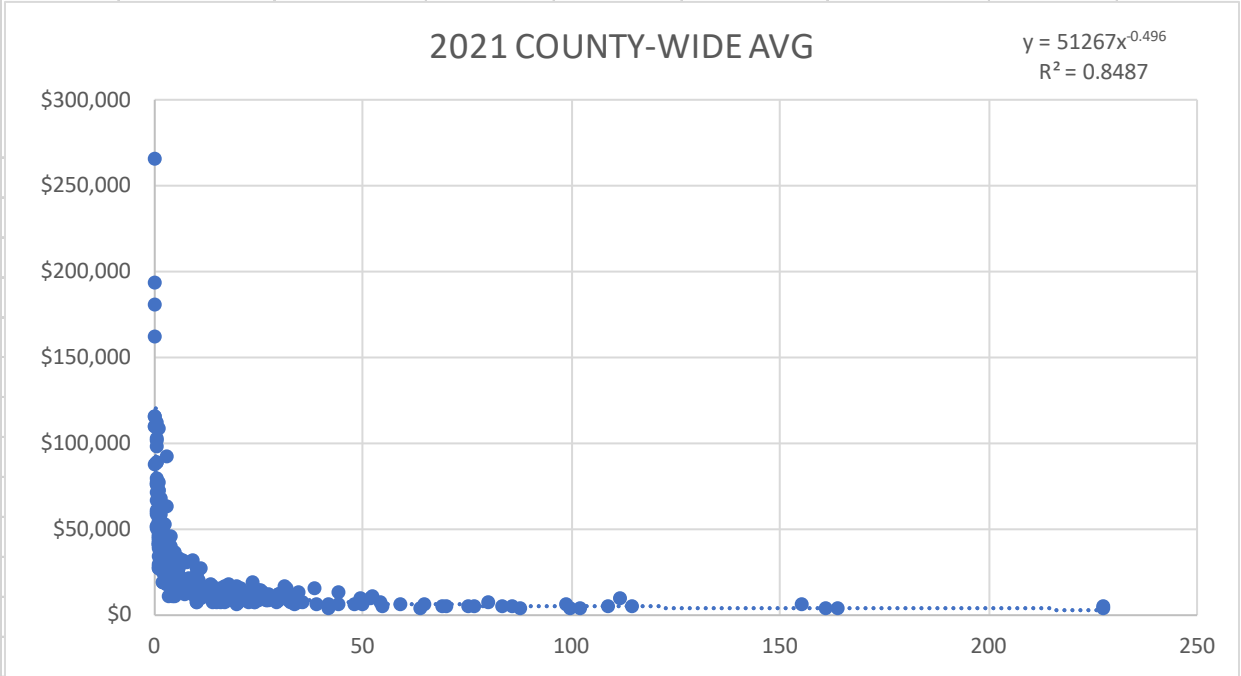
Extraordinary assumption as defined by "USPAP": An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinion or conclusion.

Projects conducted with limited condition that it will be used solely for Guadalupe Appraisal District Property valuation for ad valorem tax purposes related to properties located within the geographic bounds of Guadalupe County Texas.

Conclusion

Having reviewed and reconciled findings generated from the analysis, I am of the opinion that Guadalupe County Rural Land schedules should be adjusted in the range of 0% to 47% depending on its particular GEO location and size of property.

See attachments for analysis

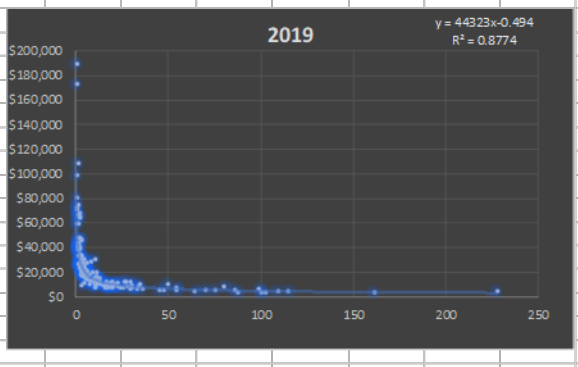


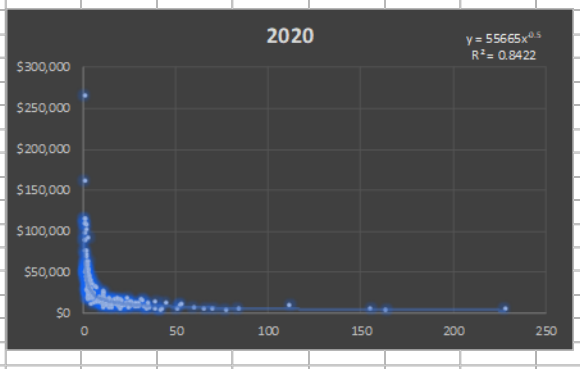
2019/2020 COUNTY WIDE AVG.		
ACRE		$/ACRE
0.125	X	$143,815
0.25	X	$101,975
0.5	X	$72,307
1	X	$51,271
3	X	$29,732
5	X	$23,077
10	X	$16,363
15	X	$13,382
20	X	$11,603
40	X	$8,227
60	X	$6,728
80	X	$5,834
100	X	$5,222

% OF DIFF. OF 2018/2019 -- 2019/2020 CO. WIDE AVG			
ACRE	18/19 $/AC	19/20 $/AC	% DIFF.
0.125	$123,810	$143,815	16.16%
0.25	$87,912	$101,975	16.00%
0.5	$62,422	$72,307	15.84%
1	$44,323	$51,271	15.68%
3	$25,759	$29,732	15.42%
5	$20,014	$23,077	15.30%
10	$14,211	$16,363	15.14%
15	$11,632	$13,382	15.05%
20	$10,091	$11,603	14.98%
40	$7,165	$8,227	14.83%
60	$5,864	$6,728	14.73%
80	$5,087	$5,834	14.67%
100	$4,556	$5,222	14.62%
			1-YR AVG
			15.26%

TIME ADJUSTMENT AVG.		
AVG. INFLATION RATE "COUNTY-WIDE"	12.22%	ANNUAL
FROM 1/19 - 1/20	1.02%	MONTHLY
	0.03%	DAILY
VALUATION DATE 1/1/2020		

2019 SALES DATA "TIME ADJUSTMENT" ANALYSIS





2019		
ACRE		$/ACRE
0.125	X	$123,810
0.25	X	$87,912
0.5	X	$62,422
1	X	$44,323
3	X	$25,759
5	X	$20,014
10	X	$14,211
15	X	$11,632
20	X	$10,091
40	X	$7,165
60	X	$5,864
80	X	$5,087
100	X	$4,556

% OF DIFF. BETWEEN 2019 & 2020
26.39%
26.04%
25.69%
25.34%
24.79%
24.54%
24.19%
23.99%
23.85%
23.51%
23.31%
23.16%
23.05%

2020		
ACRE		$/ACRE
0.125	X	$156,481
0.25	X	$110,802
0.5	X	$78,458
1	X	$55,555
3	X	$32,145
5	X	$24,925
10	X	$17,649
15	X	$14,422
20	X	$12,497
40	X	$8,849
60	X	$7,231
80	X	$6,266
100	X	$5,607

2-YR AVERAGE (1/19 - 1/21) = 24.45%

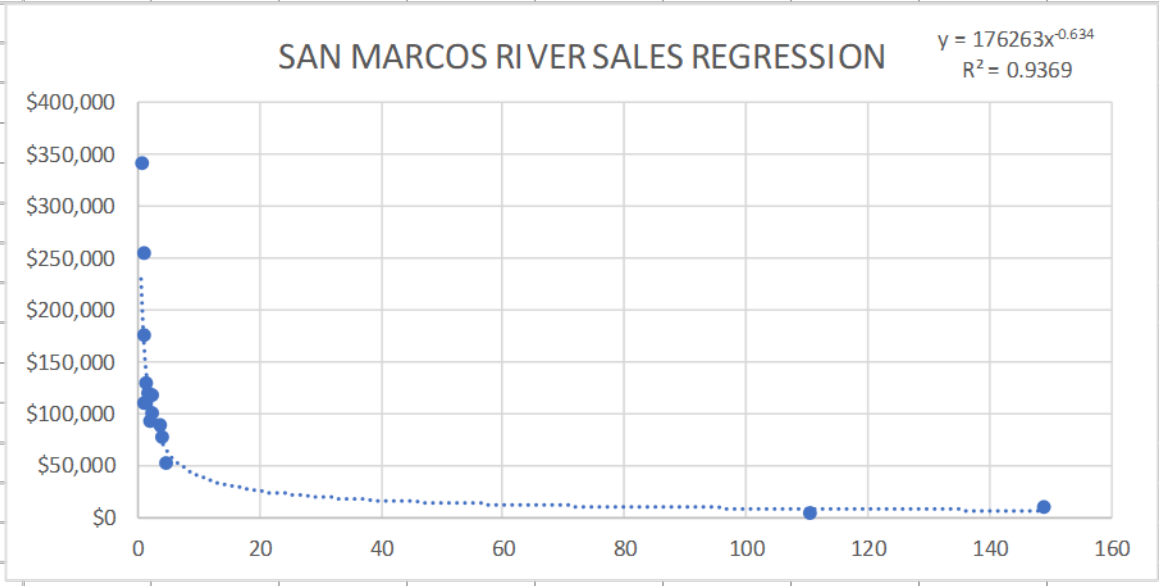
1-YR AVERAGE (1/19 - 1/20) = 12.22%

SAN MARCOS RIVER		
ACRE		$/ACRE
0.125	X	$658,749
0.25	X	$424,490
0.5	X	$273,536
1	X	$176,263
3	X	$87,835
5	X	$63,535
10	X	$40,941
15	X	$31,661
20	X	$26,382
40	X	$17,000
60	X	$13,147
80	X	$10,955
100	X	$9,510

2019/2020 COUNTY WIDE AVG.		
ACRE		$/ACRE
0.125	X	$143,815
0.25	X	$101,975
0.5	X	$72,307
1	X	$51,271
3	X	$29,732
5	X	$23,077
10	X	$16,363
15	X	$13,382
20	X	$11,603
40	X	$8,227
60	X	$6,728
80	X	$5,834
100	X	$5,222

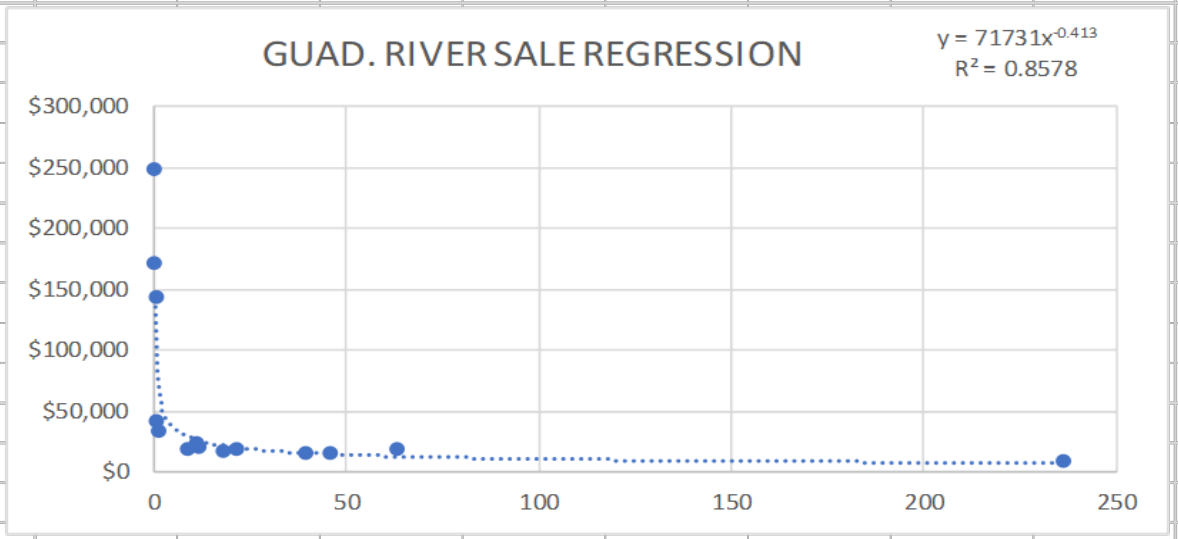
% OF DIFFERENCE	
AC	% DIFF.
0.125	358%
0.25	316%
0.5	278%
1	244%
3	195%
5	175%
10	150%
15	137%
20	127%
40	107%
60	95%
80	88%
100	82%

FACTOR
%
458.05%
416.27%
378.30%
343.79%
295.42%
275.32%
250.21%
236.59%
227.37%
206.64%
195.40%
187.77%
182.11%



SAN MARCOS RIVER RIVER SCHEDULE: W12 - W17 - W18			
ACREAGE RANGE	2021 COUNTY-WIDE AVERAGE UNIT PRICE	NEIGHBORHOOD FACTOR	ADJ. UNIT PRICE
0	$143,815	458.05%	$658,750
0.125	$143,815	458.05%	$658,750
0.25	$101,975	416.27%	$424,490
0.5	$72,307	378.30%	$273,537
1	$51,271	343.79%	$176,263
3	$29,732	295.42%	$87,834
5	$23,077	275.32%	$63,536
10	$16,363	250.21%	$40,942
15	$13,382	236.59%	$31,661
20	$11,603	227.37%	$26,381
40	$8,227	206.64%	$17,001
60	$6,728	195.40%	$13,147
80	$5,834	187.77%	$10,954
100	$5,222	182.11%	$9,510
999.99	$5,222	182.11%	$9,510

LOWER GUADALUPE RIVER			2019/2020 COUNTY WIDE AVG.			% OF DIFFERENCE		FACTOR
ACRE		$/ACRE	ACRE		$/ACRE	AC	% DIFF.	%
0.125	X	$169,310	0.125	X	$143,815	0.125	18%	117.73%
0.25	X	$127,162	0.25	X	$101,975	0.25	25%	124.70%
0.5	X	$95,506	0.5	X	$72,307	0.5	32%	132.08%
1	X	$71,731	1	X	$51,271	1	40%	139.91%
3	X	$45,568	3	X	$29,732	3	53%	153.26%
5	X	$36,901	5	X	$23,077	5	60%	159.90%
10	X	$27,714	10	X	$16,363	10	69%	169.37%
15	X	$23,441	15	X	$13,382	15	75%	175.17%
20	X	$20,815	20	X	$11,603	20	79%	179.40%
40	X	$15,633	40	X	$8,227	40	90%	190.03%
60	X	$13,223	60	X	$6,728	60	97%	196.54%
80	X	$11,742	80	X	$5,834	80	101%	201.26%
100	X	$10,708	100	X	$5,222	100	105%	205.05%

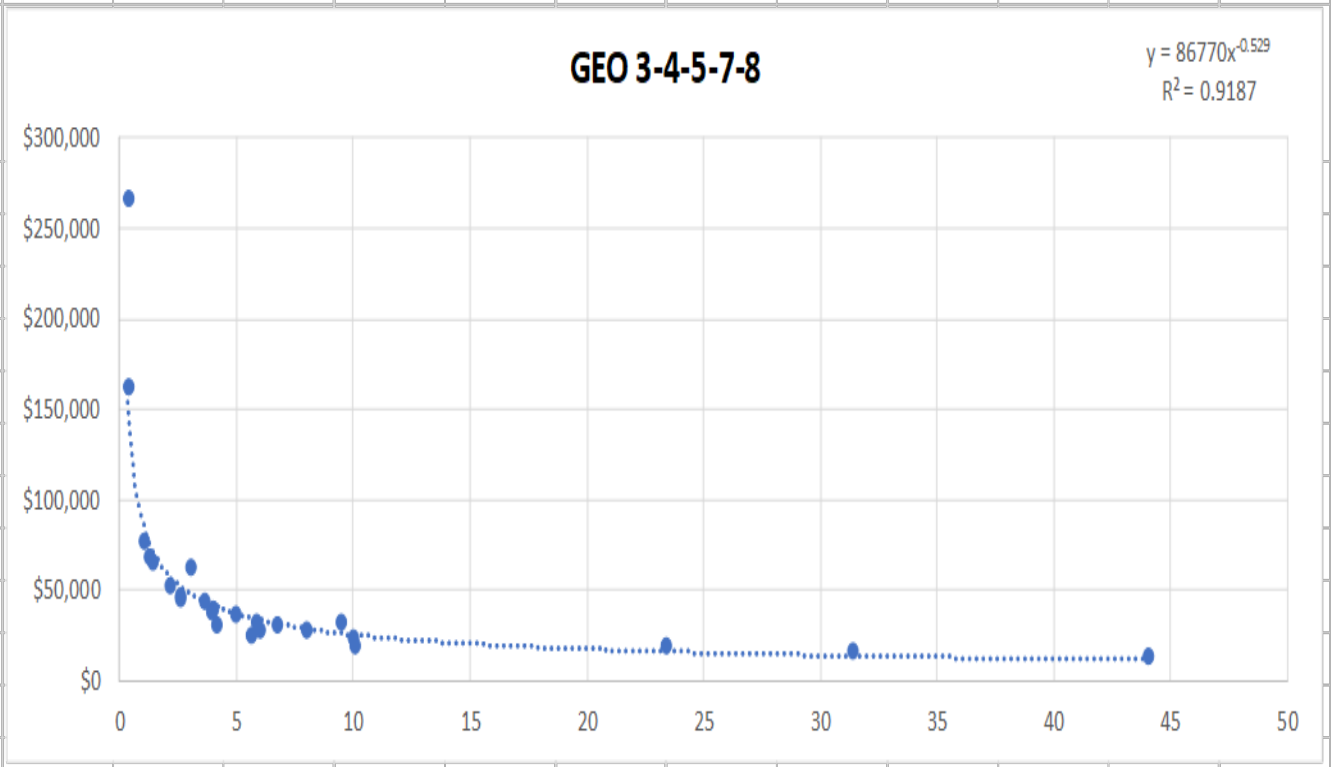


GUADALUPE RIVER SCHEDULE: 22W - 22E - W23 - W24			
ACREAGE RANGE	2021 COUNTY-WIDE AVERAGE UNIT PRICE	NEIGHBORHOOD FACTOR	ADJ. UNIT PRICE
0	$143,815	117.73%	$169,310
0.125	$143,815	117.73%	$169,310
0.25	$101,975	124.70%	$127,162
0.5	$72,307	132.08%	$95,507
1	$51,271	139.91%	$71,731
3	$29,732	153.26%	$45,567
5	$23,077	159.90%	$36,901
10	$16,363	169.37%	$27,715
15	$13,382	175.17%	$23,442
20	$11,603	179.40%	$20,815
40	$8,227	190.03%	$15,634
60	$6,728	196.54%	$13,224
80	$5,834	201.26%	$11,741
100	$5,222	205.05%	$10,709
999.99	$5,222	205.05%	$10,709

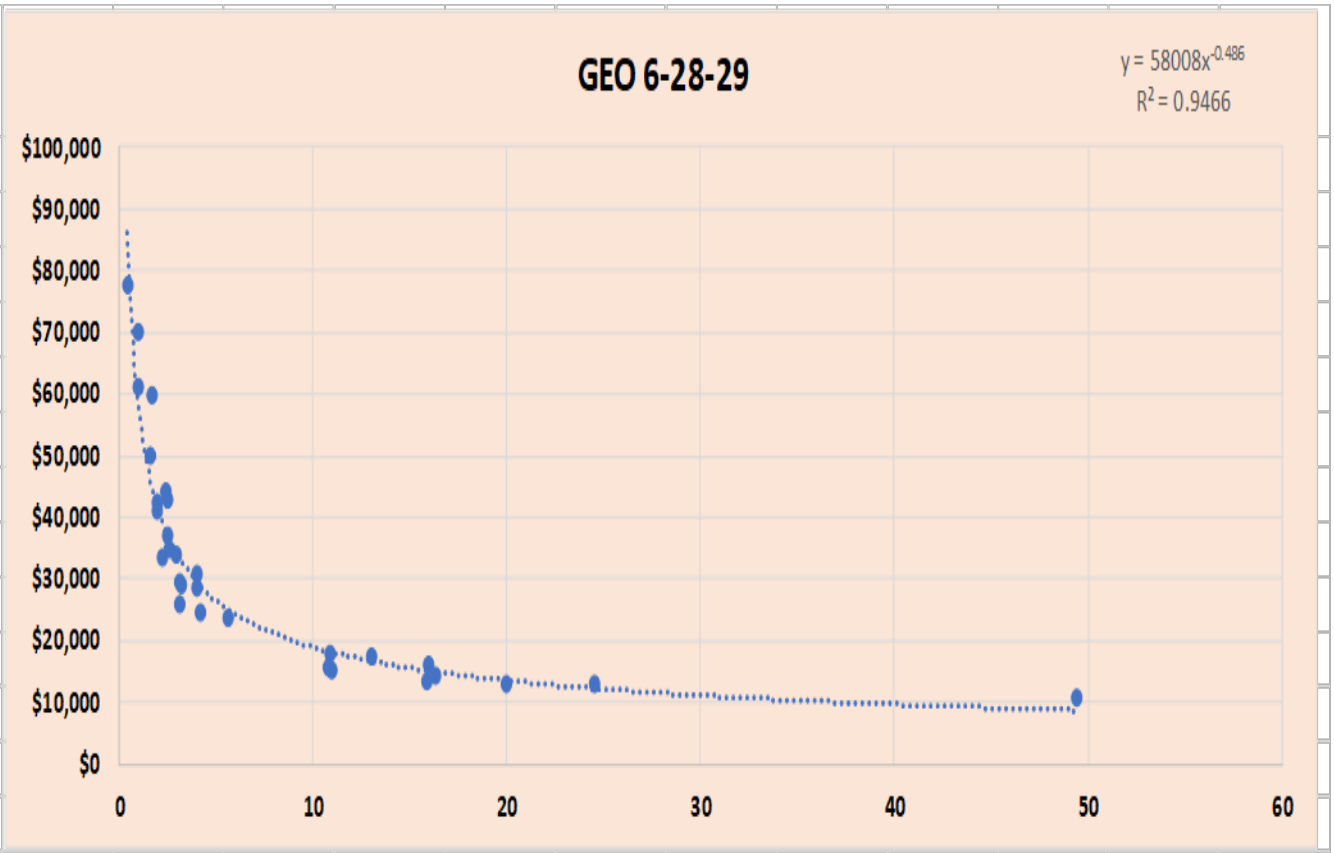
HISTORIC LAND SCHEDULE VALUES

SAN MARCOS	2017	2018	2019	2020	2021	% CHANGE
AC	$/ACRE	$/ACRE	$/ACRE	$/ACRE	$/ACRE	2020 TO 2021
0.125	$102,056	$256,630	$256,630	$573,376	$658,750	15%
0.25	$95,189	$184,511	$184,511	$370,760	$424,490	14%
0.5	$89,976	$132,655	$132,655	$239,742	$273,537	14%
1	$39,031	$95,373	$95,373	$155,022	$176,263	14%
3	$26,267	$56,538	$56,538	$77,676	$87,834	13%
5	$22,059	$44,332	$44,332	$56,329	$63,536	13%
10	$17,245	$31,874	$31,874	$36,424	$40,942	12%
15	$15,074	$26,278	$26,278	$28,224	$31,661	12%
20	$13,787	$22,916	$22,916	$23,553	$26,381	12%
40	$10,760	$16,476	$16,476	$15,230	$17,001	12%
60	$9,391	$13,584	$13,584	$11,801	$13,147	11%
80	$8,576	$11,846	$11,846	$9,847	$10,954	11%
100	$8,322	$10,652	$10,652	$8,558	$9,510	11%

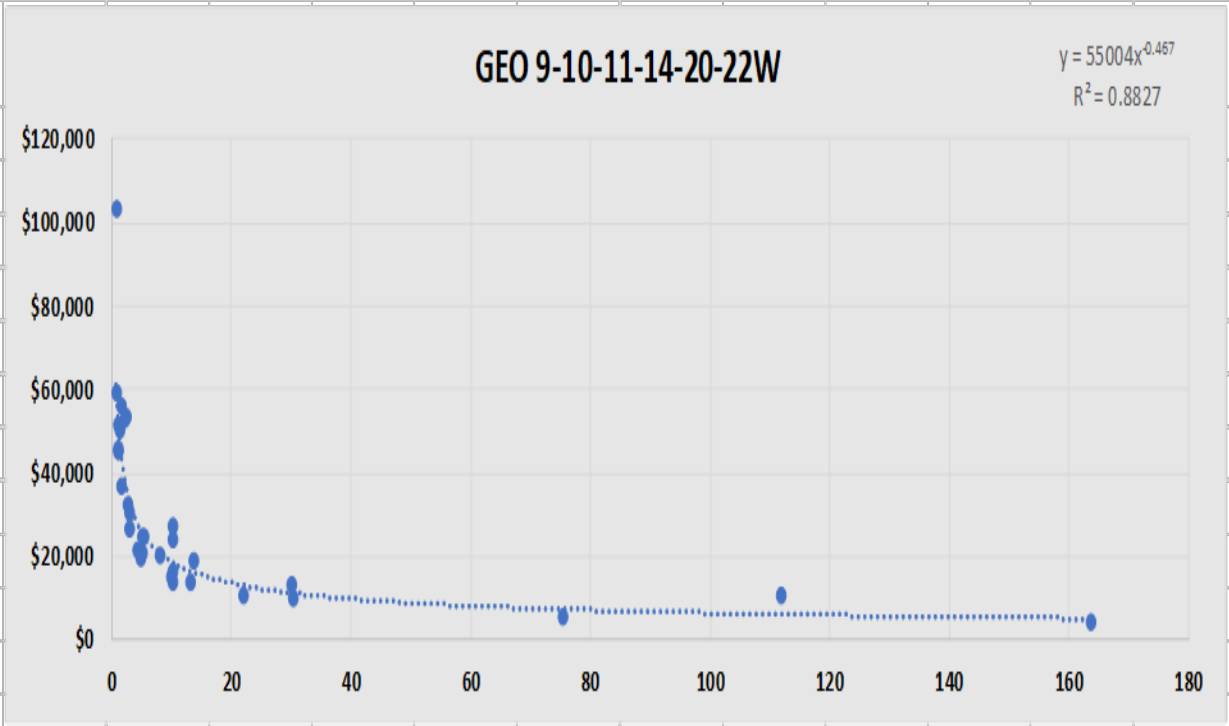
GUADALUPE	2017	2018	2019	2020	2021	% CHANGE
AC	$/ACRE	$/ACRE	$/ACRE	$/ACRE	$/ACRE	2020 TO 2021
0.125	$102,056	$148,418	$148,418	$207,898	$169,310	-19%
0.25	$95,189	$108,569	$108,569	$152,293	$127,162	-17%
0.5	$89,976	$79,423	$79,423	$111,561	$95,507	-14%
1	$39,031	$58,104	$58,104	$81,727	$71,731	-12%
3	$26,267	$35,398	$35,398	$49,904	$45,567	-9%
5	$22,059	$28,114	$28,114	$39,675	$36,901	-7%
10	$17,245	$20,568	$20,568	$29,064	$27,715	-5%
15	$15,074	$17,130	$17,130	$24,227	$23,442	-3%
20	$13,787	$15,045	$15,045	$21,290	$20,815	-2%
40	$10,760	$11,006	$11,006	$15,596	$15,634	0%
60	$9,391	$9,167	$9,167	$13,000	$13,224	2%
80	$8,576	$8,052	$8,052	$11,425	$11,741	3%
100	$8,322	$8,052	$8,052	$10,336	$10,709	4%



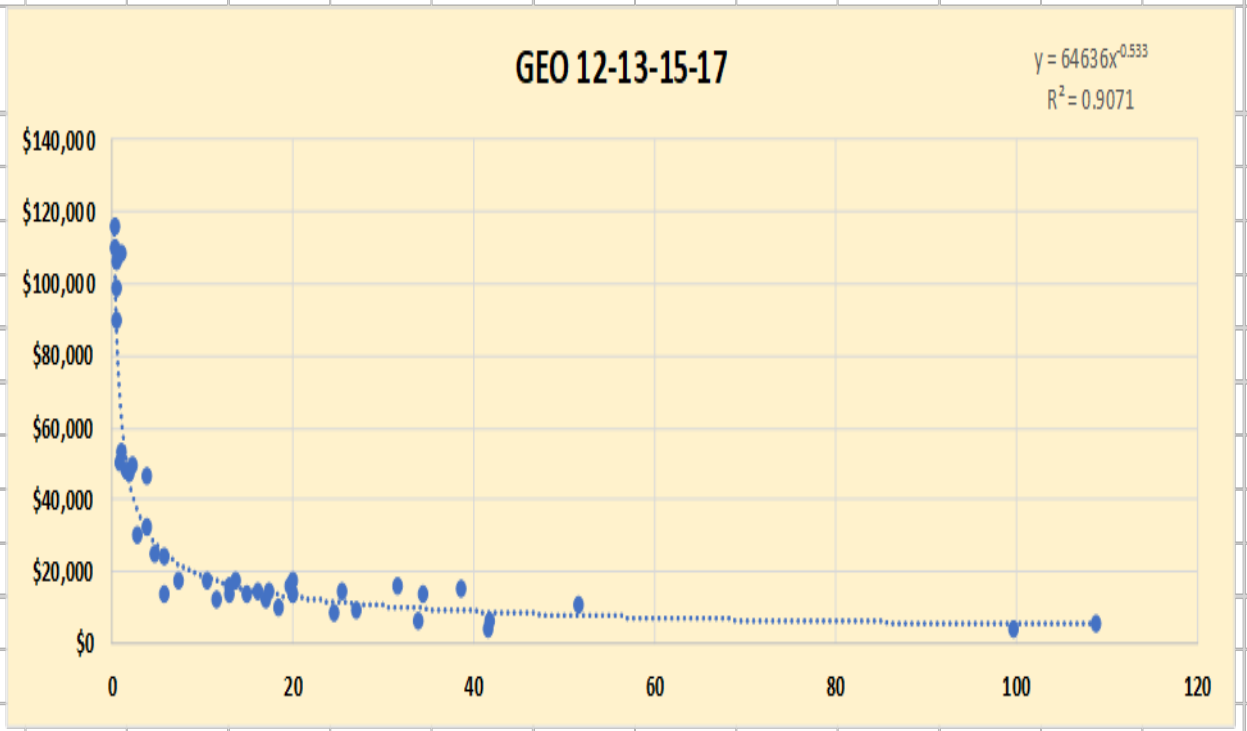
GEO 3-4-5-7-8			2019/2020 COUNTY WIDE AVG.			% OF DIFFERENCE		FACTOR
ACRE		$/ACRE	ACRE		$/ACRE	AC	% DIFF.	%
0.125	X	$260,678	0.125	X	$143,815	0.125	81.26%	181.26%
0.25	X	$180,659	0.25	X	$101,975	0.25	77.16%	177.16%
0.5	X	$125,203	0.5	X	$72,307	0.5	73.15%	173.15%
1	X	$86,770	1	X	$51,271	1	69.24%	169.24%
3	X	$48,526	3	X	$29,732	3	63.21%	163.21%
5	X	$37,035	5	X	$23,077	5	60.48%	160.48%
10	X	$25,667	10	X	$13,614	10	88.53%	188.53%
15	X	$20,712	15	X	$13,382	15	54.77%	154.77%
20	X	$17,788	20	X	$11,603	20	53.31%	153.31%
40	X	$12,328	40	X	$6,751	40	82.61%	182.61%
60	X	$9,948	60	X	$6,728	60	47.85%	147.85%
80	X	$8,543	80	X	$5,834	80	46.45%	146.45%
100	X	$7,592	100	X	$5,222	100	45.38%	145.38%



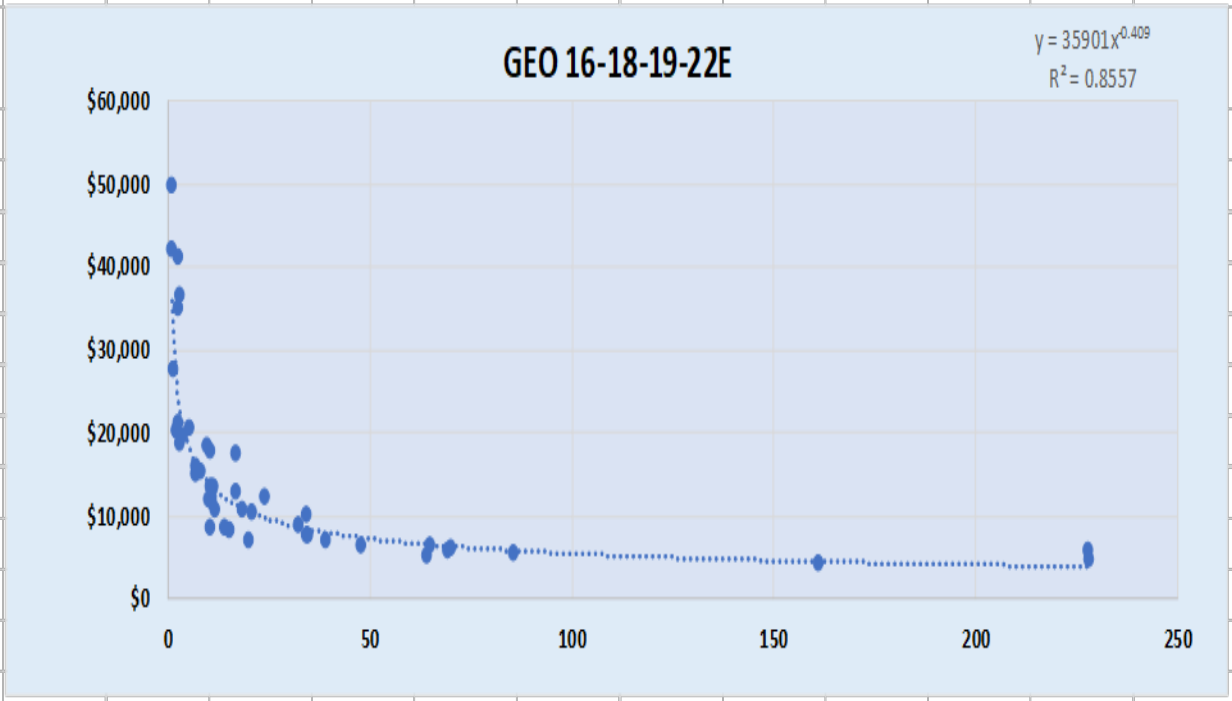
GEO 6-28-29			2019/2020 COUNTY WIDE AVG.			% OF DIFFERENCE		FACTOR
ACRE		$/ACRE	ACRE		$/ACRE	AC	% DIFF.	%
0.125	X	$159,364	0.125	X	$143,815	0.125	10.81%	110.81%
0.25	X	$113,786	0.25	X	$101,975	0.25	11.58%	111.58%
0.5	X	$81,243	0.5	X	$72,307	0.5	12.36%	112.36%
1	X	$58,008	1	X	$51,271	1	13.14%	113.14%
3	X	$34,010	3	X	$29,732	3	14.39%	114.39%
5	X	$26,533	5	X	$23,077	5	14.98%	114.98%
10	X	$18,945	10	X	$16,363	10	15.78%	115.78%
15	X	$15,556	15	X	$13,382	15	16.25%	116.25%
20	X	$13,527	20	X	$11,603	20	16.58%	116.58%
40	X	$9,658	40	X	$8,227	40	17.39%	117.39%
60	X	$7,931	60	X	$6,728	60	17.87%	117.87%
80	X	$6,896	80	X	$5,834	80	18.21%	118.21%
100	X	$6,187	100	X	$5,222	100	18.47%	118.47%



GEO 9-10-11-14-20-22W			2019/2020 COUNTY WIDE AVG.			% OF DIFFERENCE		FACTOR
ACRE		$/ACRE	ACRE		$/ACRE	AC	% DIFF.	%
0.125	X	$145,257	0.125	X	$143,815	0.125	1.00%	101.00%
0.25	X	$105,089	0.25	X	$101,975	0.25	3.05%	103.05%
0.5	X	$76,028	0.5	X	$72,307	0.5	5.15%	105.15%
1	X	$55,004	1	X	$51,271	1	7.28%	107.28%
3	X	$32,929	3	X	$29,732	3	10.75%	110.75%
5	X	$25,940	5	X	$23,077	5	12.41%	112.41%
10	X	$18,767	10	X	$13,614	10	37.85%	137.85%
15	X	$15,530	15	X	$13,382	15	16.05%	116.05%
20	X	$13,577	20	X	$11,603	20	17.02%	117.02%
40	X	$9,823	40	X	$6,751	40	45.51%	145.51%
60	X	$8,128	60	X	$6,728	60	20.81%	120.81%
80	X	$7,106	80	X	$5,834	80	21.82%	121.82%
100	X	$6,403	100	X	$5,834	100	9.76%	109.76%

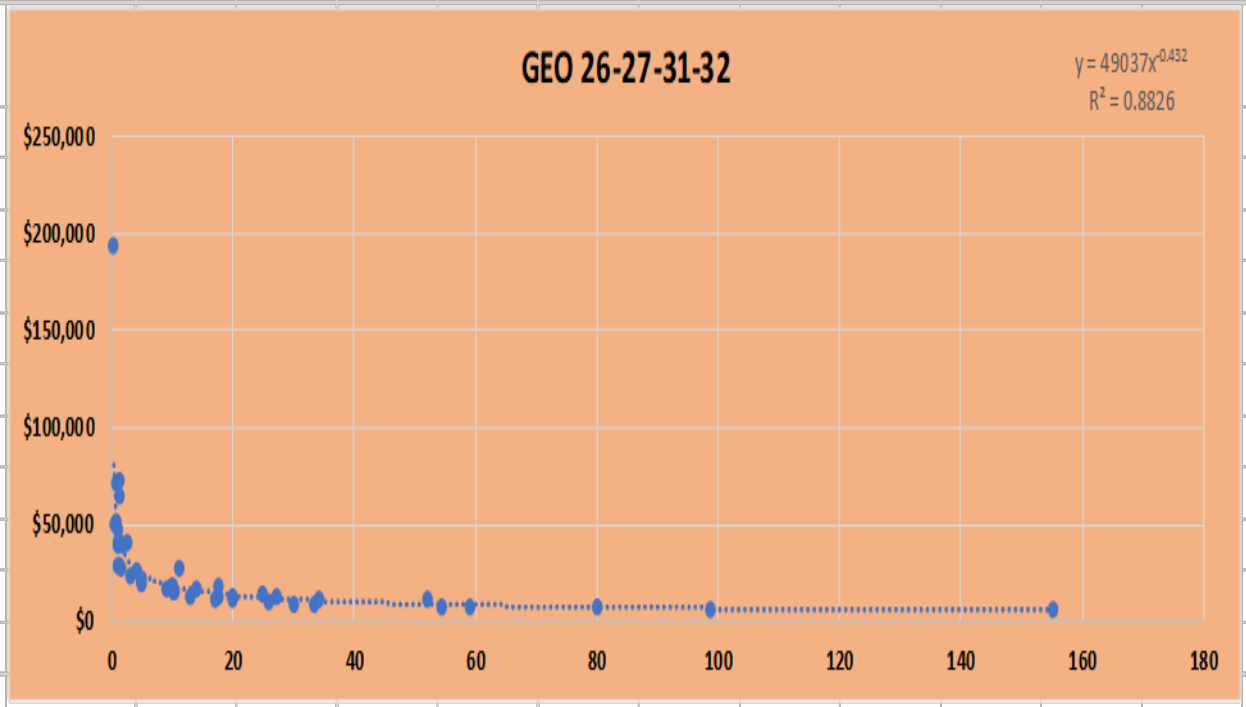


GEO 12-13-15-17			2019/2020 COUNTY WIDE AVG.			% OF DIFFERENCE		FACTOR
ACRE		$/ACRE	ACRE		$/ACRE	AC	% DIFF.	%
0.125	X	$195,804	0.125	X	$143,815	0.125	36.15%	136.15%
0.25	X	$135,323	0.25	X	$101,975	0.25	32.70%	132.70%
0.5	X	$93,524	0.5	X	$72,307	0.5	29.34%	129.34%
1	X	$64,636	1	X	$51,271	1	26.07%	126.07%
3	X	$35,989	3	X	$29,732	3	21.05%	121.05%
5	X	$27,411	5	X	$23,077	5	18.78%	118.78%
10	X	$18,944	10	X	$13,614	10	39.15%	139.15%
15	X	$15,262	15	X	$13,382	15	14.05%	114.05%
20	X	$13,093	20	X	$11,603	20	12.84%	112.84%
40	X	$9,048	40	X	$6,751	40	34.04%	134.04%
60	X	$7,290	60	X	$6,728	60	8.35%	108.35%
80	X	$6,254	80	X	$5,834	80	7.20%	107.20%
100	X	$5,552	100	X	$5,834	100	-4.82%	95.18%



GEO 16-18-19-22E			2019/2020 COUNTY WIDE AVG.			% OF DIFFERENCE		FACTOR
ACRE		$/ACRE	ACRE		$/ACRE	AC	% DIFF.	%
0.125	X	$84,037	0.125	X	$143,815	0.125	-41.57%	58.43%
0.25	X	$63,292	0.25	X	$101,975	0.25	-37.93%	62.07%
0.5	X	$47,668	0.5	X	$72,307	0.5	-34.08%	65.92%
1	X	$35,901	1	X	$51,271	1	-29.98%	70.02%
3	X	$22,907	3	X	$29,732	3	-22.96%	77.04%
5	X	$18,588	5	X	$23,077	5	-19.45%	80.55%
10	X	$13,999	10	X	$13,614	10	2.83%	102.83%
15	X	$11,860	15	X	$13,382	15	-11.38%	88.62%
20	X	$10,544	20	X	$11,603	20	-9.13%	90.87%
40	X	$7,941	40	X	$6,751	40	17.63%	117.63%
60	X	$6,727	60	X	$6,728	60	-0.02%	99.98%
80	X	$5,981	80	X	$5,834	80	2.52%	102.52%
100	X	$5,459	100	X	$5,834	100	-6.42%	93.58%

GEO 23-24-25			2019/2020 COUNTY WIDE AVG.			% OF DIFFERENCE		FACTOR
ACRE		$/ACRE	ACRE		$/ACRE	AC	% DIFF.	%
0.125	X	$144,721	0.125	X	$143,815	0.125	0.63%	100.63%
0.25	X	$101,697	0.25	X	$101,975	0.25	-0.27%	99.73%
0.5	X	$71,463	0.5	X	$72,307	0.5	-1.17%	98.83%
1	X	$50,218	1	X	$51,271	1	-2.05%	97.95%
3	X	$28,708	3	X	$29,732	3	-3.44%	96.56%
5	X	$22,135	5	X	$23,077	5	-4.08%	95.92%
10	X	$15,555	10	X	$13,614	10	14.25%	114.25%
15	X	$12,654	15	X	$13,382	15	-5.44%	94.56%
20	X	$10,930	20	X	$11,603	20	-5.79%	94.21%
40	X	$7,681	40	X	$6,751	40	13.78%	113.78%
60	X	$6,249	60	X	$6,728	60	-7.13%	92.87%
80	X	$5,397	80	X	$5,834	80	-7.48%	92.52%
100	X	$4,818	100	X	$5,834	100	-17.41%	82.59%



GEO 26-27-31-32			2019/2020 COUNTY WIDE AVG.			% OF DIFFERENCE		FACTOR
ACRE		$/ACRE	ACRE		$/ACRE	AC	% DIFF.	%
0.125	X	$120,409	0.125	X	$143,815	0.125	-16.28%	83.72%
0.25	X	$89,251	0.25	X	$101,975	0.25	-12.48%	87.52%
0.5	X	$66,156	0.5	X	$72,307	0.5	-8.51%	91.49%
1	X	$49,037	1	X	$51,271	1	-4.36%	95.64%
3	X	$30,508	3	X	$29,732	3	2.61%	102.61%
5	X	$24,466	5	X	$23,077	5	6.02%	106.02%
10	X	$18,135	10	X	$13,614	10	33.21%	133.21%
15	X	$15,221	15	X	$13,382	15	13.74%	113.74%
20	X	$13,442	20	X	$11,603	20	15.86%	115.86%
40	X	$9,964	40	X	$6,751	40	47.60%	147.60%
60	X	$8,363	60	X	$6,728	60	24.30%	124.30%
80	X	$7,386	80	X	$5,834	80	26.60%	126.60%
100	X	$6,707	100	X	$5,834	100	14.97%	114.97%

GEO 3-4 SCHEDULE

ACREAGE RANGE	2021 COUNTY-WIDE AVERAGE UNIT PRICE	NEIGHBORHOOD FACTOR	ADJ. UNIT PRICE
0	$143,815	181.26%	$260,678
0.125	$143,815	177.16%	$260,678
0.25	$101,975	173.15%	$180,659
0.5	$72,307	173.15%	$125,203
1	$51,271	169.24%	$86,770
3	$29,732	163.21%	$48,526
5	$23,077	160.48%	$37,035
10	$16,363	185.17%	$30,300
15	$13,382	226.43%	$30,300
20	$11,603	261.14%	$30,300
40	$8,227	368.30%	$30,300
60	$6,728	450.37%	$30,300
80	$5,834	519.38%	$30,300
100	$5,222	580.25%	$30,300
999.99	$5,222	580.25%	$30,300

GEO 5-7-8 SCHEDULE

ACREAGE RANGE	2021 COUNTY-WIDE AVERAGE UNIT PRICE	NEIGHBORHOOD FACTOR	ADJ. UNIT PRICE
0	$143,815	181.26%	$260,678
0.125	$143,815	181.26%	$260,678
0.25	$101,975	177.16%	$180,659
0.5	$72,307	173.15%	$125,203
1	$51,271	169.24%	$86,770
3	$29,732	163.21%	$48,526
5	$23,077	160.48%	$37,035
10	$16,363	156.79%	$25,656
15	$13,382	162.03%	$21,683
20	$11,603	164.85%	$19,127
40	$8,227	209.44%	$14,139
60	$6,728	178.16%	$11,987
80	$5,834	186.96%	$10,907
100	$5,222	194.24%	$10,144
999.99	$5,222	194.24%	$10,144

GEO 6-28-29 SCHEDULE			
ACREAGE RANGE	2021 COUNTY-WIDE AVERAGE UNIT PRICE	NEIGHBORHOOD FACTOR	ADJ. UNIT PRICE
0	$143,815	110.81%	$159,364
0.125	$143,815	110.81%	$159,364
0.25	$101,975	111.58%	$113,786
0.5	$72,307	112.36%	$81,243
1	$51,271	113.14%	$58,008
3	$29,732	114.39%	$34,010
5	$23,077	114.98%	$26,533
10	$16,363	115.78%	$18,945
15	$13,382	116.25%	$15,556
20	$11,603	116.58%	$13,527
40	$8,227	155.00%	$12,752
60	$6,728	163.89%	$11,027
80	$5,834	170.51%	$9,947
100	$5,222	176.06%	$9,195
999.99	$5,222	176.06%	$9,195

GEO 9-10-11-14-20-22W SCHEDULE			
ACREAGE RANGE	2021 COUNTY-WIDE AVERAGE UNIT PRICE	NEIGHBORHOOD FACTOR	ADJ. UNIT PRICE
0	$143,815	108.67%	$156,284
0.125	$143,815	108.67%	$156,284
0.25	$101,975	105.19%	$107,267
0.5	$72,307	105.15%	$76,028
1	$51,271	107.28%	$55,004
3	$29,732	110.75%	$32,929
5	$23,077	112.41%	$25,940
10	$16,363	114.70%	$18,769
15	$13,382	116.05%	$15,530
20	$11,603	117.02%	$13,577
40	$8,227	119.41%	$9,824
60	$6,728	120.81%	$8,128
80	$5,834	121.82%	$7,106
100	$5,222	122.63%	$6,404
999.99	$5,222	122.63%	$6,404

GEO 12-13-15-17 SCHEDULE			
ACREAGE RANGE	2021 COUNTY-WIDE AVERAGE UNIT PRICE	NEIGHBORHOOD FACTOR	ADJ. UNIT PRICE
0	$143,815	136.15%	$195,804
0.125	$143,815	136.15%	$195,804
0.25	$101,975	132.70%	$135,323
0.5	$72,307	129.34%	$93,524
1	$51,271	118.85%	$60,936
3	$29,732	121.05%	$35,989
5	$23,077	118.78%	$27,411
10	$16,363	115.77%	$18,944
15	$13,382	114.05%	$15,262
20	$11,603	112.84%	$13,093
40	$8,227	109.98%	$9,048
60	$6,728	108.35%	$7,290
80	$5,834	107.20%	$6,254
100	$5,222	106.33%	$5,553
999.99	$5,222	106.33%	$5,553

GEO 16-18-19-22E SCHEDULE			
ACREAGE RANGE	2021 COUNTY-WIDE AVERAGE UNIT PRICE	NEIGHBORHOOD FACTOR	ADJ. UNIT PRICE
0	$143,815	58.43%	$84,037
0.125	$143,815	58.43%	$84,037
0.25	$101,975	62.07%	$63,292
0.5	$72,307	65.92%	$47,668
1	$51,271	70.02%	$35,901
3	$29,732	77.04%	$22,907
5	$23,077	80.55%	$18,588
10	$16,363	85.55%	$13,999
15	$13,382	88.62%	$11,860
20	$11,603	90.87%	$10,544
40	$8,227	96.53%	$7,942
60	$6,728	99.98%	$6,727
80	$5,834	102.52%	$5,981
100	$5,222	104.54%	$5,460
999.99	$5,222	104.54%	$5,460

GEO 23-24-25 SCHEDULE			
ACREAGE RANGE	2021 COUNTY-WIDE AVERAGE UNIT PRICE	NEIGHBORHOOD FACTOR	ADJ. UNIT PRICE
0	$143,815	75.74%	$108,926
0.125	$143,815	75.74%	$108,926
0.25	$101,975	79.18%	$80,744
0.5	$72,307	82.77%	$59,849
1	$51,271	97.95%	$50,218
3	$29,732	96.56%	$28,708
5	$23,077	95.92%	$22,135
10	$16,363	95.06%	$15,555
15	$13,382	94.56%	$12,654
20	$11,603	94.21%	$10,930
40	$8,227	93.40%	$7,684
60	$6,728	92.87%	$6,249
80	$5,834	92.52%	$5,397
100	$5,222	95.76%	$5,001
999.99	$5,222	95.76%	$5,001

GEO 26-27-31-32 SCHEDULE			
ACREAGE RANGE	2021 COUNTY-WIDE AVERAGE UNIT PRICE	NEIGHBORHOOD FACTOR	ADJ. UNIT PRICE
0	$143,815	83.72%	$120,409
0.125	$143,815	83.72%	$120,409
0.25	$101,975	87.52%	$89,251
0.5	$72,307	91.49%	$66,156
1	$51,271	95.64%	$49,037
3	$29,732	102.61%	$30,508
5	$23,077	106.02%	$24,466
10	$16,363	110.83%	$18,135
15	$13,382	113.74%	$15,221
20	$11,603	115.86%	$13,442
40	$8,227	121.12%	$9,964
60	$6,728	124.30%	$8,363
80	$5,834	126.60%	$7,386
100	$5,222	128.44%	$6,707
999.99	$5,222	128.44%	$6,707

GEO 3-4	
AC.	$/ACRE
0.125	$260,678
0.25	$180,659
0.5	$125,203
1	$86,770
3	$48,526
5	$37,035
10	$30,300
15	$30,300
20	$30,300
40	$30,300
60	$30,300
80	$30,300
100	$30,300

GEO 3-4-5-7-8	
AC.	$/ACRE
0.125	$260,678
0.25	$180,659
0.5	$125,203
1	$86,770
3	$48,526
5	$37,035
10	$25,656
15	$21,683
20	$19,127
40	$14,139
60	$11,987
80	$10,907
100	$10,144

GEO 6-28-29	
AC.	$/ACRE
0.125	$159,364
0.25	$113,786
0.5	$81,243
1	$58,008
3	$34,010
5	$26,533
10	$18,945
15	$15,556
20	$13,527
40	$12,752
60	$11,027
80	$9,947
100	$9,195

GEO 9-10-11-14-20-22W	
AC.	$/ACRE
0.125	$156,284
0.25	$107,267
0.5	$76,028
1	$55,004
3	$32,929
5	$25,940
10	$18,769
15	$15,530
20	$13,577
40	$9,824
60	$8,128
80	$7,106
100	$6,404

GEO 12-13-15-17	
AC.	$/ACRE
0.125	$195,804
0.25	$135,323
0.5	$93,524
1	$60,936
3	$35,989
5	$27,411
10	$18,944
15	$15,262
20	$13,093
40	$9,048
60	$7,290
80	$6,254
100	$5,553

GEO 16-18-19-22E	
AC.	$/ACRE
0.125	$84,037
0.25	$63,292
0.5	$47,668
1	$35,901
3	$22,907
5	$18,588
10	$13,999
15	$11,860
20	$10,544
40	$7,942
60	$6,727
80	$5,981
100	$5,460

GEO 23-24-25	
AC.	$/ACRE
0.125	$108,926
0.25	$80,744
0.5	$59,849
1	$50,218
3	$28,708
5	$22,135
10	$15,555
15	$12,654
20	$10,930
40	$7,684
60	$6,249
80	$5,397
100	$5,001

GEO 26-27-31-32	
AC.	$/ACRE
0.125	$120,409
0.25	$89,251
0.5	$66,156
1	$49,037
3	$30,508
5	$24,466
10	$18,135
15	$15,221
20	$13,442
40	$9,964
60	$8,363
80	$7,386
100	$6,707

Exhibit D3-2021
Productivity Values

2019 GROSS INCOME CALCULATION
FOR 2021 VALUATION

D1 IMPROVED

PID #	MAP #	LEASE #	GROSS INCOM/AC
65379	G-12	1	$8.00
110546	K-12	2	$8.89
64152/64156	E-12	3	$10.00
60368	G-13	4	$10.00
59969	D-14	5	$10.00
109196	S-11	6	$10.00
172904	T-7	7	$10.00
169512	N-2	8	$12.00
71869	N-14	9	$14.29
72088/61246	D-13	10	$14.80
65663	H-14	11	$16.67
60217	M-8	12	$18.42
56128	I-10	13	$19.14
69065	I-12	14	$20.00
119936/119948/119953	G-15	15	$20.00
55896/55898/55900/55902	J-8	16	$20.00
58544/58545/58551	G-15	17	$20.00
172624	M-6	18	$21.07
110505	H-11	19	$25.00
72029/72031	T-8	20	$30.00
68081	P-8	21	$30.00
133444	M-5	22	$33.00
175036	K-8	23	$39.60
67093/71173	M-6	24	$40.00
			TOTAL = $460.88

(D1P) MEAN IMPROVED POOR

$162.21 / 13 = **$12.48**

(D1A) MEAN IMPROVED AVERAGE

$460.88 / 24 = **$19.20**

(D1G) MEAN IMPROVED GOOD

$298.67 / 11 = **$27.15**

2019 GROSS INCOME CALCULATION

FOR 2021 VALUATION

D3 TILLABLE

PID#	MAP #	LEASE #	GROSS INCOME/AC
52883	M-10	1	$10.00
52815	M-10	2	$10.00
56337	I-8	3	$11.41
56077	H-9	4	$12.00
71017	Q-7	5	$20.00
51510	M-11	6	$20.00
63561	P-6	7	$22.00
54511	U-7	8	$22.12
55490	L-9	9	$23.29
63560	P-6	10	$24.36
172978/172976/172977	M-10	11	$25.00
109144	L-11	12	$25.00
115990	L-8	13	$25.00
52802	M-10	14	$25.00
68934	E-12	15	$25.00
50363	E-14	16	$25.00
52753	L-11	17	$25.00
54757	T-7	18	$26.31
52313	J-11	19	$29.65
106525	L-11	20	$30.00
52577	L-11	21	$30.00
15193	C-14	22	$30.00
58081	O-9	23	$34.55
167672/167673/55297	L-11	24	$35.00
63953	Q-7	25	$40.00
60414	G-13	26	$40.00
55359/55374	I-11	27	$40.00
119941/119943/119945	F-16	28	$45.00
58547/58549	F-15	29	$45.00
55338/55342	I-10	30	$50.00
		TOTAL =	$825.69

(D3P) MEAN TILLABLE POOR=

$376.49 / 18 = **$20.92**

(D3A) MEAN TILLABLE AVERAGE=

$825.69 / 30 = **$27.52**

(D3G) MEAN TILLABLE GOOD=

$449.20 / 12 = **$37.43**

2019 GROSS INCOME CALCULATION
FOR 2021 VALUATION

D5 NATIVE

PID #	MAP #	LEASE #	GROSS INCOME /AC
57881	R-15	1	$4.25
69380/70001/69381	M-7	2	$4.68
158686	I-12	3	$5.00
72130	V-8	4	$5.00
139489	H-5	5	$5.50
53586	Q-14	6	$6.00
50245	E-14	7	$7.50
60330	J-14	8	$8.00
61375	I-14	9	$8.00
54610	T-7	10	$9.00
65217	G-11	11	$10.00
53646	P-14	12	$10.00
168111	O-6	13	$10.00
67288	D-12	14	$10.00
64005	K-5	15	$10.00
50198/50199	D-14	16	$10.00
65942	J-14	17	$10.00
61661	J-11	18	$10.00
114913	K-16	19	$10.00
64898	M-14	20	$10.00
62284	J-7	21	$10.00
61786	J-11	22	$10.00
54007/54016	O-15	23	$10.00
64842	M-15	24	$10.00
156478	R-12	25	$10.00
61714	S-11	26	$10.00
66928	O-4	27	$10.00
61983	T-8	28	$10.00
65036	S-15	29	$10.00
156478	R-12	30	$10.00
69131/69135	H-13	31	$10.18
69136	H-12	32	$10.18
57697	O-12	33	$10.65
72565	W-9	34	$11.00
61764	J-11	35	$11.73
53884	O-17	36	$12.00
62708	M-5	37	$12.00
65099/67970	V-9	38	$12.00
61770	S-10	39	$12.00
60092/60093	M-14	40	$13.59
51983	Q-12	41	$14.00
56530	B-14	42	$15.00
55277	E-11	43	$15.00
169543	T-7	44	$15.00
62941/121117/121119	L-15	45	$15.00
66868/60709	U-10	46	$15.00
53955	N-16	47	$15.00
172683	C-14	48	$15.00
67350/67352/67402	C-12	49	$15.00
58355	P-10	50	$15.00
175535	F-11	51	$15.32
62746	Q-10	52	$17.00
58157	P-10	53	$19.00
55968	K-9	54	$19.13
58575	F-15	55	$19.44
58187	Q-10	56	$20.00
58977	K-19	57	$20.00
65204	G-11	58	$20.84
65341/65339	G-11	59	$25.00
58920	G-16	60	$25.00
61431	F-13	61	$25.00
70875	O-7	62	$30.00
64321	E-11	63	$50.00
		TOTAL =	$832.99

(D5P) MEAN NATIVE POOR=
$364.67 / 39 = **$9.35**

(D5A) MEAN NATIVE AVERAGE=
$832.99 / 63 = **$13.22**

(D5G) MEAN NATIVE GOOD=
$468.32 / 24 = **$19.51**

2019 Net-to-Land Calculations
for 2021 Valuation

D1 - Improved Pasture	Poor		Average		Good
Gross Income	$12.48		$19.20		$27.15
Less: Taxes	$0.96		$1.81		$3.13
Insurance	$1.64		$1.64		$1.64
Fence	$5.50		$5.50		$5.50
Net-to-Land	**$4.37**		**$10.26**		**$16.89**

D3 - Tillable	Poor		Average		Good
Gross Income	$20.92		$27.52		$37.43
Less: Taxes	$1.81		$2.82		$3.53
Insurance	$1.64		$1.64		$1.64
Net-to-Land	**$17.47**		**$23.06**		**$32.26**

D5 - Native Pasture	Poor		Average		Good
Gross Income	$9.35		$13.22		$19.51
Plus: Incidental Hunting Income	$3.50		$3.50		$3.50
Less: Taxes	$0.69		$1.27		$2.25
Insurance	$1.64		$1.64		$1.64
Fence	$5.50		$5.50		$5.50
Net-to-Land	**$5.02**		**$8.32**		**$13.63**

D4M - Wasteland	Poor				
Gross Income of (D5P) Native Pasture Poor	$9.35				
Plus: Incidental Huntin Income	$3.50				
Less: Taxes	$0.35				
Insurance	$1.64				
Fence	$5.50				
	$5.36	/2 =	**$2.68**		

*(D4M) Wasteland = 50% Of (D5P) Native Pasture Poor

SUMMARY OF 2021 AGRICULTURE
PRODUCTIVITY VALUE CALCULATION

Category	Year Removed 2104	2015	2016	2017	2018	2019	Current 5yr Avg. For 2021	Removed 5yr Avg. 2020 Net-to-Land	Removed 5yr Avg. 2021 Cap Rate	2021 Prod.Value/ Acre
D1G - Imp. Good	15.18	24.98	20.11	16.95	29.58	18.55	22.03	21.36	10.00%	220
D1A/D1B - Imp. Avg.	10.58	9.08	13.85	11.31	12.86	10.66	11.55	11.54	10.00%	116
D1P - Imp. Poor	5.75	4.86	8.48	4.94	8.44	5.74	6.49	6.49	10.00%	65
D3G - Till. Good	20.14	21.22	21.56	22.71	32.44	20.90	23.77	23.61	10.00%	238
D3A/D3B - Till. Avg	12.78	17.87	19.86	19.55	22.55	16.69	19.30	18.52	10.00%	193
D3P - Till. Poor	8.97	9.83	12.23	14.14	20.38	10.66	13.45	13.11	10.00%	134
D5G - Nat. Good	14.27	13.57	16.14	13.91	13.64	13.26	14.10	14.31	10.00%	141
D5A/D5B - Nat. Avg.	6.98	8.95	8.17	8.70	8.65	7.53	8.40	8.29	10.00%	84
D5P - Nat. Poor	3.09	6.18	4.36	5.73	5.77	4.10	5.23	5.03	10.00%	52
D4M - Wasteland*	1.55	3.09	2.29	2.99	3.02	2.10	2.70	2.59	10.00%	27
D7I/O (D7P) Impr. Pecan/Other Orchards	146.67	16.07	12.78	20.04	20.10	50.25	23.85	43.13	10.00%	238
D7N - Nat. Pecan	28.18	10.55	6.16	16.34	16.34	14.12	12.70	14.12	10.00%	127

D4M (50%) of D5P Net Income

All Net-to-Land information comes from Net-to-Land calculations page of that indicated year.

GUADALUPE APPRAISAL DISTRICT

2019 TOTAL AVG. TAX RATE CALCULATION FOR 2021 VALUE CALCULATION

					AVG. ISD		COUNTY &		Wtd. CITY		Wtd. YCWD		TOTAL
Year	SCS	SGS	NAS	MAS	ISD RATE	+	LTR RATE	+	TAX RATE	+	RATE	=	TAX RATE
2018	1.42	1.375	1.27593	1.4284	1.2755		0.3819		0.0312		0.0007		**1.6894**
	NIS	LVS	PLS	LUS									
	1.15	1.365	0.97	1.117									
	SMS	NBS	COS										
	1.3139	1.2958	1.32										

Tax Expense Calculation

	2019		2019			2021
	PRODUCTIVITY		TAX			TAX
	VALUE		RATE			AMT./AC.
Category	**Value/ac.**	**x**	**Tax Rate/100**		**=**	**Tax Amt./ac.**
D1G	$185		1.6894			**$3.13**
D1A Impr	$107		1.6894			**$1.81**
D1P	$57		1.6894			**$0.96**
D3G	$209		1.6894			**$3.53**
D3A Tillab	$167		1.6894			**$2.82**
D3P	$107		1.6894			**$1.81**
D5G	$133		1.6894			**$2.25**
D5A Nativ	$75		1.6894			**$1.27**
D5P	$41		1.6894			**$0.69**
D4M	$21		1.6894			**$0.35**
D7I/O Orch	$503		1.6894			**$8.50**
D7N	$141		1.6894			**$2.38**

Liability Insurance

$1.64 per acre- all catergories

Estimate based on information from KDJ, Hocheim Praire, Texas Farm Bureau Ins, and Maxwell Ins.

2019 FENCE COST FOR 2021 FENCE EXPENSE

		1	2	3	4	5	6	7	8	9
LOCAL COST FACTOR BASE	TYPE & QUALITY OF FENCE	BASE COSTS	20% QUANTITY DEDUCTION	22.5% AMATEUR WORK DEDUCTION	ADJ. BASE COSTS	UNIT-IN-PLACE COST MULT.	ADJ. FOR UNIT-IN- PLACE MULT.	LOCAL COST MULT.	EST COST/ LINEAR FT.	EST COST/ MILE
SAN ANTONIO	5 STRAND BARB	$4.89	$0.98	$1.10	$2.81	0.97	$2.73	0.83	$2.26	$11,933
	WIRE BELOW AVG.									

~TYPE & QUALITY BASED ON FARM AND RANCH SURVEY AND COUNTY AGRICULTURE INSPECTIONS

1 ~BASE COST=MARSHALL VALUATION SERVICE, SEC. 66, PG. 5, Dec. 2019; AVG OF MEDIAN AND LOW RANGE BASE COST

2 ~20% QUANTITY DEDUCTION=MARSHALL VALUATION SERVICE, SEC. 66, PG. 4, DEC. 2019

3 ~22.5% AMATEUR WORK DEDUCTION=MARSHALL VALUATION SERVICE , SEC. 99, PG. 1, JAN. 2020;HIGH AND LOW END OF RANGE AVG;

(AVERAGE OF 15% TO 30% RANGE)

4 ~ADJ BASE COSTS= BASE COSTS-20% QUANTITY DEDUCTION-22.5 AMATEUR WORK DEDUCTION

5 ~UNIT-IN-PLACE COST MULT.=MARSHALL VALUATION SERVICE, SEC. 99, PG. 3, March 2020

6 ~ADJ. FOR UNIT-IN-PLACE MULT. =ADJ BASE COSTS TIMES UNIT-IN-PLACE COST MULT.

7 ~LOCAL COST MULT.= MARSHALL VALUATION SERVICE, SEC. 99, PG. 10, CLASS B, JULY. 2020

8 ~EST COST/LINEAR FT.= ADJ. FOR UNIT-IN-PLACE MULT. TIMES LOCAL COST MULT.

9 ~EST COST/MILE= EST COST/LINEAR FT. TIMES 5280 FT.

SUMMARY OF FENCING EXPENSE CALCULATIONS

TYPICAL PARCEL SIZE = 100 ACRES (4,356,000) SQ. FT.

2,087' PER SIDE

2,087' PERIMETER FENCE X $2.26/FT. =	$ 4,716.62	1- SIDE (FRONT OF PROPERTY)
6261' PERIMETER FENCE X $1.13/FT.($2.26/2) =	$ 7,074.93	3 SIDES SHARED WITH NEIGHBORS
2,087' CROSS FENCE X $2.26/FT =	$ 4,716.62	INTERIOR (CROSS FENCE)
	$ 16,508.17	

$16,508.17 / 100 ACRES = $165.08 PER AC.

$165.08 / 30 YR. FENCE LIFE = **$5.50** PER ACRE / YR. FENCING EXPENSE

2019 Pecan Calculation For 2021 Productivity

2019 Pecan Production*	300,000 Pounds produced in Guadalupe Co.
2019 Average Price*:	$2.25 Price per pound (average of native and improved)
2019 Gross Pecan Income:	$675,000
Number Pecan Orchard acres**:	4000 Acres
Gross Income per acre:	$168.00 Per Acre

*Per Guadalupe Extension Service 2019 season average price for native and improved varieties

** Per USDA, Guadalupe County Extension Service and Texas A & M

*** Guadalupe County Pecan Producers, Texas A & M Agrilife and Texas Pecan Book

2019 Native Pecan Net-to-Land Calculation

Gross Income Per Acre*		$126.00
Less: Chemical / Fertilizer Costs		$34.00
Effective Gross Income Per Acre		$92.00
Less - Picker's share (50% of crop)		$46.00
Adjusted Operation Income Per Acre		$46.00
50% of Operation Income Per Acre*		$23.00
Less:	Taxes(1.6894)	$2.38
	Insurance	$1.64
	Fence	$5.50
Net to Land (NOI)		**$13.48**

$1.68 (Price per pound) x 150,000 (Pounds) / 2000 (Acres) = $126.00 Native pecan per acre* **

*Equivalent to (cash Lease) land rent paid to landowner

2019 Improved Pecan Net-to-Land Calculation

Gross Income Per Acre*		$180.00
***Less: Chemical / Fertilizer Costs		$34.00
Effective Gross Income Per Acre		$146.00
Less Picker's Share (50% of crop)		$73.00
Adjusted operation Income Per Acre		$73.00
50% of Net Operating Income Per Acre**		$36.50
Less:	Taxes(1.6894)	$8.50
	Insurance	$1.64
	Fence	$5.50
	Net - to - Land (NOI)	**$20.86**
25% of Effective Gross Income**		

$2.40 (Price per pound) x 150,000 (Pounds) / 2000 (Acres) = $180.00 Improved pecans per acre* **

Guadalupe Appraisal District

Productivity (Ag) Values from 1998 - 2021

Category	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
D1G - Imp	93	98	89	92	101	103	112	115	110	106	104	103
D1A - Imp	61	67	62	63	69	70	74	79	82	82	84	84
D1P - Imp	39	44	42	42	46	47	50	54	58	59	62	62
D3G - Tilla	150	159	144	143	153	152	151	152	154	153	156	159
D3A - Tilla	127	134	122	121	128	126	123	124	126	128	132	137
D3P - Tilla	96	100	91	88	92	89	84	84	85	87	91	96
D5G - Nati	47	50	45	45	49	49	48	47	50	52	59	65
D5A - Nati	45	48	43	44	49	48	48	49	51	52	56	57
D5P - Nati	30	32	30	30	34	35	36	36	39	42	46	48
D4M - Wa	15	16	14	15	19	18	18	18	20	21	23	24
D7I - Impr	267	400	291	451	330	407	294	294	232	229	308	273
D7N - Nat	269	333	274	326	179	202	114	114	115	114	177	141

Category	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
D1G - Imp	110	108	112	124	128	136	145	173	183	185	212	220
D1A - Imp	84	82	82	83	81	82	88	90	101	107	114	116
D1P - Imp	61	57	55	53	48	48	50	50	57	57	64	65
D3G - Tilla	160	161	162	164	165	170	178	188	197	209	236	238
D3A - Tilla	138	138	138	135	128	128	126	135	150	167	184	193
D3P - Tilla	95	95	94	91	83	81	80	82	90	107	130	134
D5G - Nati	70	72	73	70	70	73	88	101	121	133	143	141
D5A - Nati	58	56	55	53	50	49	53	60	67	75	81	84
D5P - Nati	50	48	46	42	34	27	25	29	31	41	46	52
D4M - Wa	25	24	23	21	17	14	13	15	16	21	26	27
D7I - Impr	284	186	248	126	160	327	609	579	573	503	433	238
D7N - Nat	142	142	116	42	60	150	172	155	164	141	126	127

Productivity Value Comparison From 2020 to 2021

Category	2020 Productivity Values (Cap Rate = 10.00%)		2021 Productivity Values (Cap Rate=10%)
D1G - IMPROVED GOOD	212	4%	220
D1A/D1B - IMPROVED AVG.	114	1%	116
D1P - IMPROVED POOR	64	1%	65
D3G- TILLABLE GOOD	236	1%	238
D3A/D3B - TILLABLE AVG.	184	5%	193
D3P - TILLABLE POOR	130	3%	134
D5G - NATIVE GOOD	143	-1%	141
D5A/D5B - NATIVE AVG.	81	4%	84
D5P - NATIVE POOR	46	14%	52
D4M - WASTELAND	26	4%	27
D7I/O(D7P) - IMPROVED PE	433	-45%	238
D7N - NATIVE PECAN	126	0%	127

2019 SCHOOL DISTRICT AVERAGE TAX RATE CALCULATION FOR 2021

CODE	JURISDICTION	2019 TAX RATE		
SGS	SEGUIN ISD	1.375		
SCS	SCHERTZ-CIBOLO-UC ISD	1.42		
NAS	NAVARRO ISD	1.27593		
MAS	MARION ISD	1.4284		
NIS	NIXON ISD	1.15		
LVS	LA VERNIA ISD	1.365		
PLS	PRAIRIE LEA ISD	0.97		
LUS	LULING ISD	1.117		
SMS	SAN MARCOS ISD	1.3139		
NBS	NEW BRAUNFELS ISD	1.2958		
COS	COMAL ISD	1.32		
		14.0310	TOTAL AVG. TAX RATE =	1.2755

Total 2019 Average ISD Tax Rate= **1.2755**

2019 WEIGHTED AVERAGE CITY TAX RATE FOR 2021 CALCULATION

2019 CITY TAX RATES				
CSA	CITY OF SANTA CLARA	0.1643		
CSG	CITY OF SEGUIN	0.5412		
CSC	CITY OF SCHERTZ	0.5146		
CCI	CITY OF CIBOLO	0.4935		
CNB	CITY OF NEW BRAUNFELS	0.48822		
CMA	CITY OF MARION	0.4801		
CSM	CITY OF SAN MARCOS	0.6139		
CLU	CITY OF LULING	0.52		
CSE	CITY OF SELMA	0.1968		
		4.01262	AVG. CITY TAX RATE =	0.445847
Acres With Ag. Valuation County Wide=			390,257.2935	
Acres With Ag. Valuation Inside City Limits=			27,284.8057	
27,284.8057 Ac. / 390257.2935 Ac. =		0.069914916		
.445847 Avg. City Tax Rate x .069914916 Ac. In City Limits With Ag. Valuation =				0.0312
Total 2019 Weighted City Average Tax Rate=			**0.0312**	

* City of New Berlin acreage not used in calculation per City of New Berlin does not levy a tax

2019 WEIGHTED YORK CREEK WATER DISTRICT

AVERAGE TAX RATE FOR 2021 CALCULATION

2019 YCWD TOTAL # OF ACREAGE W/ AG. VALUATION =					59886.3418		
2019 YCWD TAX RATE =			0.0048				
Acreage With Ag. Valuation County Wide=					390,257.2935		
Acreage With Ag. Valuation In YCWD=					59,886.3418		
YCWD AC. 59886.3418 / COUNTY WIDE AC. 390257.2935 Ac. =						0.153453485	
.0048 YCWD Tax Rate x .153453485 =				0.0007			
Total 2019 Weighted YCWD Tax Rate=				**0.0007**			

2019 Liability Insurance Phone Survey
For The 2021 Ag. Valuation

KDJ Insurance Co.	$1.55	PER AC
Marion TX.		
830-914-2387		
Dave		
Hocheim Praire	$1.71	PER AC
Seguin TX.		
830-379-7352		
Ashley Webb		
Texas Farm Bureau	$1.71	PER AC
Seguin TX.		
830-379-4456		
Celinda Trotter		
Maxwell Ins.	$1.66	PER AC
Luling TX.		
830-875-3244		
Boyd Maxwell		
Farmer Ins. Co.	$1.57	PER AC

Total Liability Ins. Average = **$1.64**

*Liability Insurance rates are based on 100 acre tracts in Guadalupe Co.

The purpose of this study was to find the average per acre cost of liabilty insurance in Guadalupe county in the 2019 year for the 2021 year. In the course of this study it was found that the majority of liabilty policies written are for coverage up to one million dollars using the average value of a parcel in Guadalupe County of $208,000

2019 Incidental Hunting Lease Expense

Calculation For Native Land

For 2021 Productivity Valuation

Lease #1								
PID# 71987 =	100 Acres							
Agricultural Lease =		$10.00 /AC						
Hunting Lease = +		$2.00 /AC						
		$12.00 /AC Total Cash Lease						
Total Annual Lease Amount =			$1,200.00					
Amount Contributed to Incidental Hunting Rights=					$200.00			
$200.00 / 100 Acres =		$2.00						
Lease #2								
PID# 56530 =	180 Acres							
Agricultural Lease =		$15.00 /AC						
Hunting Lease = +		$5.00 /AC						
		$20.00 /AC Total Cash Lease						
Total Annual Lease Amount =			$3,600.00					
Amount Contributed to Incidental Hunting Rights =					$900.00			
$900.00 / 180 Acres =		$5.00						
Calculation of Hunting Income								
$2.00 + $5.00 = $7.00 / 2 =			$3.50					
Incidental Hunting Expense =			**$3.50**	Per Acre				

2019 COUNTY & LTR TAX RATE FOR 2021 CALCULATION

CODE	JURISDICTION	2019 TAX RATE
GCO	Guadalupe County	0.3319
TLRD	Lateral Road	0.05
0.3319 (GCO) + 0.05 (TLRD) =		0.3819
Total 2019 County Tax Rate =		**0.3819**

NUMBER OF ACREAGE W/ AG VALUATION IN CITY LIMITS IN 2019 FOR 2021 CALCULATION

ENTITY	ENTITY CODE	SUM LAND ACRES
CITY OF CIBOLO	CCI	5753.3818
CITY OF LULING	CLU	386.222
CITY OF MARION	CMA	80.949
CITY OF NEW BRAUNFELS	CNB	4120.1595
CITY OF SANTA CLARA	CSA	4007.2392
CITY OF SCHERTZ	CSC	1347.6766
CITY OF SELMA	CSE	110.355
CITY OF SEGUIN	CSG	11101.4076
CITY OF SAN MARCOS	CSM	377.415
		TOTAL ACRES
		27284.8057

* Acreage used to calculate weighted average city tax rate

TOTAL # OF ACREAGE UNDER AG. VALUATION COUNTY WIDE IN 2019	
STATE CODE	ACREAGE
D1	94,049.6207
D3	75,866.0828
D4	277.2587
D5	217,835.0293
D7	2,229.3020
	TOTAL ACREAGE
	390,257.2935

2019 GUADALUPE COUNTY ACREAGE SUMMARY BY ENTITY	
ENTITY	TOTAL ACREAGE
TOTAL ACRES IN GUAD. CO.	**458240**
AGRICULTURAL ACRES IN GUAD. CO.	**390257.2935**
CSA- CITY OF SANTA CLARA	4007.2392
*CBR- CITY OF NEW BERLIN	0
CSG- CITY OF SEGUIN	11101.4076
CSC- CITY OF SCHERTZ	1347.6766
CCI- CITY OF CIBOLO	5753.3818
CNB- CITY OF NEW BRAUNFELS	4120.1595
CMA- CITY OF MARION	80.949
CSM- CITY OF SAN MARCOS	377.415
CLU- CITY OF LULING	386.222
CSE- CITY OF SELMA	110.355
TOTAL CITY ACREAGE =	**27284.8057**
YCM- YORK CREEK WATER DISTRICT	**59886.3418**
SGS- SEGUIN ISD	206621.7439
SCS- SCHERTZ-CIBOLO ISD	9748.7522
NAS- NAVARRO ISD	51348.0048
MAS- MARION ISD	80.949
NIS- NIXON ISD	3419.486
LVS- LA VERNIA ISD	14959.9355
PLS- PRAIRIE LEA ISD	7774.656
LUS- LULING ISD	18267.4527
SMS- SAN MARCOS ISD	22245.7629
NBS- NEW BRAUNFELS ISD	3014.405
COS- COMAL ISD	9173.1619
TOTAL ISD ACREAGE =	**346654.3099**
DI- IMPROVED PASTURE	94049.6207
D3- TILLABLE PASTURE	75866.0828
D4- WASTELAND	277.2587
D5- NATIVE PASTURE	217835.0293
D7- PECANS	2229.302
TOTAL AC. UNDER 1-D-1	**390257.2935**
* City of New Berlin acreage not used in calculation per city does not levy a tax	

EXHIBIT E-2021
Business Personal Property Report

2021 Business Personal Property Cost Schedule Analysis Summary

In the District's continued effort to develop and update current density schedules for Business Personal Property, the Guadalupe Appraisal District has developed a new density schedule for 2021. This schedule will be an addition to the district's current list of density schedules, and will be used to appraise businesses with the current standard industrial classification codes (SIC Code) of 5372 for discount stores. Listed below are accounts currently classified under this SIC Code.

DISCOUNT STORES #5372

PID #	GEO ID #	OWNER NAME	SITUS
151519	1G3948-0000-00100-3-14	DOLGEN CORP	100 TOR DR
123505	1G0020-0214-00F00-3-06	DOLGEN CORP	434 N AUSTIN ST
121688	1G0794-0000-00100-3-07	DOLGEN CORP	851 FM 78
106921	1G3670-0000-00100-3-03	DOLGEN CORP	500 SCHERTZ PARKWAY
170958	1G2071-0000-005AB-3-19	DOLGEN CORP OF TEXAS INC	3860 FM 466
167485	1G1339-0001-00600-3-18	DOLGEN CORP OF TEXAS INC	3589 N STATE HWY 123
152127	1G2560-0000-00100-3-14	DOLGEN CORP OF TEXAS INC	110 FM 725
152575	2G0020-0000-73115-3-14	DOLGEN CORP OF TEXAS INC	2288 FM 46
142012	1G0795-0000-00100-3-11	DOLGEN CORP OF TEXAS INC	340 KOEPSEL RD
180131*	2G0328-0000-00500-3-21	DOLGEN CORP OF TEXAS INC	18640 S STATE HWY 123
131016	1G3263-0002-00100-3-08	DOLLAR TREE STORES	6051 FM 3009
111150	1G2762-0001-00100-3-04	DOLLAR TREE STORES	468 S STATE HWY 123
174343	1G0793-0001-00100-3-20	DOLLAR TREE STORES INC	675 FM 1103
117102	1G1095-0004-02800-3-05	FAMILY DOLLAR STORE #26429	1072 FM 78
28043	1G1460-0182-00101-3-92	FAMILY DOLLAR STORES INC #21906	314 E COURT ST
45574	1G3458-0000-00100-3-96	WAL-MART STORES #901	550 S STATE HWY 123
160478	1G3813-0001-00100-3-16	WAL-MART STORES TEXAS LLC	602 CIBOLO VALLEY DR
119400	1G3459-0001-00700-3-06	WAL-MART STORES TEXAS LP	6102 FM 3009

*Denotes new account for 2021.

Discount Stores #5372

Development of density schedules for discount stores were derived from prior year's renditions, and from information gathered during field inspections. Prior to conducting field inspections, the prior year's renditions were reviewed to determine the validity of each rendition. Once the renditions were reviewed, the determination was made to omit the furniture and fixtures section of renditions submitted for Dolgen Corp. and Dolgen Corp of Texas Inc from the study. This decision was made because these renditions provided no cost information or year acquired information for furniture and fixtures. Also, there was no information submitted as to how the opinion of value was calculated and therefore could not be used to complete the valuation model. Next, field inspections were conducted so that each discount store could be categorized according to quality and density. By categorizing each store, we could then use the average calculation to complete the density schedule.

EXHIBIT F
2021 Preliminary Recap for Guadalupe County

April 23, 2021

Guadalupe County and Lateral Roads

- Enclosed are the current preliminary 2021 totals, as of 04/23/2021.
- This estimation uses a 5 - 7% downward change in values for the preliminary estimates of non-industrial properties. Major Industrial properties and Minerals were adjusted to reflect an estimated year-over-year change of -1.5% for the County and -1.5% for Lateral Roads. Applying these change estimates allows for a range of values to be established regarding preliminary estimated taxable values as follows at this time:

Guadalupe County - Estimated Preliminary Net Taxable Value Range

$15,678,151,270 *to* **$15,987,965,985**

Lateral Roads - Estimated Preliminary Net Taxable Value Range

$15,668,998,322 *to* **$15,977,485,446**

Relevant Items to Note:

- Continued impact for entity relative to qualifying for residential exemptions.
- The total value of new aircraft accounts ($6,846,120) located at the NB Airport, that had not submitted a rendition at the time of this letter, were not included in the above estimates.
- Initial run of 2021 Notices of Appraised Value mailed April 9, 2021.
- These are only preliminary estimated values and have been prepared prior to consideration of information provided in documents that confirm income/expenses, taxpayer renditions, exemption applications, such as TCEQ, Freeport, goods in transit, abatements, foreign trade zones or interstate commerce. As indicated in the cover letter, many of these documents are not yet overdue and many have not yet been supplied by the property owners or agents. These estimations do not consider any type of late protests, both of which cannot be known until such time that they are filed, which may occur up to the delinquency date for levy payments.

Disclaimer-*The above information is strictly an estimate, based on historical data, as well as information available as of today. Please be advised that the appraisal roll is subject to change, based on provisions in the Texas Tax Code. Any information that the Guadalupe Appraisal District is currently aware of regarding this jurisdiction has been indicated above. Also, please be advised that the 2021 Appraisal Roll is due to be certified by July 25, 2021. The analysis as well as the appraisals conducted may contain extraordinary assumptions based on the type and category of property being appraised. If it is discovered that the extraordinary assumption being made is found to be false, the appraiser's opinions or conclusions may be altered. The Guadalupe Appraisal District does not calculate any effective tax rates or ceiling levy information.*

Land	Value
Homesite:	1,702,993,110
Non Homesite:	2,148,487,481
Ag Market:	2,935,468,065
Timber Market:	0

Total Land	(+)	6,786,948,656

Improvement	Value
Homesite:	8,065,057,303
Non Homesite:	6,028,095,608

Total Improvements	(+)	14,093,152,911

Non Real	Count	Value
Personal Property:	4,917	2,120,797,179
Mineral Property:	3,162	89,390,005
Autos:	0	0

**less $6,846,120 = $2,113,951,059

Total Non Real	(+)	2,210,187,184
Market Value	=	23,090,288,751

Ag	Non Exempt	Exempt
Total Productivity Market:	2,933,851,065	1,617,000
Ag Use:	49,766,678	18,090
Timber Use:	0	0
Productivity Loss:	2,884,084,387	1,598,910

Productivity Loss	(-)	2,884,084,387
Appraised Value	=	20,206,204,364
Homestead Cap	(-)	295,466,562
Assessed Value	=	19,910,737,802
Total Exemptions Amount (Breakdown on Next Page)	(-)	3,121,986,533
Net Taxable	=	~~16,788,751,269~~

***Six new aircraft accounts for 2021 have yet to submit a rendition. The total values associated with these accounts were removed from estimates at this time; $6,846,120.*

****Adjusted Net Taxable = $16,781,905,149**

Freeze	Assessed	Taxable	Actual Tax	Ceiling	Count
DP	257,538,252	225,201,348	508,747.59	545,897.60	1,563
DPS	14,120,659	12,676,588	27,250.58	28,020.14	81
OV65	2,708,436,510	2,309,940,542	5,385,600.33	5,578,452.17	12,378
Total	2,980,095,421	2,547,818,478	5,921,598.50	6,152,369.91	14,022
Tax Rate	0.335400				

Freeze Taxable	(-)	2,547,818,478

Transfer	Assessed	Taxable	Post % Taxable	Adjustment	Count
DP	416,410	396,410	209,796	186,614	2
OV65	15,125,881	12,861,007	10,142,492	2,718,515	51
Total	15,542,291	13,257,417	10,352,288	2,905,129	53

Transfer Adjustment	(-)	2,905,129
Freeze Adjusted Taxable	=	14,238,027,662

APPROXIMATE LEVY = (FREEZE ADJUSTED TAXABLE * (TAX RATE / 100)) + ACTUAL TAX
53,675,943.28 = 14,238,027,662 * (0.335400 / 100) + 5,921,598.50

Calculated Estimate of Market Value:	23,070,353,495
Calculated Estimate of Taxable Value:	16,776,794,519

Tif Zone Code	Tax Increment Loss
2007 TIF	26,879,582

Tax Increment Finance Value:	26,879,582
Tax Increment Finance Levy:	90,154.12

Exemption Breakdown

Exemption	Count	Local	State	Total
AB	10	56,844,939	0	56,844,939
CHODO	1	712,800	0	712,800
DP	1,678	0	0	0
DPS	92	0	0	0
DV1	511	0	2,797,920	2,797,920
DV1S	74	0	302,500	302,500
DV2	552	0	4,120,591	4,120,591
DV2S	35	0	230,625	230,625
DV3	828	0	7,925,000	7,925,000
DV3S	53	0	427,500	427,500
DV4	5,910	0	39,253,467	39,253,467
DV4S	539	0	3,386,896	3,386,896
DVHS	3,435	0	1,034,702,841	1,034,702,841
DVHSS	186	0	43,542,514	43,542,514
EX-XD	3	0	42,983	42,983
EX-XD (Prorated)	1	0	9,331	9,331
EX-XG	16	0	2,480,422	2,480,422
EX-XJ	56	0	12,228,295	12,228,295
EX-XJ (Prorated)	1	0	14,689	14,689
EX-XL	5	0	460,858	460,858
EX-XN	153	0	34,315,600	34,315,600
EX-XR	45	0	101,959,967	101,959,967
EX-XU	22	0	2,272,467	2,272,467
EX-XV	1,739	0	973,693,629	973,693,629
EX-XV (Prorated)	4	0	156,836	156,836
EX366	166	0	34,114	34,114
FR	65	355,996,019	0	355,996,019
FRSS	1	0	208,112	208,112
HS	40,427	178,754,895	0	178,754,895
HT	1	0	0	0
LIH	1	0	1,577,000	1,577,000
MASSS	6	0	1,369,623	1,369,623
OV65	12,907	114,883,792	0	114,883,792
OV65S	986	8,456,267	0	8,456,267
PC	21	136,051,820	0	136,051,820
SO	132	2,772,221	0	2,772,221
	Totals	**854,472,753**	**2,267,513,780**	**3,121,986,533**

State Category Breakdown

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A	SINGLE FAMILY RESIDENCE	55,853	31,408.1401	$358,947,016	$12,909,962,602	$11,269,289,520
B	MULTIFAMILY RESIDENCE	592	185.5242	$30,759,553	$334,311,481	$334,165,762
C1	VACANT LOTS AND LAND TRACTS	7,371	6,438.7759	$106,235	$296,044,570	$295,750,449
D1	QUALIFIED OPEN-SPACE LAND	8,819	357,505.9310	$0	$2,933,851,065	$49,563,739
D2	IMPROVEMENTS ON QUALIFIED OP	2,716		$1,032,892	$42,864,156	$42,705,945
E	RURAL LAND, NON QUALIFIED OPE	7,404	25,425.5575	$23,728,346	$1,169,741,190	$1,083,261,831
F1	COMMERCIAL REAL PROPERTY	2,272	3,430.7607	$85,150,150	$1,440,636,116	$1,440,322,802
F2	INDUSTRIAL AND MANUFACTURIN	127	1,336.3978	$2,969,156	$598,234,036	$448,428,034
G1	OIL AND GAS	3,152		$0	$89,333,801	$89,333,801
J1	WATER SYSTEMS	6	7.5234	$0	$202,838	$202,838
J2	GAS DISTRIBUTION SYSTEM	11	1.1700	$0	$3,689,707	$3,689,707
J3	ELECTRIC COMPANY (INCLUDING C	106	41.1690	$0	$185,148,089	$185,119,750
J4	TELEPHONE COMPANY (INCLUDI	55	5.2865	$0	$17,120,209	$17,120,209
J5	RAILROAD	16		$0	$34,277,327	$34,277,327
J6	PIPELAND COMPANY	133	3.5773	$0	$18,672,090	$18,672,090
J7	CABLE TELEVISION COMPANY	13		$0	$10,309,415	$10,309,415
L1	COMMERCIAL PERSONAL PROPE	3,698		$0	$519,670,778	$491,582,352
L2	INDUSTRIAL AND MANUFACTURIN	420		$84,483,946	$1,125,017,656	$754,273,519
M1	TANGIBLE OTHER PERSONAL, MOB	4,450		$7,365,227	$102,443,450	$92,690,707
O	RESIDENTIAL INVENTORY	1,157	236.5699	$39,455,775	$65,400,553	$64,592,837
S	SPECIAL INVENTORY TAX	83		$0	$63,397,565	$63,397,565
X	TOTALLY EXEMPT PROPERTY	2,213	10,176.1240	$48,861,825	$1,129,960,057	$1,066
		Totals	436,202.5073	$682,860,121	$23,090,288,751	$16,788,751,265

CAD State Category Breakdown

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A1	RESIDENTIAL SINGLE FAMILY	48,496	21,399.9596	$346,559,537	$12,251,090,384	$10,680,839,130
A2	MANUFACTURED HOUSE REAL PRO	4,694	6,945.2357	$8,053,659	$451,228,448	$397,255,628
A3	SUBSTANTIAL NON-RES +$1000	1,637	1,700.5262	$760,400	$97,156,981	$94,149,906
A4	LEASEHOLD IMPR RESIDENTIAL	175	56.6581	$321,552	$16,825,758	$15,169,449
A6	PERSONAL PROPERTY MH ON LAND	2,138	1,305.7605	$3,251,868	$93,661,031	$81,875,408
B		1		$0	$1,577,000	$1,577,000
B1	MULTI-FAMILY (5 UNITS OR GREATEF	121	30.8188	$14,499,095	$211,738,705	$211,708,705
B2	MULTI-FAMILY (2-4 UNITS)	481	154.7054	$16,260,458	$120,857,866	$120,742,147
B4	LEASEHOLD DUPLEX RESIDENTIAL	3		$0	$137,910	$137,910
C1	VACANT RES & COMM LOTS	6,176	4,962.3754	$2,492	$293,915,068	$293,620,947
C3	NON BUILDABLE COMMON AREAS	1,196	1,476.4005	$103,743	$2,129,502	$2,129,502
D1	ACREAGE RANCH LAND	8,819	357,505.9310	$0	$2,933,851,065	$49,563,739
D2	IMPROVEMENTS ON QUALIFIED LAN	2,716		$1,032,892	$42,864,156	$42,705,945
D3	CULTIVATED LAND	6	22.6622	$0	$1,552,745	$1,552,460
D4	BARREN LAND	1	1.0000	$0	$13,570	$13,570
D5	NATIVE PASTURE LAND	38	45.0150	$29,788	$794,435	$794,215
E1	REAL FARM & RANCH IMPROVEMENT	4,307	7,923.5306	$19,888,207	$873,300,769	$800,120,157
E2	MANUFACTURED HOUSE REAL PRO	1,002	1,877.3796	$1,024,770	$65,525,607	$58,386,400
E3	REAL PROP & IMPROV ON NON QUA	728	1,328.9806	$952,216	$24,484,763	$23,526,762
E4	LEASEHOLD IMPR RESIDENTIAL	55	17.3930	$0	$4,721,851	$4,472,016
E5	RURAL LAND NON-QUALIFIED	1,570	13,711.4425	$99,935	$176,707,769	$174,425,357
E6	PERSONAL PROPERTY MH ON LAND	497	498.1540	$1,733,430	$22,639,681	$19,970,895
F1	REAL COMMERCIAL	2,161	2,951.7621	$85,052,195	$1,419,741,938	$1,419,428,624
F2	REAL INDUSTRIAL	127	1,336.3978	$2,969,156	$598,234,036	$448,428,034
F3	LAND WITH NON-STRUCTURAL IMP	85	478.5186	$97,955	$12,504,519	$12,504,519
F4	COMM/INDUST LEASEHOLD IMPR	35	0.4800	$0	$8,389,659	$8,389,659
G1	OIL, GAS AND MINERAL RESERVES	3,152		$0	$89,333,801	$89,333,801
J1	WATER SYSTEMS	6	7.5234	$0	$202,838	$202,838
J2	GAS COMPANIES	11	1.1700	$0	$3,689,707	$3,689,707
J3	ELECTRIC COMPANIES	106	41.1690	$0	$185,148,089	$185,119,750
J4	TELEPHONE COMPANIES	55	5.2865	$0	$17,120,209	$17,120,209
J5	RAILROADS	16		$0	$34,277,327	$34,277,327
J6	PIPELINES	133	3.5773	$0	$18,672,090	$18,672,090
J7	CABLE COMPANIES	13		$0	$10,309,415	$10,309,415
L1	TANGIBLE COMMERCIAL PERSONAL	3,698		$0	$519,670,778	$491,582,352
L2	INDUSTRIAL PERSONAL PROPERTY	420		$84,483,946	$1,125,017,656	$754,273,519
M1	MANUFACTURED HOUSE PERSONA	4,450		$7,365,227	$102,443,450	$92,690,707
O1	INVENTORY-RESIDENTIAL	1,157	236.5699	$39,455,775	$65,400,553	$64,592,837
S	SPECIAL INVENTORY	83		$0	$63,397,565	$63,397,565
X	EXEMPT	2,213	10,176.1240	$48,861,825	$1,129,960,057	$1,066
		Totals	436,202.5073	$682,860,121	$23,090,288,751	$16,788,751,267

New Value

TOTAL NEW VALUE MARKET:	**$682,860,121**
TOTAL NEW VALUE TAXABLE:	**$598,352,974**

New Exemptions

Exemption	Description	Count		
EX-XD	11.181 Improving property for housing with vol	4	2020 Market Value	$37,195
EX-XN	11.252 Motor vehicles leased for personal use	30	2020 Market Value	$1,171,896
EX-XU	11.23 Miscellaneous Exemptions	4	2020 Market Value	$395,813
EX-XV	Other Exemptions (including public property, r	23	2020 Market Value	$4,515,784
EX366	HOUSE BILL 366	21	2020 Market Value	$12,224
	ABSOLUTE EXEMPTIONS VALUE LOSS			**$6,132,912**

Exemption	Description	Count	Exemption Amount
DP	DISABILITY	28	$0
DPS	DISABLED Surviving Spouse	1	$0
DV1	Disabled Veterans 10% - 29%	21	$105,000
DV2	Disabled Veterans 30% - 49%	36	$266,250
DV2S	Disabled Veterans Surviving Spouse 30% - 49%	1	$7,500
DV3	Disabled Veterans 50% - 69%	68	$671,000
DV3S	Disabled Veterans Surviving Spouse 50% - 69%	2	$20,000
DV4	Disabled Veterans 70% - 100%	503	$3,542,855
DV4S	Disabled Veterans Surviving Spouse 70% - 100	23	$156,000
DVHS	Disabled Veteran Homestead	169	$54,879,295
HS	HOMESTEAD	1,806	$7,571,360
OV65	OVER 65	849	$7,603,462
OV65S	OVER 65 Surviving Spouse	9	$75,113
	PARTIAL EXEMPTIONS VALUE LOSS	**3,516**	**$74,897,835**
		NEW EXEMPTIONS VALUE LOSS	**$81,030,747**

Increased Exemptions

Exemption	Description	Count	Increased Exemption Amount
	INCREASED EXEMPTIONS VALUE LOSS		

TOTAL EXEMPTIONS VALUE LOSS **$81,030,747**

New Ag / Timber Exemptions

New Annexations

New Deannexations

2021 PRELIMINARY TOTALS

GCO - GUADALUPE COUNTY

Average Homestead Value

Category A and E

Count of HS Residences	Average Market	Average HS Exemption	Average Taxable
39,049	$247,841	$11,997	$235,844

Category A Only

Count of HS Residences	Average Market	Average HS Exemption	Average Taxable
35,999	$249,408	$12,028	$237,380

Lower Value Used

Count of Protested Properties	Total Market Value	Total Value Used
457	$126,457,491.00	$101,874,120