2024 Mass Appraisal Report

PREPARED FOR THE ENTITIES AND GENERAL PUBLIC, OF FANNIN COUNTY, TEXAS

Date of Appraisal: January 1, 2024

FANNIN CENTRAL APPRAISAL DISTRICT | EFFECTIVE DATE OF REPORT: MAY 1, 2024

Forward

 The Fannin Central Appraisal District has prepared and published this report to provide our citizens and taxpayers with a better understanding of the District's responsibilities and activities. This report has several parts: a general introduction and then several sections describing the appraisal responsibilities and efforts by the Appraisal District.

 The Appraisal District is responsible for the local property tax appraisal and exemption administration for twenty-six taxing jurisdictions in Fannin County which include the school districts of Blue Ridge, Bonham, Dodd City, Ector, Fannindel, Honey Grove, Leonard, North Lamar, Savoy, Sam Rayburn, Trenton, Whitewright and Wolfe City. Also included are Fannin County and the cities/towns of Bailey, Bonham, Dodd City, Ector, Honey Grove, Ladonia, Leonard, Pecan Gap, Ravena, Savoy, Trenton and the town of Windom. Fannin Farms Municipal Utility District was added for 2024. Where there are shared jurisdictional boundaries, Fannin Central Appraisal District has established procedures whereby ownership and property data/information are routinely exchanged. Appraisers from adjacent Appraisal Districts discuss data collection and valuation issues to minimize the possibility of differences in property characteristics, legal description, and other administrative data.

 Each taxing unit, such as the county, a city, school district, etc., sets its own tax rate to generate revenue to pay for such things as police and fire protection, public schools, road and street maintenance, courts, water and sewer systems and other public services. Appraisals established by the Appraisal District allocate the year's tax burden on the basis of each property's taxable value January 1st. The Appraisal District also determines eligibility for various types of property tax exemptions, such as those for homeowners, the elderly, disabled veterans, charitable, and religious organizations.

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Introduction

The Fannin Central Appraisal District is a political subdivision of the state. The jurisdictional boundary of the Appraisal District covers 899 square miles. The Constitution of the State of Texas, the Texas Property Tax Code, and The Rules of the Texas comptroller's Property Tax Assistance Division govern the operation of the appraisal district.

Mission Statement

The mission of the Fannin Central Appraisal District is to discover, list and appraise property as accurately, ethically and impartially as possible in order to estimate the <u>market value</u> of all property within the boundaries of the district for ad valorem tax purposes. The district must make sure that each property owner is given the same consideration, information, and assistance. This is accomplished by properly administering the laws under the property tax system and operating under the standards of:

➢ **The Property Tax Assistance Division of the Texas State Comptroller's Office (PTAD)**

➢ **The International Association of Assessing Officers (IAAO)**

➢ **The Uniform Standards of Professional Appraisal Practice (USPAP)**

Appraisal District Overview

Appraisal District Personnel Resources

The Chief Appraiser is primarily responsible for overall planning, organizing, staffing, budgeting, coordinating, and controlling District operations.

The Deputy Chief Appraiser, under the guidance of the Chief Appraiser, supervises the appraisal department and is responsible for the valuation of all real and personal property accounts. The property types appraised include commercial, residential, business personal, mineral, utilities, and industrial.

The District's appraisers are subject to the provisions of the Property Taxation Professional Certification Act and must be duly registered with the Texas Department of Licensing and Regulation (TDLR). Support functions such as records maintenance, release of information, providing general assistance to property owners, and hearings before the Appraisal Review Board are coordinated by personnel in support of the Property Tax Code requirements.

The Fannin Central Appraisal District contracts with Thomas Y. Pickett & Co., Inc. to appraise industrial personal property, industrial real property, utility properties (Category J) and mineral accounts (Category G).

As outlined in the approved 2024 Appraisal District Budget, the appraisal district staff consists of 22 employees as depicted in the following organization chart:

ORGANIZATIONAL CHART
Fannin Central Appraisal District

Board	Board	Board	Board	Board

Chief Appraiser
Tylene Gamble

Deputy Chief
Christie Ussery

Primary-Deputy Chief Otherwise-Directors			Primary- Deputy Chief on Appraisal - Otherwise-Directors

Director of Operations Amanda	Director HR/Finance Sara

Assessment/Collection LEAD	Deeds and Mapping LEAD	Operations LEAD					
Brandi	Linda	Angelica					
Assessment/Collection Specialist		Exemptions/Customer Service Specialist	HR/Finance Specialist	Business Personal Property	Commercial	Agricultural/Residential	Real Property
Brittany		Dana	Kelsey-PT	Dana	Travis	Meredith	Stephen
Assessment/Collection Specialist		Exemptions/Customer Service Specialist					
Hilton		Suwey					Mark
		Reception/Customer Service					Juanita
							Mike

Appraisal Records and Data

Fannin Central Appraisal District is responsible for establishing and maintaining 37,651 real and personal property parcels covering the entirety of Fannin County plus portions of Collin, Delta, Grayson, Hunt and Lamar Counties. The data includes property ownership, location, description, characteristics and exemption information. Property characteristics data is reviewed and updated as necessary through annual field efforts. New construction is inspected and documented into appraisal records. Sales are routinely validated during the course of the annual field inspections. General trends in market data are required through various sources, including internally generated questionnaires to buyers and sellers.

Mapping

Fannin Central Appraisal District utilizes a digital Geographic Information System (GIS) which is hosted on the District's server integrated with the Computer Assisted Mass Appraisal (CAMA) system and posted on the District's website at www.fannincad.org. The District's GIS vendor for maintenance and updates is BIS Consultants. The GIS is updated on a weekly basis as a matter of course. GIS corrections and special mapping projects are uploaded within two weeks of notification. The most recent imagery was flown January of 2021 by EagleView/Pictometry. Users of our GIS are able to select from five different mapping formats when using the online property search.

Information Systems

The District uses PACS/PACS Mobile by Harris/True Automation for its CAMA system. The District's website, information technology interfaces and property GIS is maintained by BIS Consultants.

Taxing Jurisdictions

The Fannin Central Appraisal District is responsible for appraising properties within the county boundaries. The following jurisdictions fall within that scope:

Fannin County	Blue Ridge ISD (Split with Collin County)
City of Bailey	Bonham ISD
City of Bonham	Dodd City ISD
City of Dodd City	Ector ISD
City of Ector	Fannindel ISD (Split with Delta County)
City of Honey Grove	Honey Grove ISD
City of Ladonia	Leonard ISD (Split with Hunt County)
City of Leonard	North Lamar ISD (Split with Lamar County)
City of Pecan Gap	Savoy ISD
City of Ravenna	Sam Rayburn ISD
City of Savoy	Trenton ISD (Split with Collin County)
City of Trenton	Whitewright ISD (Split with Grayson County)
Town of Windom	
City of Whitewright (Split with Grayson County)	Wolfe City ISD (Split with Hunt County)
	Fannin Farms MUD

Scope of Appraisal

Subject of Appraisal Report

As noted above, the Fannin Central Appraisal District is charged with the appraisal of all real estate and tangible personal property, unless specifically exempted, within its jurisdiction. More specifically, the Texas Property Tax Code directs, "except as otherwise provided…all taxable property is appraised at its full **market value** as of January 1st." Market Value, as defined below, is the type of value the Appraisal District seeks to determine.

Legal Requirements

This mass appraisal is made within the provisions of the Texas Property Tax Code (TPTC).

Administrative Requirements

This mass appraisal is conducted in accordance with the reappraisal plan of Fannin Central Appraisal District for 2023/202 and the methods and procedures described in the appraisal manuals of the District. Furthermore, the District subscribes to the standards of The Appraisal Foundation known as the *Uniform Standards of Professional Appraisal Practices* in accordance with Sec. 23.01 (b) of the TPTC.

Definition of Market Value

Market value for purposes of this mass appraisal is as defined by the Texas Property Tax Code, §1.04(7), and is as follows:

   "Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

   ✓ Exposed for sale in the open market with a reasonable time for the seller to find a purchaser;

✓ Both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and

✓ Both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

Client and Intended User

The client and intended users of the appraisals performed by the Appraisal District are the taxing entities that provide services to the citizens of the county.

Purpose and Intended Use

The purpose of the appraisal is to estimate the Market Value of all real and personal property, falling within the jurisdictional boundaries of Fannin County in an equitable and efficient manner for ad valorem tax purposes in accordance with the laws of the State of Texas.

Properties Identified

The descriptions of the properties included in this appraisal are included in detail within the appraisal records of Fannin Central Appraisal District. These descriptions include, but are not limited to the legal description, situs location, ownership, and detailed listing of the characteristics of the properties. The property identification is contained on the Appraisal Card, which is maintained for each parcel account.

Property Rights Appraised

Most properties are appraised in fee simple interest unless otherwise required by the Texas Property Tax Code. However, restrictions, easements, encumbrances, etc., are considered on an individual basis. Fractional interests or partial holdings are appraised in fee simple for the total property and divided proportionately based on the pro-rated interests. Fee Simple estate is defined by the Dictionary of Real Estate Appraisal 6th Ed., (published by the Appraisal Institute), page 90 as: "An absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat." In some properties where existing leases are in place, the Fee Simple interest is appraised subject to leasehold.

Assumptions and Limiting Conditions

The District has taken reasonable steps to secure adequate funding; however fiscal restraints do impact the mass appraisal process. Limited resources and personnel are available to perform the appraisals; therefore, it is not possible to physically inspect every property included on the appraisal roll every year. Physical inspections are performed at least once every three years. When physical inspections are conducted on real property, they are generally performed with exterior review only. It is assumed that the interior conditions are consistent with the exterior condition. When physical inspections were made for the valuation of personal property, inspections are made of the entire facility if allowed by the owner or management of the business.

Additional Assumptions and Limiting Conditions:

✓ The appraisals were prepared exclusively for ad valorem tax purposes.

✓ It is assumed that the title to the properties is good and merchantable.

✓ No liability is assumed for matters of a legal nature.

✓ Assumptions made in the report are based on the best knowledge and judgment of the appraiser and are believed to be typical of the market.

✓ All properties are appraised as if free and clear of any or all liens or encumbrances, unless otherwise stated.

✓ Existence of hazardous materials or other adverse environmental conditions are not considered, unless otherwise indicated.

✓ Any drawings, photographs, plans or plats are assumed to be correct and are included solely to assist in visualizing the property.

✓ It is assumed that there is full compliance with all applicable federal, state and local regulations and laws, unless otherwise noted.

✓ No responsibility is assumed for hidden or unapparent conditions in the property that may affect its value.

✓ It is assumed that all required licenses, certificates of occupancy, consents or other administrative authority from local, state or federal governments can be obtained or renewed for any use on which the value estimate contained in this report is based.

✓ A specific survey and analysis of properties to determine compliance with the provisions of the Americans with Disabilities Act has not been performed and possible non-compliance has not been considered in valuing these properties.

✓ While it is believed all information included in the appraisal is correct and accurate; the appraiser does not guarantee such.

✓ Verification of sales transactions are attempted through the following means: questionnaires to buyer and seller, telephone inquiry, field review or sales data obtained from the Comptroller and other sales data services.

Hypothetical Considerations

There are no hypothetical considerations considered or used in the development of this mass appraisal.

Date of Appraisal

As prescribed by the Texas Property Tax Code, the effective date of this appraisal is January 1st. In some instances, the date of the appraisal may be different for inventory. The owner of real property inventory may elect to have the inventory appraisal at its market value as of September 1 of the year preceding 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 accordance with Section 23.12, Texas Property Tax Code.

Date of Report

The date of this 2024 Mass Appraisal Report is May 14, 2024.

Documentation for Mass Appraisal

The documentation for this report is contained in the appraisal records, property cards, appraisal manuals, sales ratio studies and supporting data maintained by Fannin Central Appraisal District.

Value Reporting

The final value is reported in the Appraisal Notices that are sent to property owners in April. However, due to the equalization process, the value is subject to change based on the Appraisal Review Board's final ruling.

Site Inspection

The purpose of the site inspection is to verify the improvements (as defined by Texas Property Tax Code Section 1.04(3)) on the ground, evaluate the condition of the structures, document any change in the property from the last site inspection, confirm ownership, special appraisals or exemption entitlements and address any taxpayer concerns while on site. Diagrams of the reappraisal areas and appraiser production benchmarks are located in the 2023-2024 Reappraisal Plan, Appendix A. Per the 2023-2024 Reappraisal Plan, the reappraisal (site inspection areas) for 2024: Savoy ISD, Ector ISD, Whitewright ISD, Trenton ISD, Leonard ISD and Wolfe City ISD area for 2024. The district implemented the systematic site inspection/review of the 10,676 properties in these areas with a focus on Class, Condition, Configuration and Characteristics of the improvements.

A total of 10,676 parcels were inspected which accounted for 100 % site inspection rate.

Four C's

The purpose of the site inspection is to collect site-specific data that will be used in the analysis phase of reappraising properties. The four C's are what the appraiser is attempting to determine or verify. They are: The Classification of the property and the improvements situated on the property; the Condition of the improvements; the Characteristics of the property and the improvements and, finally; the Configuration of the property and the improvements situated on the property. The appraiser must account for all improvements situated on a property regardless of their contributory value.

Locked Gate/Posted No Trespassing

District appraisers will not attempt to enter properties with visible no trespassing signs or locked gates. Appraisers will make three attempts to contact property owners with locked gates or posted no trespassing signs in order to coordinate a date/time with the owner for the appraiser to gain access to the property. If no response is received from the owner after the second attempt, a final mailing is sent to the owner informing them of the necessity to utilize other approved methods (i.e. aerial photography/Unmanned Aerial Vehicle (UAV)) to inspect their property.

Use of Mobile Field Devices (iPad) Technology

The District opted out of the mobile technology in 2018. The technology was not ready for deployment in our district. However, iPads were utilized for GIS purposes in the field.

Reappraisal

Reappraisal, as opposed to site inspections, is the process of reviewing and analyzing real estate transactions, comparing findings from site visits, and conducting ratio studies within defined market areas. Changes are applied to existing improvement schedules land valuation tables based on the market forces within the market areas. Sales are evaluated to make sure they meet the definition of a fair market or "Arm's Length" transaction. The time period considered is the previous one to two years, depending on activity, for fair market transactions--duress or foreclosure sales are considered up to three previous years. The impact of the change in the market on properties in Fannin County is revealed in the form of preliminary value reports to the taxing units and the Notice of Value submitted to the taxpayers.

Mass adjustments are made to areas adversely impacted by the influence of the foreclosure sales when supported by data. The impact of the foreclosure market in a given area (ISD, Neighborhood and Subdivision) is calculated by comparing the foreclosure sale price per sq. ft. to the arm's length sale price per sq. ft. and is expressed by a percentile adjustment applied in mass to the affected area. The percentile adjustment is validated through the ratio study and model calibration process.

The District subscribes to and utilizes Marshall and Swift Residential and Commercial Cost Guides. These cost guides are approved and recognized by the Board of Directors and the Taxing Units supporting the Appraisal District functions as an authoritative source for basing improvement values within the county.   Cost schedules, building feature additions and reductions, economic life and depreciation tables are updated to mirror the changes made by the publishers of Marshall and Swift cost guides annually. Prescriptive local and cost multipliers as of January of the value year are used to coincide with the January 1st date of appraisal prescribed by law. All schedules and tables used to value properties are updated annually and are developed through ratio studies for each market area and strata. Timelines for task accomplishment and appraiser production standards for these processes are included in Appendix B and C respectively.

The District receives listings of all deeds filed for record with the County Clerk at the Fannin County Courthouse. Deeds are processed by the District's Deeds and GIS department staff. Information is scanned in the CAMA software including grantor, grantee, and date of recording, volume, and page number as recorded in the County Clerk's records. New Property Identification Numbers (PID's) are generated by the CAMA system when a deed splits the property or if the property is otherwise subdivided by recorded plat. All recorded deeds are processed within 30 days of the date of filing with the County Clerk.

Business personal property is located by site inspection, using data sources such as yellow pages, sales tax permit holder lists, commercial vehicle listings, renditions and other business listing publications to ensure that all property owners are located. Renditions are also required of utility companies, railroads, and pipelines. All businesses are mailed a rendition around January 1 of each year. Owners are required by state law to list all their business personal property--failure to render results in an immediate 10% penalty and a possible 50% penalty if fraud is involved in a false rendition.

Maps have been developed for years that show ownership lines for all real estate. These maps are stored digitally in the District's Geographic Information System (GIS) system and can be viewed by the public on the District's website at www.fannincad.org. The data and its maintenance are an ongoing effort of Fannin Central Appraisal District and our contracted GIS vendor.

Valuation Process

Introduction

The valuation process includes the development of well supported, value estimates based on the analysis of all pertinent general and specific data. There are three (3) district methods of data analysis; cost, sales comparison and income capitalization. Generally, one or more of these methods is employed in all estimations of value (all appraisal estimates are made in compliance with requirements as provided in the Texas Property Tax Code). The use or application of the different approaches is dependent upon the property type and quality and quantity of data available. In addition, the procedures of valuing real property, raw land, personal property and mineral interest vary somewhat from each property type. The following is a brief general description of the steps or procedures employed in the three (3) approaches and reconciliation of value:

Cost Approach

This approach is based upon the proposition that an informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the subject property. In valuing real property, the subject(s) site is first valued as if vacant by comparing it to the sale of similar use sites using the Sales Comparison Approach. Then the reproduction of replacement cost new is estimated for the subject improvements and from this, an amount is deducted for depreciation from all causes to arrive at value.

Sales Comparison Approach

This approach is based upon the proposition that an informed purchaser would pay no more for property that the cost to him of acquiring a similar property with the same utility. In this approach, similar properties that have recently sold are compared to the subject. Notable differences in the utilized comparable properties are adjusted to the subject in the process. Comparisons are made and are typically based upon age, location, size, financing, physical characteristics and terms of sale. These adjustments are abstracted from and/or otherwise supported to represent the actions of buyers and sellers in the market. The value range that is indicated by adjusted sales is correlated or reconciled into a final value estimate.

Income Approach

This is the process in which the anticipated flow of future benefits (dollar income or amenities) is discounted to a present-day worth figure through a direct capitalization or discount procedure. All expenses attributable to real estate are deducted from an effective gross income estimate to arrive at a forecast of applicable net income streams. The net income streams are then "capitalized" or "discounted" into value.

Reconciliation

Following the development of the applicable approaches to value, the strengths and weaknesses of each is weighed and measured. The approach or approaches that is/are deemed most reliable and pertinent is/are given most consideration in the final value indication of the property. The primary tool used for reconciliation is the appraisal-to-sale ratio study.

Mass Appraisal Methodology Employed

The task of Fannin Central Appraisal District, as noted above, is to appraise for ad valorem tax purposes, the Market Value of all real estate and personal property within its jurisdiction as of January 1st. Due to the vast number of properties involved, the methodology used by the district is "Mass Appraisal". Mass Appraisal is defined under USPAP as "the process of valuing a universe of properties as of a given date using standard methodology, employing common data and allowing for statistical testing. It is important to note that the district follows the standards, practices, procedures, and subscribes to the standards promulgated by the Appraisal foundation known as the Uniform Standards of Professional Appraisal Practices (USPAP) to the extent that they are applicable. 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.

Application of Mass Appraisal

Mass appraisal methodology employs the use of Mass Appraisal Models, which are mathematical expressions of how supply and demand factors interact in markets or sub-markets. These "models", are developed, by gathering specific information about each property. By using computer-assisted appraisal programs and recognized mass appraisal methods and techniques, we then compare that information with data for similar properties and with recent market data. (Sales prices, lease rates, cost, etc.) Personal property is also valued in a similar fashion, using mass appraisal techniques and methodology. As part of the mass appraisal methodology, statistical or performance testing of the results is required. As such, the district uses computer-based quality control testing and measures the outcome of each appraisal.

Performance Testing

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 (value in exchange) are typically represented by sales (i.e. a sales ratio study).

Independent, fee appraisals may also be used to represent market values in a ratio study (i.e. an appraisal ratio study). If there are not enough sales to provide a reliable pool of data, independent appraisals can be used as indicators for market value. This can be particularly useful for commercial, warehouse or industrial rent property for which sales are limited. In addition, appraisal ratio studies can be used for properties that are not appraised, by legal stature, at market value, but reflect the use-value requirement. An example of this are multi-family housing projects subject to subsidized rent provisions or other governmental guarantees as provided by legislative statues (affordable housing) or agricultural lands to be appraised on the basis of productivity or use value.

Fannin Central Appraisal District has adopted the policies of the International Association of Assessing Officers (IAAO) STANDARD ON RATIO STUDIES regarding its ratio study standards and practices

Ratio Studies

Overall sales ratios are generated on selected property types, or more often, in a specific geographic area (neighborhood) to allow appraisers to review general market trends in their area of responsibility. In many cases, field checks may be conducted to insure the ratios produced are accurate and the appraised values utilized are based on accurate property data characteristics. These ratio studies aid the appraiser by providing an indication of the market activity by economic area or changing market conditions (appreciation or depreciation). In addition, the Texas Comptrollers' Office conducts an overall independent performance test, covering all aspects of the Appraisal Districts valuation procedures.

MASS APPRAISAL MODEL DEVELOPMENT

The general steps, in building a mass appraisal model are:

- Primary market analysis of the region, areas, and neighborhoods
- Highest and Best Use analysis
- Collecting and verifying data on sales, cost, lease rates, cap rates, etc.
- Developing tables or schedules based on economic and appraisal theory
- Calibrating the tables or schedules using adjustments based on depreciation lease rates, etc.
- Applying the value of the model to properties in the district
- Reviewing the production of values for properties that fall outside of the model

Regional, Area and Neighborhood Market Analysis

Data on regional economic forces such as demographic patterns, regional location factors, employment and income patterns, general trends in real property prices, rents, and interest rate trends, availability of vacant land, construction trends and costs are collected from private vendors and public sources which collectively provide the field appraiser a current economic outlook on the real estate market.

Neighborhood analysis involves the examination of how physical, economic, governmental, social forces and other influences affect property values. 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 or for residential 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 a geographic grouping of properties where the physical, economic, governmental and social forces are generally similar and uniform. 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 and condition of dwelling, square footage of living area and story height. Delineation can involve the physical drawing of neighborhood boundary lines on a map, but can also involve statistical separation of 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. 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, tend to include population shift from older homes to newer homes. In the period of stability, or equilibrium, the forces of supply and demand are about equal. Generally, in the stage of equilibrium, older neighborhoods can be more desirable due to their facilities. The period of decline reflects diminishing 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 renewal, reorganization rebuilding, or restoration, which promotes increased demand and economic desirability.

Neighborhood identification and delineation is the cornerstone of the residential valuation system at the district. All the residential analysis work done in association with the residential valuation process is neighborhood specific. Neighborhoods are field inspected and delineated, based on observable aspects of homogeneity. Neighborhood delineation is periodically reviewed to determine if further neighborhood delineation is warranted. Whereas neighborhoods involve similar properties in the same location, a neighborhood group is simply defined as similar neighborhoods in similar locations. Each residential neighborhood is assigned to a neighborhood group based on observable aspects of homogeneity between neighborhood(s) available market data by linking comparable properties outside a given neighborhood.

Neighborhood grouping is highly beneficial in areas of limited or no sales.

Highest and Best Use Analysis

Definition

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value (*The Appraisal of Real Estate*, 14th Edition, p. 333, by the Appraisal Institute).

The highest and best use of property is the reasonable and probable use that supports the highest present value as of 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 improved property is normally its current use (Texas Property Tax Code Section 23.01 (d) provide exceptions in that market value for a residential homestead shall be determined solely on the basis of the property's value as a residence homestead, regardless of highest and best use). This is due largely to the fact that as long as the structures contribute value to the property, then removing them for a new use would be detrimental. At some point in time when the value of just the land, minus demolition, becomes greater than the value of the current use of the property, then highest and best has changed. This is particularly true in areas of transition, where old

structures are being torn down for new improvements, or an area of new growth changes land use from vacant tracts to new development. Determining the highest and best use of the land and the improved property will dictate how the property is compared to other properties. Matching similar properties is important in building a value model or schedule.

Collection of Data and Verification

Data collection of property involves maintaining data characteristics of the property within the appraisal administration software. The information includes site characteristics, such as land size and topography, and improvement data, such as square foot of living area, year built, quality of construction and condition. Appraisers use manuals that establish uniform procedures for listing real property in the appraisal administration software. All properties are coded according to these manuals and approaches to value are structured and calibrated based on this coding system. Data collection for personal property is also performed in a similar fashion and maintained in the appraisal administration software. The type of information maintained on personal property includes business inventory, furniture and fixture, machinery and equipment, cost and location. The field appraisers conducting on-site inspections use a personal property manual during their initial training as a guide to correctly list all personal property that is taxable.

Data collection is performed via a number of different sources or avenues. Resources for the discovery, describing and listing of property include, but are not limited to the following: new construction, field inspections by appraisal staff, renditions, deed records, sales tax permits, plat records and assumed name certificates filed for record with the Fannin County Clerk's office, building permits, newspapers and publications, phone books, general correspondence with owners, local fee appraisers, builders and realtors, newspaper publications, various subscriptions or services, Multiple Listing Service (MLS), maps and other appraisal records of the District.

The appraisal staff is responsible for collecting and maintaining the property characteristic data for classification, valuation, and other purposes. Accurate valuation of real and personal property by any method requires a physical description of personal property or land and building characteristics. The data collection effort involves the field inspection of real and personal property accounts; the goal is to periodically field inspect residential property every three years and personal property/commercial property at least every year. Meeting this goal is dependent on budgetary constraints for example the number of appraisers is needed to support the appraisal requirement and the frequency of each re-appraisal period.

Data collection procedures have been established for residential, commercial, and personal property. Residential, commercial and personal property appraisers work throughout Fannin County. Appraisers conduct field inspections and record information either on a property record card, personal property data sheet or a field review device (i.e. iPad/laptop). The appraisal staff is responsible for their own data entry of the fieldwork directly into the computer file.

Construction costs are gathered from available sources including, but not limited to the Marshall and Swift Valuation Service and local builders and developers for use in the cost approach to value.

Information for the sales comparison approach is gathered from properties within the appraisal district through the mailing of questionnaires to grantors and grantees, utilization of the local Multiple Listing Service (MLS), and all other available sources deemed reliable. Sales data is entered into the "Sales Module" of the appraisal database making it available for use by the appraisal staff. Sales are checked for validity by appraisal or clerical staff.

Rental rates, expenses and occupancy rates are gathered on income producing properties for use in the income approach to value through questionnaire mailings, owner filed property reports and telephone surveys.

Information relating to business personal property is collected during the normal discovery/inspection process and through owner filed renditions and property reports. Costs are also researched for personal property using various source documents and guides.

General trends in new construction techniques, construction costs, interest rates and other pertinent data are gathered from various sources such as trade journals, Marshall and Swift Valuation Service, university real estate research centers and any other sources deemed appropriate and reliable.

Property reviews are also compiled on property where information has been solicited and received from the owner. Mailings sent in mass or at the request of the property owner, frequently verify the property characteristics or current condition of the property. When the property data is verified in this manner, field inspections are sometimes required to confirm or verify.

Depreciation:

Depreciation is the loss in value of an improvement or personal property item due to physical deterioration, functional obsolescence and/or economic obsolescence. Each property, during the on-site review process, is assigned a depreciation factor based on the observed physical condition of the property. Additional adjustments may be made to the property for functional or economic obsolescence if conditions so warrant. Personal property is depreciated using the Marshall and Swift tables that encompass a remaining life and effective age approach.

Developing Tables or Schedules Based on Economic and Appraisal Theory

Property in the district is valued from schedules, typically using a comparative unit method. The schedules may be based on building costs, acquisitions costs, sales price per square foot, lease rate per square foot or some other unit of measure. Depending on the property type, the unit of comparison may be different; but the unit of measure is established in the market. Land is typically sold on a per square foot or per acre basis; personal property, is typically based on the cost to acquire; residences are measured on a price per square foot basis. Commercial property is sometimes measured on price per square foot basis, but is also measured by the income it produces. A table establishes the relationship or ratio of price/cost to square foot.

Calibrating Tables/Schedules Using Adjustments Based on Depreciation, Lease Rates, etc.

Because not all property is alike, adjustments need to be made to the mass appraisal model for differences in location, age, desirability, etc. Stratifying property from good to bad, best to worst and the different levels in between is necessary for a reliable analysis. In addition, differences in properties can be quantified for specific items; these items are then adjusted in the analysis to arrive at a more uniform model.

Applying the Values of the Model to the Properties in the District

After developing the mass appraisal model and adjusting it for the specific property type, and its different characteristics, the value indicated in the model is applied to the individual properties in the district. Typically, the valuation of residential property the price per square foot for a particular property would be applied to its building size (i.e. 1000 SF residence X $100/SF = $100,000 value).

Reviewing the Production of Values for Properties that Fall Outside the Model or Benchmark Property.

After preliminary estimates of value have been determined in sub-market areas, the appraiser reviews the computer-assisted values against his/her own appraisal judgment. During this review, the appraiser is able to physically inspect both sold properties and unsold properties for comparability and consistency of values.

LAND VALUATION

Introduction

Appraising the land involves the development of models or value tables, based on the property type (commercial, residential, industrial, rural, or agricultural). The different uses of property require a different unit of comparison. In the real estate market, commercial and industrial land is typically sold on a per square foot basis. Underdeveloped residential land typically sells on a per square foot or per acre basis, but developed residential lots will sell for example on a front foot basis, a square foot basis, or a whole unit basis.

As such, the land use or zoning will dictate the valuation table used. In addition, specific land influences are used where necessary, to adjust parcels outside the neighborhood norm for such factors as view, size, shape and topography, among others. The appraiser sometimes uses abstraction and allocation methods to ensure that the land values analyzed best reflect the contributory market value of the land to the overall property value.

Land Appraisal/Model Development

Similar to other property types, the general steps in the land appraisal process are development of:

- A primary market analysis of the region, areas, and neighborhoods that influence the properties that are being appraised. Supply, demand, interest rates, economic outlook, etc. are taken into consideration.

- A highest and best use analysis is performed for the property to other properties being appraised, looking at the most profitable use that is legal, physically possible and economically feasible.

- A collection and verification of data on sales, asking prices, land leases and land cap rates is made for all areas of Fannin County. This data is incorporated into the value schedules for the different properties and property types.

- Schedules or tables are then developed, based on economic and appraisal theory, using data garnered from across the county. The schedules are based on the unit of comparison that is dictated by the property type.

- Adjustments are made (calibrating) to the tables or schedules based on location, topography, size, zoning, etc. This makes the analysis more uniform and provides greater reliability.

- The values of the schedule are then applied to the properties in the district.

- Lastly, a review is made of the values for properties in the district and confirmed by ratio studies.

The process described above is repeated by the appraiser for each of the different property types in the district.

RESIDENTIAL VALUATION

Introduction

Fannin Central Appraisal District is responsible for developing uniform and equal market values for all residential improved properties.

Residential Appraisal Process/Model Development

Similar to other property types, the general steps in the residential appraisal process are development of:

1) A primary market analysis of the region, area, and neighborhoods that influence the properties that are being appraised. Supply, demand, interest rates, economic outlook, etc. are taken into consideration. Each appraiser analyzes the individual neighborhood where the properties are located that are the subject of appraisal.

2) A highest and best use analysis is performed for the property or properties being appraised, looking at the most profitable use that is legal, physically possible and economically feasible. The highest and best use of residential property is normally its current use. This is due to the fact that residential development, in many areas, through use of deed restrictions and zoning, precludes other land uses. Residential valuation undertakes reassessment of highest and best use in transition areas and areas of mixed residential and commercial use.

3) In areas of mixed residential and commercial use, the appraiser reviews properties in these areas on a periodic basis to determine, if changes in the real estate market requires reassessment of the highest and best use of a select population of properties.

4) A collection and verification of data on sales, asking prices, house leases and gross rent multipliers is made for all areas of the county if data is available. This data is incorporated into value schedules for the different properties and property types. Appraisers drive entire neighborhoods to review the accuracy of the existing improvement data and identify changes to the real estate.

5) Schedules or tables are then developed, based on economic and appraisal theory, using the data garnered from across the county. The schedules are developed using the unit of comparison that is dictated by the property type. Residential properties (improved) in the district are valued from cost and sales schedules using a comparative unit method, typically on price per square foot. The districts residential cost schedules have been customized to fit the local residential and labor market. The cost schedules are reviewed regularly and used largely to support the market approach. A sales file for the storage sales data is also maintained. Residential vacant land sales, along with commercial improved and vacant land sales are maintained in the sales data files. Residential improved sales are collected from a variety of sources, including: district questionnaires sent to buyers, field discovery, protest hearings, various sales, vendors, builders and realtors. A system of type, source, validity and verification codes was established to define salient facts related to a property's purchase or transfer.

6) The appraiser reviews every neighborhood annually, using sales ratio study/analysis. The first phase involves neighborhood ratio studies that compare the recent sales prices of neighborhood 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 sales. The appraiser based on the sales ratio statistics and designated parameters for valuation of data, makes a preliminary

decision as to whether the level of market value in a neighborhood needs to be updated in an upcoming reappraisal, or whether the level of market value in a neighborhood is at an acceptable level. The residential appraiser performs statistical analysis to evaluate whether value or equity is consistent. This analysis for each neighborhood is developed from the verified sales whenever enough sales for a said neighborhood exists that reflect a sample of the total properties within said neighborhood. Each verified sale contains the following characteristics: class, square footage of living area, year built, number of baths, condition, and garage, if any. The price per square foot along with the sales amount, and date of sale are also listed in the analysis. This analysis is referred to as the square foot analysis. The schedule or table is then calibrated. The statistical analysis along with the judgment of the appraiser establishes the opinion of value for the properties. After appraisal fieldwork and entering of data, a second ratio/analysis study is conducted to evaluate the new appraised values in relationship to the sales price as set out in the original sales analysis.

7) Lastly, a review is made of the values for properties that fall outside of the schedule. Once the market adjusted value factors are applied, a review or quality control study is made that compares recent sales prices with the proposed values.

Treatment of Residence Homesteads

Beginning in 1998, the State of Texas implemented a constitutional classification scheme concerning the appraisal of residential property that receives a residential homestead exemption. Under the new law, beginning the second year a property receives a homestead exemption increases in value of that property are "capped".

The value for tax purposes (appraised value) of a qualified residence will be the LESSOR of:

- The market value; or

- The preceding year's appraised value; PLUS 10 percent for each year since the property was reappraised; PLUS the value of any improvements added since the last re-appraisal.

Values of capped properties must be computed annually. If a capped property sells, the cap automatically expires as of January 1 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. New homes are treated differently: while a developer owns them, unoccupied residences are appraised as part of inventory using the district's land value and the developer's construction cost as of the valuation date. However, in the year following the sale, they are reappraised at market value.

COMMERCIAL/INDUSTRIAL VALUATION

Commercial-Industrial Appraisal Process/Model Development

The most basic or general steps in the commercial/industrial appraisal process are development of:

1. A primary market analysis of the region, areas, and neighborhoods that influence the properties that are being appraised. Supply, demand, interest rates, economic outlook, etc. are taken into consideration. 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 of rental rates, classification of projects, date of construction, overall market activity or other pertinent influences.

2. Economic area identification and delineation valuation system. All income model valuation (income approach to value estimates) is economic area specific. Economic areas are periodically reviewed to determine if re-delineation is required. The geographic boundaries as well as, income, occupancy rates, expense levels and capitalization rates are all considered in the development of value schedules or models, if that data is available.

3. A highest and best use analysis is performed for the property or properties being appraised, looking at the most profitable use that is legal, physically possible and economically feasible. 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. 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 properties current use is the same as its highest and best use. The analysis ensures that an accurate estimate of market value (which is based on value in exchange) is derived. It is important to remember that market value is based on the following assumptions: (i) no coercion of undue influence over buyer or seller in an attempt to force the purchase or sale (ii) well-informed buyers and sellers acting in their own best interest. (iii) a reasonable time for the transaction to take place, and (iv) payment in cash or its equivalent. In addition, "market value" should not be confused with "value in use", which represents the value of a property to a specific user for a specific purpose, and not to the general market. By definition, our task is to appraise at market value, which would be the value in exchange.

4. A collection and verification of data on sales price levels, capitalization rates, income multipliers, equity dividend rates, occupancy, marketing periods, expenses, rent levels, and actual construction cost, is made in all areas of Fannin County. The initial step in sales verification involves questionnaire, which is mailed to the buyer. If a questionnaire is answered and returned the documented responses are recorded into the sales database system. If no information is provided, verification is then attempted via other sources such as brokers, local appraisers, or other persons that may have the desired information. Finally, closing statements are often provided during the hearing process.

   The actual closing statement is the most reliable and preferred method of sales verification. This data is ultimately incorporated into the value schedules for the different properties and property types. All commercial and industrial properties located in Fannin CAD are coded according to similar use; the approaches to value are structured and calibrated based on this coding system. Weekly, sales transactions are verified and keyed into a database. This sales information is used in the model or schedule building and by the district's appraiser. Lastly, appraisers field inspect sales to review the accuracy of the existing data and identify changes that need to be noted.

5. Schedules or tables are then developed, based on economic and appraisal theory, using the data garnered from the sources noted above. The schedules are developed using the unit of comparison that is dictated by the property type. Commercial and industrial properties (improved) in the district are valued from cost, income and sales schedules using a comparative unit method. The following is a discussion of how a schedule is developed.

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 schedules are typically developed based using Marshall Swift Valuation Service data. Cost schedules begin with deriving the 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 are necessary to adjust cost data to reflect conditions in a specific market and changes in cost over a period of time. Because a national cost service is used as a basis for the cost schedules, local modifiers are necessary to adjust these base costs specifically for Fannin County. These modifiers are provided by the national cost services.

Depreciation schedules are developed based on what is typical for each property type at that specific age. Depreciation schedules have been implemented for what is typical for each major class of commercial properties by economic life categories. Effective age estimates are based on the observed amount of depreciation, and the wear and tear of the improvements. Remodeling and renovation decrease effect age of improvements; conversely, poor maintenance and abuse increase the effective age. Market adjustment factors such as external and/or functional obsolescence can be applied if warranted. It should be noted that industrial properties, due to their unique nature and construction. Many times, the only applicable valuation methodology is the cost approach. While the appraiser may employ a sales comparison approach, using for comparison the closest available plant in terms of output quantity type of product manufactured and other factors to estimate a value for the subject property, due to the many numbers of variables to consider, the value estimate via this approach may not be highly reliable.

Income Schedule: This income approach to value is applied to those properties which are typically viewed by market participants and "income producing" and for which the income methodology is considered a leading indicator of value. The first step in the income approach pertains to the estimation of market rent on a per units' basis. This is derived primarily from actual data furnished by property owners and from local market study publications. 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 then projected, based on actual data furnished by property owners or market sources.

The vacancy and collection loss allowance is subtracted from potential gross rent estimate to yield an effective gross rent. Next a secondary income or service income is calculated and added to the effective gross rent.

Secondary income includes parking income, escalations, reimbursements, etc. Allowable expenses are taken from the effective gross income to arrive at the Net Operating Income. Expense ratio estimates are also used in the calculations of the net income. Different expense ratios are developed for different types of commercial property based on use. Rates and multipliers are used to convert income into an estimate of market value. These include income multipliers, overall capitalization rates, and discount rates derived from the market. Rates and multipliers also vary between property types, as well as by location, quality, condition, design, age, and other factors.

Capitalization analysis is used in the income approach schedules. This methodology involves the capitalization of net operating income as an indication of market value for a specific property.

Sales Comparison (Market) Schedule: Although this methodology is utilized not only for estimating land value but also in comparing sales of similarly improved properties. As previously discussed in the Data Collection section of this report, pertinent data from actual sales of properties, both vacant and improved, is garnered throughout the year in order to obtain relevant information, which can be used in several aspects of valuation. An analysis or schedule is developed, comparing sales of similar type properties, and adjusting the schedule based on location, building size, age, condition, etc. Using a Market Schedule, many property types in the commercial and industrial area are reviewed annually to determine the present level of appraised value and uniformity of appraisal.

6. The strengths and weakness of each approach to value is determined, based on the applicability of the approach and the quantity and quality of the data. The schedules or approach that provides the greatest reliability is ultimately the approach that is given greatest emphasis. The values of the appropriate schedule are applied to those properties in the analysis.

7. Lastly, a review is made of the values for properties that fall outside of the schedule. Sometimes a highly customized or specialized commercial properties does not compare well to other similar properties. As such, key comments and explanations are provided to help the reader understand the appraisal process and the imperfection of it.

It should be noted that commercial appraisers are somewhat limited in the time available to field review all commercial properties of a specific use type. However, a major effort is made by appraisers to field review as many properties as possible or economic area experiencing large numbers or remodels, renovation, or retrofits, changes in occupancy levels or rental rates, new leasing activity, new construction, or wide variations in sales prices. Additionally, the appraisers frequently field review subjective data items such as building class, quality of construction (known as modifiers), for the property condition, physical, functional and economic obsolescence factors contributing significantly to market value of the property. In some cases, field reviews are warranted when sharp changes in occupancy or rental rate levels occur between building classes or between economic areas. While in the field, the appraiser physically inspects sold and unsold properties for comparability and consistency of values.

BUSINESS PERSONAL PROPERTY VALUATION

Introduction

The personal property appraiser is responsible for developing fair and uniform market values for business personal property located in Fannin CAD. There are basically three different personal property types appraised by the district's personal property appraiser.

Business Personal Property / Leased Assets; and Vehicles. The industrial personal property and utility accounts are appraised by Thomas Y. Picket and Associates Inc., by contract.

Business Personal Property Appraisal Process/Model Development

The valuation of business personal property is somewhat unique in that personal property is typically subject to changes year to year. Unlike real estate, which is immobile (in a fixed location), issues dealing with business personal property tend to be wide ranging. As such, the general steps in the business personal property process are somewhat different. These are:

1. SIC Code Analysis – Four-digit numeric codes, called Standard Industrial Classification (SIC) codes that were developed by the federal government. These classifications are used by appraisers as a way to classify personal property by business type.

2. Highest and Best Use Analysis – The highest and best use of a property is the reasonable and probable use that supports the highest present value as of the date of the appraisal.

3. The highest and best use must be physically possible, legal, financially feasible, and productive to its maximum. The highest and best use of personal property is normally its current use.

4. Data Collection Procedures – A collection and verification of data on business personal property, vehicles, and lease assets is made for all of Fannin CAD. The procedures for collecting this data are outlined below.

Business Personal Property – The district's property characteristic data was originally received from the various taxing units in the district: cities, schools, and county records in the 1980s, and updated as necessary through massive field data collection efforts coordinated by the district over a period of time.

When revaluation activities permit, district appraisers' collect new data via annual field reviews. This project results in the discovery of new business not revealed through usual sources. Various discovery publications such as court reported data and state sales tax listings are also used to discover personal property. City and local newspapers, phone books, courthouse records (assumed names records), state corporation records, and the public often provide the district information regarding new personal property and other facts related to property discovery.

▪Vehicles – An outside vendor provides Fannin CAD with a listing of vehicles within its jurisdiction. The vendor develops this listing from Texas Department of Transportation (DOT) Title and Registration Division records. Other sources of data include property owner renditions and field inspections.

▪Leased Assets – The primary source of leased assets is property owner renditions. Other sources of data include field inspection.

Schedules of tables are then developed, based on economic and appraisal theory, using the data garnered from sources noted above. The schedules are developed using the unit of comparison that is dictated by property type. The development of the different schedules is outlined below.

1. Cost Schedules – The cost schedules are developed by analyzing cost data from property owner's renditions, hearings, state schedules and published cost guides. The cost schedules are reviewed as necessary to conform to changing market conditions. The schedules are typically in a price per square foot format.

2. Depreciation Schedules and Trending Factors – Fannin CAD's primary approach to the valuation of business personal property is the cost approach. The replacement cost new (RCN) is either developed from property owner's reported historical cost or from the district's valuation model. The trending factors used by the district to develop RCN are based on published valuation guides. The percent good depreciation factors used by the Fannin CAD are based on published valuation guides. The index factors and percent good depreciation factors are used to develop Present Value Factor (PVF) by year of acquisition, as follows:

   PVF = Index Factor X Percent Good Factor

   The PVF is used as an "express" calculation in the cost approach. The PVF is applied to reported historical cost as follows:

3. Vehicles – 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 PVF schedules, or published guides.

4. Leased Assets – Leased assets are valued using PVF schedules mentioned above. 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 the appraiser using PVF schedules, or published guides.

5. A review is made of the values for properties that fall outside of the schedules.

Sometimes, highly customized or specific use business personal property does not compare well to other similar properties. As such, key comments and explanations are provided to help the reader understand the appraisal process and the imperfection of it.

It should be noted that personal property, like the commercial appraiser, is somewhat limited in the time available to field review all personal property of a specific type or use. However, a major effort is made by the appraiser to field review as many properties as possible.

UTITILITES, INDUSTRIAL PERSONAL PROPERTY

Minerals (Oil and Gas Reserves), Valuation Process

Fannin Central Appraisal District contracts with Thomas Y. Pickett & Associates. of Dallas, Texas, for the valuation of industrial personal property within the boundaries of the appraisal district. Please refer to the current Biennial Reappraisal Plan that was developed by the Appraisal District.

CERTIFICATION

The statement of facts in this report is true and correct.

The report analysis, opinions and conclusions are limited only by the report assumptions and limiting conditions and my personal, impartial and unbiased professional analysis, opinions and conclusions.

I have no present or prospective interest in the properties that are subject of this report, and I have no personal interest with respect to the parties involved.

I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analysis, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.

I have not made a personal inspection of all properties that are subject of this report.

Tylene Gamble

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Tylene Gamble, RPA, RTA, CTA, CCA
Chief Appraiser
Fannin Central Appraisal District