FREESTONE CENTRAL APPRAISAL DISTRICT

REAPPRAISAL PLAN

Tax Years 2027 and 2028

Prepared pursuant to Texas Property Tax Code
§§ 6.05(i) and 25.18

Adopted by the Board of Directors
September 9, 2026

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

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

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

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

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

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

WHEREAS the public was given notice of the public hearing to consider the 2027-2028 reappraisal plan thru the publication of a Public Notice of Hearing to Consider the 2027-2028 Reappraisal Plan for Freestone Central Appraisal District in the August 12, 2026, edition of the Freestone County Times; and

WHEREAS the Board of Directors did conduct a public hearing on September 9, 2026, to consider a reappraisal plan for 2027 and 2026; and

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

NOW THEREFORE BE IT RESOLVED that the appraisal and reappraisal activities for 2027-2028 shall be conducted in the manner outlined in the 2027-2028 Reappraisal Plan for Freestone Central Appraisal District unless otherwise amended by the board of directors.

Signed this the **9th** day of **September**, 2026.

Chairman

Secretary

Member

Member

Member

Member

Chief Appraiser

Table of Contents

Part 1 — Introduction and Legal Framework

1.1 Executive Summary

This Reappraisal Plan explains how the Freestone Central Appraisal District (the “District” or “FCAD”) will review and update the appraised value of taxable property in Freestone County during the 2027 and 2028 tax years. It is written to satisfy the requirements of the Texas Property Tax Code and to give property owners, taxing units, and the Board of Directors a clear picture of the work the District will perform.

Texas law requires the District to appraise all property at its market value as of January 1 each year, and to review and update the characteristics of every property at least once every three years. To meet this obligation with the resources of a rural district, FCAD reviews the appraised value of property throughout the county every year using market and sales data, and physically inspects approximately one-third of the county each year on a three-year rotating cycle. The District supports these inspections with high-resolution aerial photography, so that field staff time is focused where property is most likely to have changed.

A change in a property’s appraised value does not automatically mean a change in taxes. Appraised value is only one part of the property tax equation; the tax rates set by local taxing units, together with exemptions and appraisal limitations, also determine the final tax bill. The District determines value only; it does not set tax rates or decide how much tax a property owner will pay.

This Plan is proposed by the Chief Appraiser and adopted by the Board of Directors following a public hearing. Once adopted, it guides the District’s appraisal operations for the two-year period and is not revised unless an unusual circumstance — such as a natural disaster — requires an amendment. Property owners retain the right to review the District’s records concerning their property and to protest their appraised value each year through the Appraisal Review Board.

1.2 Mission and Purpose

The mission of the Freestone Central Appraisal District is to discover, list, and appraise property as accurately, ethically, and impartially as possible to estimate the market value of all property within the boundaries of the District for ad valorem tax purposes. The District ensures that each taxpayer is given the same consideration, information, and assistance as the next, and administers the property tax laws of the State of Texas uniformly and in good faith.

District personnel are educated and informed regarding property tax law, appraisal practice, and the rights of taxpayers and taxing units. This is accomplished through participation in workshops sponsored by the Texas Association of Appraisal Districts (TAAD), the Texas Association of Assessing Officers (TAAO), and the Texas Rural Chief Appraisers Association, as well as through local in-house staff development. The District promotes and adheres to the professional standards and ethics established by the Texas Department of Licensing and Regulation (TDLR), the Appraisal Standards Board of The Appraisal Foundation (USPAP), the International Association of Assessing Officers (IAAO), and the Property Tax Assistance Division of the Texas Comptroller of Public Accounts (PTAD).

1.3 Legal Mandate and Plan Period

The Freestone Central Appraisal District is a political subdivision of the State of Texas, established by the Texas Legislature in 1979 and charged with the appraisal of all taxable property within its boundaries. The legal, statutory, and administrative requirements governing the District are found in the Texas Property Tax Code and in Title 34, Part 1, Chapter 9 of the Texas Administrative Code.

Texas Constitution, Article VIII, Section 1, requires that all taxation be equal and uniform and that property be taxed in proportion to its value. Because market values change continuously and at different rates, appraisal uniformity can be maintained only through frequent revaluation of the factors that affect market value.

Tax Code Section 23.01(a) requires the District to appraise all taxable property at its market value as of January 1 of each tax year, using generally accepted appraisal methods and techniques.

Tax Code Section 6.05(i) requires the Board of Directors to develop, biennially, a written plan for the periodic reappraisal of all property within the boundaries of the District according to the requirements of Section 25.18, and to hold a public hearing to consider the proposed plan. The plan must be adopted by the Board no later than September 15 of each even-numbered year and distributed as described in Section 1.5 of this Plan.

Tax Code Section 25.18 requires the District to implement the reappraisal plan approved by the Board and to provide for the following reappraisal activities for all real and personal property in the District at least once every three years:

> *(1) identifying properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps, and property sketches;*
>
> *(2) identifying and updating relevant characteristics of each property in the appraisal records;*
>
> *(3) defining market areas in the district;*
>
> *(4) identifying property characteristics that affect property value in each market area, including: (A) the location and market area of property; (B) physical attributes of property, such as size, age, and condition; (C) legal and economic attributes; and (D) easements, covenants, leases, reservations, contracts, declarations, special assessments, ordinances, or legal restrictions;*
>
> *(5) developing an appraisal model that reflects the relationship among the property characteristics affecting value in each market area and determines the contribution of individual property characteristics;*
>
> *(6) applying the conclusions reflected in the model to the characteristics of the properties being appraised; and*
>
> *(7) reviewing the appraisal results to determine value.*

Preservation of Annual Market-Value Authority

Consistent with Tax Code Section 25.18(a), as amended by Senate Bill 973 (89th Legislature, Regular Session, 2025, effective September 1, 2025), nothing in this Plan — including the three-year inspection cycle, the route schedules, or any target date set forth herein — constitutes a standard or timeline that prevents or limits the Chief Appraiser from appraising any property as necessary to comply with the market-value requirements of Section 23.01(a). **The Chief Appraiser retains full authority and the duty to reappraise any property, in any year, whenever market conditions, new construction, corrections, or other circumstances warrant, regardless of the area's position in the reappraisal cycle.**

Plan Period and Reappraisal Cycle

This Plan governs the 2027 and 2028 tax years, with assessment dates of January 1, 2027, and January 1, 2028. As permitted by Section 25.18, the District satisfies the "at least once every three years" requirement through a rotating three-year physical inspection cycle covering approximately one-third of the county each year, described in Part 3 of this Plan.

For purposes of this Plan, a **reappraisal year** is a year in which a scheduled inspection area is physically reviewed and revalued, and a **non-reappraisal year** is a year in which that area is monitored for new construction and changes in property characteristics and its values are verified and updated through market analysis and ratio study. Under both circumstances, appraised values throughout the county are reviewed annually and are subject to change to reflect market value as of January 1.

According to the most recent U.S. Census Bureau estimate, Freestone County has a population of approximately 20,811 — well below the 75,000 population threshold used in the Property Tax Code to distinguish larger appraisal districts. The District's rural character, dispersed parcels, and predominance of agricultural and open-space land make a rotating three-year physical inspection cycle, supported by high-resolution imagery and annual market analysis, both statutorily compliant and operationally appropriate.

1.4 Taxing Units Served

The District appraises taxable property for the following taxing units whose territory lies wholly within Freestone County:

- Freestone County
- City of Fairfield
- City of Teague
- City of Wortham
- Dew Independent School District
- Teague Independent School District
- Teague Hospital District

In addition, the District appraises the Freestone County portion of taxable property for taxing units whose territory extends into more than one county. These units include the school districts and other entities serving the Fairfield, Teague, Wortham, and surrounding communities that cross county lines:

- City of Streetman
- Buffalo ISD
- Fairfield ISD
- Oakwood ISD
- Corsicana ISD
- Wortham ISD
- Mexia ISD
- Fairfield Hospital District

1.5 Plan Adoption, Public Hearing, and Distribution

In compliance with Tax Code Section 6.05(i), the Chief Appraiser submitted this proposed Reappraisal Plan to the Board of Directors, and the Board held a public hearing to consider its adoption. Written notice of the date, time, and place of the public hearing was delivered to the presiding officer of the governing body of each taxing unit participating in the District not later than the 10th day before the date of the hearing.

Within 60 days after the date of adoption, the District will distribute a copy of the approved Plan to the presiding officer of the governing body of each taxing unit participating in the District and to the Texas Comptroller of Public Accounts, as required by Section 6.05(i).

If circumstances require a change to this Plan during the two-year period — such as a natural disaster or a material change in law — the Board may amend the Plan. Any amended plan will be adopted after a public hearing and distributed to the taxing units and the Comptroller within 60 days of the amendment, in the same manner as the original.

Part 2 — Responsibilities, Resources, and Appraisal Methodology

2.1 Personnel and Responsibilities

The Chief Appraiser is the chief administrator of the District and is responsible for discovering, listing, and appraising property; determining exemption and special-use applications; organizing periodic reappraisals; and notifying taxpayers, taxing units, and the public of matters that affect property values. The Chief Appraiser employs and directs the District's staff and oversees all aspects of the District's operations, either directly or through staff. All District appraisers, including any contracted to the District, are required to be registered — or actively working toward registration — as Registered Professional Appraisers with the Texas Department of Licensing and Regulation.

Staff resources are organized into administrative, appraisal, taxpayer-assistance, mapping, and records-management functions. The individuals providing significant mass appraisal assistance, their responsibilities, and (for registered appraisers) their TDLR registration numbers are identified below.

Staff Member	Role and Responsibilities	TDLR Reg. No.
Don Awalt, RPA/CTA/CCA	Chief Appraiser — district administration; discovery, listing, and appraisal; exemptions and special-use; organizing reappraisals; taxpayer, taxing-unit, and public notice; designated custodian of records	69620
Jason Moore, RPA	Deputy Chief Appraiser — district administration; maintenance and verification of sales data; review and inspection of land and agricultural / timber / wildlife-management property; appraisal model calibration	75365
Carol Clark	Administrative Assistant — maintenance of finance, personnel, Board of Directors, Appraisal Review Board, Ag Advisory, and other administrative records	—
Debbie Hunt, RPA	Field Appraiser — on-site inspection of real property as assigned in the reappraisal plan; value defense at informal and ARB hearings	75538
Coltin Bottoms, RPA	Field Appraiser — on-site inspection of real property as assigned in the reappraisal plan; value defense at informal and ARB hearings	76518
Trent Neely, Class II	Field Appraiser — on-site inspection of real property as assigned in the reappraisal plan; value defense at informal and ARB hearings	78061
Tina Gilley-Lee, Class II	Business Personal Property Appraiser — on-site inspection of income-producing personal property; review and entry of owner renditions	76691

Staff Member	Role and Responsibilities	TDLR Reg. No.
Jazmin Espinoza	Appraiser's Assistant — on-site inspection support, aerial review, and CAMA data entry	—
Amari Malone	Appraiser's Assistant — on-site inspection support, aerial review, and CAMA data entry	—
Molly Loftin	Appraiser's Assistant — on-site inspection support, aerial review, and CAMA data entry	—
Carson Carroll	Taxpayer Assistance Clerk — public's first point of contact in person and by phone; general information, guidance in accessing records, and assistance with applications and reports; primary staff for homestead exemption qualification and application	—
Melissa Owens	Mapper — all cadastral mapping functions; maintenance of the District's GIS and property-ownership records	—
Desiree Frasier	Records Management Coordinator — daily preservation of District records; response to public information requests submitted via the District's general information email account	—

Contracted appraisal services. The District has contracted Pritchard & Abbott, Inc. for the appraisal of mineral, industrial, and utility accounts. The methodology employed by Pritchard & Abbott for these property types is incorporated into this Plan as **Addendum A**. Pritchard & Abbott appraisers are registered, or working toward registration, with the TDLR as required by law.

2.2 Appraisal Resources

To accomplish the requirements of state law and this Plan, the District maintains resources that meet professional standards. These resources include the computer-assisted mass appraisal (CAMA) system, the geographic information system (GIS) mapping system, aerial imagery, cost and market data services, and legal research resources.

- **CAMA system.** The District maintains all property characteristics, appraisal schedules, sales, and value records in its CAMA system, which supports mass appraisal modeling, ratio study analysis, and the production of appraisal records and notices.
- **GIS mapping system.** The District maintains a GIS database of parcels, into which orthophoto, oblique, soil, topographic, and other raster layers are imported to support property pre-inspection, discovery, and identification of value-influencing characteristics.
- **Aerial imagery (primary).** The District primarily relies on EagleView (Pictometry) ortho and oblique imagery purchased exclusively for the District. The entire county is flown every two years at a minimum resolution of six inches per pixel. The area containing and surrounding the fast-growing Freestone Lake and Golf Club development is flown annually at a resolution of one inch per pixel.
- **Aerial imagery (secondary).** USDA aerial photography and Google Earth imagery are used as supplementary sources during desktop review and discovery.

- **Cost and market data.** The District uses Marshall & Swift valuation guidelines for residential, multi-purpose, and commercial improvements, calibrated to local market data; an MLS subscription and other market data services; NRCS soil classification data; and USGS topographic maps.
- **Manuals and schedules.** The District publishes and maintains its appraisal manual, schedules, property characteristics, policies, and procedures on a local intranet available on every computer in the network domain and for public inspection on the District's public-access workstations.

2.3 Identifying Properties to Be Appraised [§ 25.18(b)(1)]

The District identifies the properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps, and property sketches.

Because Freestone County is large, rural, and largely unzoned, the District relies on multiple discovery sources in addition to field inspection. Newly created, improved, or changed properties are identified from:

- City building permits
- Material and mechanic's liens filed in the County Clerk's Official Records
- Mobile home installation reports (Texas Department of Motor Vehicles) and manufactured-home location lists (Texas Department of Housing and Community Affairs)
- Utility connection reports and septic-system permits
- 911 address assignments and subdivision maps
- Deeds and other legal documentation recorded in the county real property records
- Comptroller sales-tax lists, newspaper and internet advertisements, and renditions
- Reports from the Railroad Commission of Texas and owner/operators for producing oil, gas, and mineral parcels

The District coordinates its discovery and valuation activities with adjoining appraisal districts — through field visits, interviews, and data exchanges — to promote consistency across county lines and compliance with state law. The statute's express recognition of aerial photographs and other reliable means of identification supports the District's imagery-assisted approach to identifying property in a dispersed rural jurisdiction.

2.4 Identifying and Updating Property Characteristics [§ 25.18(b)(2)]

The District identifies and updates the relevant characteristics of each property in the appraisal records through a combination of scheduled field inspection and desktop (virtual) review, on a three-year rotating cycle.

Scheduled field review of each rotation area begins in the fall of the year preceding the tax year, following the route schedules in Part 3. During field and desktop inspection, appraisers verify the data recorded on the District's property records and identify changes in property condition — including new construction, remodeling, additions, demolitions, fire or other damage, and physical deterioration — and update land and improvement characteristics accordingly. Land records in the scheduled area are reviewed using current imagery to update soil classification (per NRCS standards), calculated acreage and ground cover, and acreage affected by gas-well pads and pipeline or electric-transmission rights-of-way.

All business personal property used for the production of income within the reappraisal area is scheduled for on-site inspection. During these inspections, the appraiser verifies ownership and classifies inventory, furniture, and fixtures by quality and density so that owner renditions can be verified when received.

Imagery-Assisted Inspection and IAAO Alignment

The District's imagery program meets or exceeds the minimum imagery considerations of the IAAO *Standard on Mass Appraisal of Real Property* (2025), Section 3.3.5. For a rural jurisdiction, the Standard establishes minimum orthophoto and low-level oblique resolution of 12 inches per pixel, refreshed every six to ten years in slow-growth areas. The District's county-wide imagery at six-inch resolution on a two-year flight cycle exceeds both the resolution and the refresh minimums, and the annual one-inch imagery of the Freestone Lake and Golf Club area applies urban/suburban-grade specifications to the county's one fast-growth area.

Consistent with Section 3.3.5, the District verifies quality-grade and physical-condition determinations are verified by the District through its physical field-inspection rotation and on-site review triggered by a sale, a building permit, or catastrophic damage. Property characteristics are field- or desktop-verified on the District's three-year cycle, which exceeds the Standard's recommendation (Section 3.3.6) that characteristics be verified at least every four to six years. To ensure data quality, a sample of inspected properties is verified using a secondary inspection method, consistent with Section 3.3.2 of the Standard.

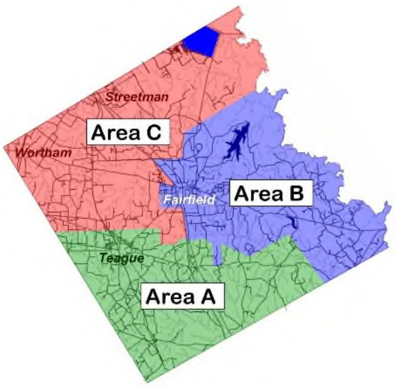
2.5 Defining Market Areas [§ 25.18(b)(3)]

The District defines market areas within the District so that the appraisal model can be adjusted for the effect of location.

At the most general level, the boundaries of Freestone County constitute a single market area, which is divided into the three geographic inspection areas that make up the District's three-year cycle. Within those areas, all real property is grouped into market areas (neighborhoods) based on locational influences and trends recognized through the analysis of sales and real estate listings. Sales-ratio analysis is used to identify and refine these neighborhoods, which allow the appraisal model to be adjusted for each property's physical location. Property inside a city typically reflects a different market than rural property, and specific subdivisions may reflect distinct markets due to restrictions and amenities. A current listing of established neighborhoods, with a general location map, is attached as Addendum B.

Within each identified neighborhood, the highest and best use of property is considered. Highest and best use is that use which produces the highest net return to the property over a reasonable period of time and which is physically possible, legally permissible, financially feasible, and most productive.

Three-Year Inspection Areas



Area	General Location	Communities and Cities
Area A	Southern third of the county	City of Teague; Donie, Freestone, and Dew; Teague, Mexia, Buffalo, and Dew ISD areas
Area B	Central and eastern section	City of Fairfield; Fairfield and Oakwood ISD areas
Area C	Northern and western section	Cities of Wortham, Kirvin, and Streetman; Steward’s Mill, Winkler, St. Elmo, and the Richland-Chambers Lake area; Wortham ISD and northern Fairfield ISD areas

2.6 Property Characteristics Affecting Value in Each Market Area [§ 25.18(b)(4)]

The District identifies the property characteristics that affect property value in each market area, including the four categories specified by Section 25.18(b)(4):

- **(A) Location and market area.** The District records each property’s geographic location, neighborhood, and market area. It applies neighborhood location factors derived from sales-ratio analysis, including the effect of city versus rural location, subdivision, view, and water frontage such as the Richland-Chambers Reservoir.
- **(B) Physical attributes.** The District records physical attributes such as size (square footage and land area), age (chronological and effective), condition, construction type and quality, and other improvement characteristics.
- **(C) Legal and economic attributes.** The District records legal and economic attributes such as ownership, legal description, land-use classification, special valuation status (including 1-d-1 open-space, timber, and wildlife-management use), exemptions, and income or lease characteristics relevant to income-producing property.
- **(D) Encumbrances and restrictions.** The District considers easements, covenants, leases, reservations, contracts, declarations, special assessments, ordinances, or legal restrictions that affect value — including pipeline, electric-transmission, and roadway easements, deed restrictions, and gas-well pad rights-of-way — to the extent they are discoverable from recorded instruments, imagery, and field review.

2.7 Appraisal Models and Valuation Approaches [§ 25.18(b)(5)]

The District develops appraisal models that reflect the relationship among the property characteristics affecting value in each market area and determine the contribution of individual property characteristics. The District develops and applies the cost, sales comparison, and income approaches to value, as appropriate to each property type, using generally accepted mass appraisal methods and techniques.

Residential and Improved Property — Cost Approach

The cost approach is the primary approach for improved property. Residential appraisal models are cost-based tables built on Marshall & Swift valuation guidelines and modified by local market data, reflecting the price paid per square foot as the common unit of comparison. Models are divided into six dominant construction types (frame, brick, plywood, synthetic plaster, steel, and log), each further divided into ten quality types. Depreciation is applied through eight condition ratings based on the effective age of the structure, which accounts for remodeling or extensive repair beyond chronological age. The value of extra items (such as fireplaces and swimming pools) is based on contributory value estimated through paired-sales analysis where available. The basic formula used to estimate market value is:

$$LV + ((SF \times C) \times WH \times \%GD \times \%FC \times \%EC \times NH) = MV$$

where MV = market value; LV = land value at highest and best use; SF = square footage of the area type; C = area cost from the appraisal model; WH = wall-height adjustment; %GD = age/condition rating; %FC = functional-obsolescence adjustment; %EC = economic-obsolescence adjustment; and NH = neighborhood location factor.

Sales Comparison Approach

The District aggressively seeks and collects valid sales information to calibrate its appraisal models. Sales are collected from letters sent to buyers and sellers as ownership records change, closing statements and title policies provided by property owners, realtors and fee appraisers, and MLS listings, and are supplemented by review of real estate offerings in local newspapers and on internet sites. Verified sales are entered into the District's sales database, where sales-ratio reports identify areas and property classes needing review and adjustment.

Income Approach

The income approach is developed for income-producing property where appropriate, including multi-family (Category B) property, for which the District gathers income and expense information through questionnaires and surveys. Dealer's special inventory is appraised, as provided by law, based on the average of the monthly sales reported by the property owner for the preceding year. The income approach is generally not developed for owner-occupied residential property, for which the cost and sales comparison approaches are more reliable.

Land and Agricultural (1-d-1 Open-Space) Property

Land is valued at highest and best use using schedules calibrated to market data, with acreage and ground cover determined from imagery and GIS and adjustments for soil classification and for acreage encumbered by gas-well pads and pipeline or transmission rights-of-way. Qualified open-space (1-d-1) land, timber land, and wildlife-management-use land are appraised based on productivity value in accordance with Subchapters C, D, and H of Chapter 23 of the Tax Code. The District's annual process for reviewing intensity standards, analyzing cash-lease and income-and-expense data, calculating productivity values by land class, and presenting them to the Agricultural Advisory Board is described in Section 3.5.

Mineral, Industrial, and Utility Property

Mineral, industrial, and utility accounts are appraised by Pritchard & Abbott, Inc. under contract with the District, using reports from the Railroad Commission of Texas and owner/operators and the methodology set out in **Addendum A**.

Business Personal Property

Business personal property is primarily appraised from owner renditions verified against on-site field observations of quality and density. Where no value is rendered, or the rendered value is lower than field-observed quality and density ratings, the appraiser applies the District's appraisal models.

2.8 Applying Model Conclusions [§ 25.18(b)(6)]

The District applies the conclusions reflected in its calibrated models to the characteristics of the properties being appraised. Neighborhood (market-area) factors are reviewed and adjusted annually to reflect the effect of location, and cost schedules are updated to current market levels. Final appraisal model calibration is performed in February and March, before the preparation of notices of appraised value, so that the models applied are reflective of the local market as of January 1. Models are applied uniformly to all properties sharing the relevant characteristics within a market area, so that similarly situated properties are valued consistently.

2.9 Reviewing Appraisal Results and Performance Analysis [§ 25.18(b)(7)]

The District reviews its appraisal results to determine value through an annual performance analysis of its appraisal models.

The District conducts an internal ratio study each year, following the IAAO *Standard on Ratio Studies* and designed to satisfy the standards under which its appraisals are independently evaluated by the Property Tax Assistance Division (PTAD). Sales are screened for validity under the IAAO *Standard on the Verification and Adjustment of Sales*, and the ratio of appraised value to sale price is analyzed by market area and property category to guide model calibration and to test final values before notices are mailed. The study evaluates two distinct aspects of appraisal performance — the level of appraisal and the uniformity of appraisal.

Level of appraisal. The level of appraisal indicates whether appraised values, overall, meet the legally required standard of 100 percent of market value. The District measures level using the three common measures of central tendency — the median, mean, and weighted mean ratio — with the median serving as the primary indicator because it gives equal weight to each ratio and is not distorted by outlier sales. Consistent with the standard applied by PTAD, the District seeks a median level of appraisal between 0.95 and 1.05 — within five percent of market value — for each studied property category and for the District overall. This target is tighter than the 0.90 to 1.10 range in the IAAO Standard on Ratio Studies and reflects the Texas standard under which the District is evaluated.

Uniformity of appraisal. Uniformity measures consistency and equity of values. The District evaluates horizontal uniformity — how consistently property is appraised at the same percentage of market value, regardless of value — using the coefficient of dispersion (COD) together with the percentage of properties whose ratios fall within 10 percent and within 25 percent of the median. The COD represents the average percentage deviation of ratios from the median; lower CODs and higher within-range percentages indicate more uniform appraisal. Reflecting the District's profile as a rural jurisdiction, the applicable COD ranges from the IAAO Standard on Ratio Studies are 5 to 20 for single-family and manufactured residential property, 5 to 25 for income-producing property and residential vacant land, and 5 to 30 for other non-agricultural vacant land.

The District evaluates vertical equity — whether lower- and higher-value properties are appraised at comparable ratios to market value — using the price-related differential (PRD) and the coefficient of price-related bias (PRB). The District seeks a PRD between 0.98 and 1.03 (calculated as the mean ratio divided by the weighted mean ratio) and a PRB between −0.05 and +0.05 and regards a PRB outside the range of −0.10 to +0.10 as unacceptable. Because the PRD can be unreliable in small or outlier-influenced samples, the District considers it alongside the PRB and the sample size rather than treating it as conclusive proof of vertical equity or inequity.

Qualified open-space (Category D1) land is evaluated by comparing the District's aggregate productivity value to the Comptroller's productivity-value estimate rather than by the median-based measures above, consistent with PTAD methodology, under which no median — and therefore no COD or PRD — is calculated for productivity-appraised acreage.

Market areas or property categories falling outside these ranges are prioritized for review, recalibration, or inspection in the work plan for the applicable year. The District's appraisal results are also subject to external review through the Comptroller's biennial Property Value Study, the Appraisal District Ratio Study, and the Methods and Assistance Program (MAP) review conducted under Tax Code Section 5.102 and Comptroller Rule 9.301. Consistent with Section 3.3.6 of the IAAO *Standard on Mass Appraisal*, the ratio-study results in this section also serve as the quality thresholds supporting the adequacy of the District's three-year inspection cycle.

2.10 Quality Control and Audit

The District performs multiple quality-control steps to ensure the accuracy and uniformity of property valuations, including at least the following:

- **Data collection review.** Field and desktop data are collected in a prescribed, consistently coded format and monitored for completeness and accuracy.
- **Data entry verification.** Data entered into the CAMA system are checked through edit reports that flag missing or inconsistent characteristics, including imagery-based change-detection discrepancies between building footprints and the CAMA sketch.
- **Valuation review.** Values are reviewed through sales-ratio analysis and model performance testing before certification, and a sample of inspections is verified using a secondary inspection method.

In addition, a licensed appraiser conducts quarterly on-site reviews to validate that staff appraisers are properly applying the District's appraisal model to each property appraised. The District also performs periodic audits of its electronic records to ensure documents are correctly created and filed in accordance with the records-retention requirements of the Board and the Texas State Library and Archives Commission.

Part 3 — Schedules

3.1 Three-Year Reappraisal Cycle and Coverage

The District physically reviews approximately one-third of the county's real property each year on a rotating three-year cycle, so that all real property is physically reviewed at least once every three years as required by Section 25.18. Field review of each area begins in the fall of the year preceding the applicable tax year. The rotation is as follows:

Cycle Area	Field Review Begins	Tax Year	Status Under This Plan
Area A — Southern third	Fall 2025 / Fall 2028	2026 / 2029	Reviewed 2026; returns in 2029 (next cycle)
Area B — Central & eastern	Fall 2026	2027	Scheduled in this Plan (Section 3.2)
Area C — Northern & western	Fall 2027	2028	Scheduled in this Plan (Section 3.3)

Because this Plan covers the 2027 and 2028 tax years, it schedules the physical review of Area B (2027) and Area C (2028). Area A was physically reviewed in the 2026 tax year and returns to the rotation in the 2029 tax year, under the District's next biennial plan, completing the three-year cycle without gap. In every year, appraised values throughout the county are reviewed and updated through market analysis and ratio study, and — consistent with Section 25.18(a) and the preservation clause in Section 1.3 — the Chief Appraiser may reappraise any property in any year as necessary to reflect market value under Section 23.01(a), regardless of its position in the cycle.

3.2 2027 Inspection Routes and Completion Milestones (Area B)

The 2027 reappraisal covers Area B (central and eastern Freestone County), comprising 4,100 parcels across the routes listed below. Field review begins in the fall of 2026, with the following area-level completion milestones:

Target Date	Target Completion
August 31, 2026	0%
October 9, 2026	25%
November 20, 2026	50%
January 8, 2027	75%
February 12, 2027	100%

2027 Route Schedule — Area B (4,100 parcels)

Route Code	Parcels	Route Code	Parcels
B2E04	34	B3C09	42
B2E05	54	BBURL	38

Route Code	Parcels	Route Code	Parcels
B2E06	115	BELLC	18
B2E07	11	BF27W	38
B2E08	38	BF488	86
B2E10	9	BF75N	79
B2F02	56	BF75S	120
B2F05	39	BF84E	41
B2G03	60	BF84W	65
B2H01	156	BFAPK	19
B2H02	59	BFBRS	152
B2H03	52	BFEV	92
B2H04	36	BFI45	61
B2H05	52	BFLG	168
B2H07	118	BFLOT	39
B3A01	61	BFMB	104
B3A02	48	BFOPR	19
B3A03	125	BFOTS	214
B3A04	130	BFREU	121
B3A05	102	BFTOA	140
B3A06	74	BFWMN	146
B3B01	21	BLWOD	110
B3B08	18	BMLPO	80
B3C05	41	BRDLK	64
B3C06	57	BWLD1	135
B3C07	90	BWLD2	129
B3C08	124		

3.3 2028 Inspection Routes and Completion Milestones (Area C)

The 2028 reappraisal covers Area C (northern and western Freestone County, including the Wortham, Richland-Chambers, and surrounding areas), comprising 3,826 parcels across the routes listed below. Field review begins in the fall of 2027, with the following area-level completion milestones:

Target Date	Target Completion
August 30, 2027	0%
October 15, 2027	25%
December 3, 2027	50%
January 14, 2028	75%
February 18, 2028	100%

2028 Route Schedule — Area C (3,826 parcels)

Route Code	Parcels	Route Code	Parcels
C1C01	35	C4B02	224
C1C02	37	C4B03	38
C1C03	27	C4B04	25
C1C04	40	C4B05	44
C1C05	48	C4C01	68
C1D01	59	C4C02	70
C1E01	60	CACOV	102
C1E02	77	CKOTS	68
C1E06	44	CRCL1	117
C2B01	32	CRCL2	39
C2B02	40	CRCL3	122
C2B03	34	CRCL4	126
C2B04	79	CRCL5	67
C2B05	10	CSOAK	268
C2B06	28	CSOTS	172
C2B07	26	CWST1	241
C2B08	48	CWST2	37
C2B09	26	CWST3	19
C2C08	38	CWST4	74
C2E01	79	CWST5	100
C2E02	60	CWST6	30
C2E03	46	CWTM1	130
C2E09	56	CWTM2	99
C2F01	65	CWTM3	213
C4A01	54	CWTM4	148
C4B01	37		

3.4 Annual Reappraisal Work Calendar

The inspection route schedules in Sections 3.2 and 3.3 form the field-review backbone of the reappraisal cycle. The office and analytical tasks that surround field review — discovery, sales collection and verification, model calibration, notice production, and certification — follow the annual work calendar summarized below. This calendar serves as the District's work schedule for purposes of Section 25.18 and is mirrored on the detailed calendar governed by Section 3.6.

Reappraisal Task	General Timeframe
Begin scheduled field and desktop review of the cycle area	September (prior year)

Reappraisal Task	General Timeframe
Ongoing discovery, sales collection, and property-characteristic updates	September – January
Field inspection completion (per Section 3.2 / 3.3 milestones)	By mid-February
Ratio study analysis and identification of areas/classes for adjustment	January – March
Final appraisal model calibration	February – March
Prepare and mail notices of appraised value (§ 25.19)	By April 1 (homesteads) / May 1 (other) or as soon thereafter as practicable
Submit completed appraisal records to the Appraisal Review Board (§ 25.22)	By May 15 or as soon thereafter as practicable after all Notices of Appraised Value have been mailed.
Appraisal Review Board hearings and approval of records	June – July
Certify the appraisal roll to the taxing units (§ 26.01)	By July 25

3.5 Agricultural Productivity Value Review Cycle

Each year, as part of the reappraisal cycle, the District performs the following activities to maintain productivity valuation of qualified agricultural (1-d-1 open-space), timber, and wildlife-management-use land:

- Review the degree-of-intensity standards for each qualifying land class and use, and update them as warranted;
- Analyze typical cash-lease rates and regional income-and-expense data for the county's land classes, including the applicable five-year averages and capitalization rate used to calculate net-to-land values for native pasture and other classes;
- Calculate productivity values by land class in accordance with Subchapters C, D, and H of Chapter 23 of the Tax Code and PTAD guidelines; and
- Present the intensity standards and calculated productivity values to the District's Agricultural Advisory Board for review and guidance at the Board's annual meeting, typically held in March.

The District performs an inspection upon receiving an application for agricultural, timber, or wildlife-management-use appraisal; consistent with PTAD guidelines, ortho and oblique imagery may be used in place of a physical inspection where the qualifying use can be verified from imagery. The productivity value schedules resulting from this annual process are adopted separately from this Plan and are not incorporated as an addendum; this Plan commits the District to the review process itself.

3.6 Calendar Administration and Amendment

The Chief Appraiser maintains a Detailed Calendar as the District's internal management tool for tracking progress against statutory deadlines and operational milestones described in this Plan.

Statutory dates set by the Texas Property Tax Code, Government Code, and other governing laws are shown for reference and cannot be amended by the District. Operational target dates internal to the District may be adjusted by the Chief Appraiser without action from the Board of Directors to accommodate changes in staffing, weather, contractor schedules, or other operational circumstances, provided that no adjustment causes the District to miss any statutory deadline or to fall out of compliance with this Plan. Substantive amendments to the Plan's methodology, schedules of reappraisal activity, or coverage of the District remain subject to Board action under Tax Code Section 6.05(i).

Addenda

Addendum A — Mineral, Utility, and Industrial Appraisal Methodology (Pritchard & Abbott, Inc.)

The District has contracted Pritchard & Abbott, Inc. for the appraisal of mineral, industrial, and utility accounts. The firm's written methodology for the identification, data collection, modeling, and valuation of these property types is incorporated here by reference and attached.

PRITCHARD & ABBOTT, INC.
VALUATION AND IT CONSULTANTS

S.B. 1652* BIENNIAL REAPPRAISAL PLAN

FOR THE ANNUAL APPRAISAL FOR

AD VALOREM TAX PURPOSES OF

MINERAL, INDUSTRIAL, UTILITY AND

RELATED PERSONAL PROPERTY

For Tax Years:

2027 and 2028**

Originally Printed: July 2026

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

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

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

Table of Contents

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

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

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

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

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

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

Per USPAP Advisory Opinion 32: *Ad Valorem Property Tax Appraisal and Mass Appraisal Assignments,* in the interests of equity, the scope of work in mass appraisal assignments for ad valorem taxation can include consideration of appraisal level (the overall proximity between appraised values and actual prices) and the uniformity of property values (equity within groups of like properties). The appraiser is responsible for recognizing when the concepts of appraisal level and appraisal uniformity are necessary for credible assignment results in a mass appraisal assignment for ad valorem taxation.

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

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

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

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

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

P&A believes that, with its vast experience and expertise in these areas of appraisal, all concluded values and reports thereof are credible, competent, understandable, uniform and consistent; and most importantly for ad valorem tax purposes, accomplished in a cost-efficient and timely manner.

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

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

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

PREAMBLE

The Uniform Standards of Professional Appraisal Practice (USPAP®) is the generally recognized ethical and performance standards for the appraisal profession in the United States. USPAP® is updated on an as needed basis by the Appraisal Standards Board (ASB). Any updates follow the release of exposure drafts of proposed changes and a public vote. The most recent update to USPAP® went into effect on January 1, 2024.

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

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

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

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

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

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

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

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

On April 23, 2026, the Appraisal Standards Board adopted Advisory Opinion 41, Use of Technology in an Appraisal or Appraisal Review Assignment. AO-41 offers guidance on appraisers' USPAP® responsibilities when using technological tools, including automated valuation models, regression and statistical software, and generative artificial intelligence, in appraisal and appraisal review assignments across real property, personal property, and intangible property. The Advisory Opinion is available now and will be incorporated into a future edition of the USPAP Guidance and Reference Manual.

ETHICS RULE

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

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

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

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

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

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

NONDISCRIMINATION

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

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

1. An appraiser, when completing a residential real property assignment, must not base their opinion of value in whole or in part on race, color, religion, national origin, sex, disability, or familial status.

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

3. An appraiser must not violate any state or local anti-discrimination laws or regulations applicable to the appraiser or to their assignment.

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

1. An appraiser must not develop and/or report an opinion of value that, in whole or in part, is based on the actual or perceived race, ethnicity, color, religion, national origin, sex, sexual orientation, gender, gender identity, gender expression, marital status, familial status, age, receipt of public assistance income, or disability of any person(s).

2. An appraiser must not base an opinion of value upon the premise that homogeneity of the inhabitants of a geographic area is relevant for the appraisal.

3. An appraiser must not perform an assignment with bias with respect to the actual or perceived race, ethnicity, color, religion, national origin, sex, sexual orientation, gender, gender identity, gender expression, marital status, familial status, age, receipt of public assistance income, or disability of any person(s).

4. An appraiser must not use or rely upon another characteristic as a pretext to conceal the use of or reliance upon race, ethnicity, color, religion, national origin, sex, sexual orientation, gender, gender identity, gender expression, marital status, familial status, age, receipt of public assistance income, or disability of any person(s), when performing an assignment.

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

CONDUCT

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

An appraiser:

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

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

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

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

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

MANAGEMENT

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

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

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

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

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

CONFIDENTIALITY

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

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

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

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

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

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

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

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

RECORD KEEPING RULE

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

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

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

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

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

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

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

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

SCOPE OF WORK RULE

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

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

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

Scope of work includes, but is not limited to:

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

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

<u>PROBLEM IDENTIFICATION</u>

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

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

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

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

SCOPE OF WORK ACCEPTABILITY

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

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

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

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

DISCLOSURE OBLIGATIONS

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

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

JURISDICTIONAL EXCEPTION RULE

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

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

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

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

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

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

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

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

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

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

A mass appraisal includes:

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

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

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

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

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

- **Standard 5-1:** Establishes the appraiser's technical and ethical framework. Specifically, appraisers must recognize and use established principles, methods and techniques of appraisal in a careful manner while not committing substantial errors of fact or negligence that would materially affect the appraisal results and not give a credible estimate of fair market value. To this end appraisers must continuously improve his or her skills to maintain proficiency and keep abreast of any new developments in the real and personal property appraisal profession. This Standards does not imply that competence requires perfection, as perfection is impossible to attain. Instead, it requires appraisers to employ every reasonable effort with regards to due diligence and due care.

- **Standard 5-2:** Defines the introductory framework requirements of developing a mass appraisal, focusing on the identification and/or definition of: client(s), intended users, effective date, appraisal perspective, scope of work, extraordinary assumptions, hypothetical conditions, the type and definition of value being developed (typically "fair market value" for ad valorem tax purposes), characteristics of the property being appraised in relation to the type and definition of value and intended use, the characteristics of the property's market, the property's real or personal attributes, fractional interest applicability, highest and best use analysis along with other land-related considerations, and any other economic considerations relevant to the property.

- **Standard 5-3:** Defines requirements for developing and specifying appropriate mass appraisal data and elements applicable for real and personal property. For real property, the data and elements include: existing land use regulations, reasonably probable modification of such regulations, economic supply and demand, the physical adaptability of the real estate, neighborhood trends, and highest and best use analysis. For personal property, the relevant data and elements include: identification of industry trends, trade level, highest and best use, and recognition of the appropriate market consistent with the type and definition of value.

- **Standard 5-4:** Further defines requirements for developing mass appraisal models, focusing on development of standardized data collection forms, procedures, and training materials that are used uniformly on the universe of properties under consideration. This rule specifies that appraisers employ recognized techniques for specifying and calibrating mass appraisal models. Model specification is the formal development of a model in a statement or mathematical equation, including all due considerations for physical, functional, and external market factors as they may affect the appraisal. These models must accurately represent the relationship between property value and supply and demand factors, as represented by quantitative and qualitative property characteristics. Models must be calibrated using recognized techniques, including, but not limited to, multiple linear regression, nonlinear regression, and adaptive estimation. Models may be specified incorporating the income, market, and/or cost approaches to value and may be tabular, mathematical, linear, nonlinear, or any other structure suitable for representing the observable property characteristics such as adaptive estimation. Model calibration refers to the process of analyzing sets of property and market data to determine the specific parameters of a model.

- **Standard 5-5:** Defines requirements for collection of sufficient factual data, in both qualitative and quantitative terms, necessary to produce credible appraisal results. The property characteristics collected must be contemporaneous with the effective date of the appraisal. The data collection program should incorporate a quality control procedure, including checks and audits of the data to ensure current and consistent records. This rule also calls for an appraiser, in developing income and expense statements and cash flow projections, to weigh historical information and trends, current market factors affecting such trends, and reasonably anticipated events, such as competition from developments either planned or under construction. Terms and conditions of any leases should be analyzed, as well as the need for and extent of any physical inspection of the properties being appraised.

- **Standard 5-6:** Defines requirements for application of a calibrated model to the property being appraised. This rule calls for: the appraiser to recognize methods or techniques based on the cost, market, and income approaches for improved parcels; the appraiser to value sites by recognized methods or techniques such as allocation method, abstraction method, capitalization of ground rent, and land residual; the appraiser to develop value of leased fee or leasehold estates with consideration for terms and conditions of existing leases, and, when applicable by law, as if held in fee simple whereas market rents are substituted for actual contract rents; the appraiser to analyze the effect on value, if any, of the assemblage of the various parcels, divided interests, or component parts of a property; the appraiser to analyze anticipated public or private improvements located on or off the site, and analyze the effect on value, if any, of such anticipated improvements to the extent they are reflected in market actions.

- **Standard 5-7:** Defines the reconciliation process of a mass appraisal. Specifically, appraisers must analyze the results and/or applicability of the various approaches used while ensuring that, on an overall basis, standards of reasonableness and accuracy are maintained with the appraisal model selected (underline added for emphasis). It is implicit in mass appraisal that, even when properly specified and calibrated models are used, some individual value conclusions will not meet standards of reasonableness, consistency, and accuracy. Appraisers have a professional responsibility to ensure that, on an overall basis, models produce value conclusions that meet attainable standards of accuracy.

- **Standard 6-1:** Defines general requirements of a mass appraisal report which is required to be in writing; no option exists for oral reports. This standard addresses the level of information required so that the report is clearly understood (i.e., not misleading) and sufficiently qualified with any assumptions and conditions (elements of which are further detailed in the next three sections of this report that discuss P&A appraisal procedures with regards to specific categories of property).

- **Standard 6-2:** Defines specific content required to be included in a mass appraisal written report.

- **Standard 6-3:** Defines the certification of the mass appraisal written report.

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

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

INTRODUCTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Appraisal Resources

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

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

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

VALUATION APPROACH (MODEL SPECIFICATION)

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

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

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

Approaches to Value for Petroleum Property

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

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

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

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

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

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

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

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

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

DATA COLLECTION/VALIDATION

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

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

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

VALUATION ANALYSIS (MODEL CALIBRATION)

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

INDIVIDUAL VALUE REVIEW PROCEDURES

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

PERFORMANCE TESTS

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

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

INTRODUCTION

Definition of Appraisal Responsibility (Scope of Effort): The Engineering Services Department of Pritchard & Abbott, Inc. (P&A) is responsible for developing fair and uniform market values for industrial, utility and related personal properties. Personal property is often referred to as "business personal property" (or BPP), as tangible non-income producing personal property in Texas (personal property not held to produce income related to a business purpose) is generally exempt.

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

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

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

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

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

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

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

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

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

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

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

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

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

Appraisal Resources

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

Data: A set of data characteristics (i.e. original cost, year of acquisition, quantities, capacities, net operating income, property description, etc.) for each industrial, utility and personal property is collected from various sources, often including personal inspection (in-person observation of the subject property performed as part of the scope of work, not to be confused with an inspection performed by a home inspector, structural engineer, or the like). This data is maintained in either hard copy or computer files as part of the appraiser's work file (documentation necessary to the support the appraiser's analyses, opinions, and conclusions). Each property's characteristic data drives the appropriate computer-assisted appraisal approach to valuation.

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

VALUATION APPROACH (MODEL SPECIFICATION)

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

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

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

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

Approaches to Value for Industrial, Utility, and Personal Property

Cost Approach: The use of cost data in an appraisal for market value is based upon the economic principle of substitution. This method is most readily applicable to the appraisal of industrial and related personal property and some, but not all, utility property. Under this method, the market value of property equals the value of the land plus the current cost of improvements less accrued depreciation. An inventory of the plant improvements and machinery and equipment is maintained by personally inspecting each facility every year. **As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., relies predominantly on the cost approach to value in the appraisal of industrial, utility, and related personal property. Exceptions exist for core operating property of rate-regulated utility property - see discussion of Income Approach below.**

Market Approach: This approach is characterized as one that uses sales data available from actual transactions in the market place. There are two factors that severely limit the usefulness of the market approach for appraising industrial, utility and personal properties. First, the property sales data is seldom disclosed; consequently there is insufficient market data for these properties available for meaningful statistical analysis. Second, all conditions of sale must be known and carefully investigated to be sure one does have a comparative indicator of value. Many times when these properties do change hands, it is generally through company mergers and acquisitions where other assets and intangibles in addition to the industrial, utility and personal property are involved. The complexity of these sales presents unique challenges and hindrances to the process of allocation of value to the individual components of the transaction.

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

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

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

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

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

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

As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., employs the income approach in the appraisal of industrial and utility property only when quantifiable levels of income are able to be reliably determined and/or projected for the subject property. P&A does not routinely employ the income approach in the appraisal of personal property, other than for core operating business personal property of rate-regulated utility companies where "unitary methodology" is the widely accepted norm.

DATA COLLECTION/VALIDATION

Sources of Data: The main source of P&A's property data for industrial and personal property is through fieldwork by the appraisers and commercially/publicly available schedules developed on current costs. Data for performing utility appraisals is typically provided by the taxpayer or is otherwise available at various regulatory agencies (Texas Railroad Commission, Public Utilities Commission, FERC, et. al.). Other discovery tools are financial data from annual reports, information from chief appraisers, renditions, tax assessors, trade publications and city and local newspapers. Other members of the public often provide P&A information regarding new industry and other useful facts related to property valuation.

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

VALUATION ANALYSIS (MODEL CALIBRATION)

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

INDIVIDUAL VALUE REVIEW PROCEDURES

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

PERFORMANCE TESTS

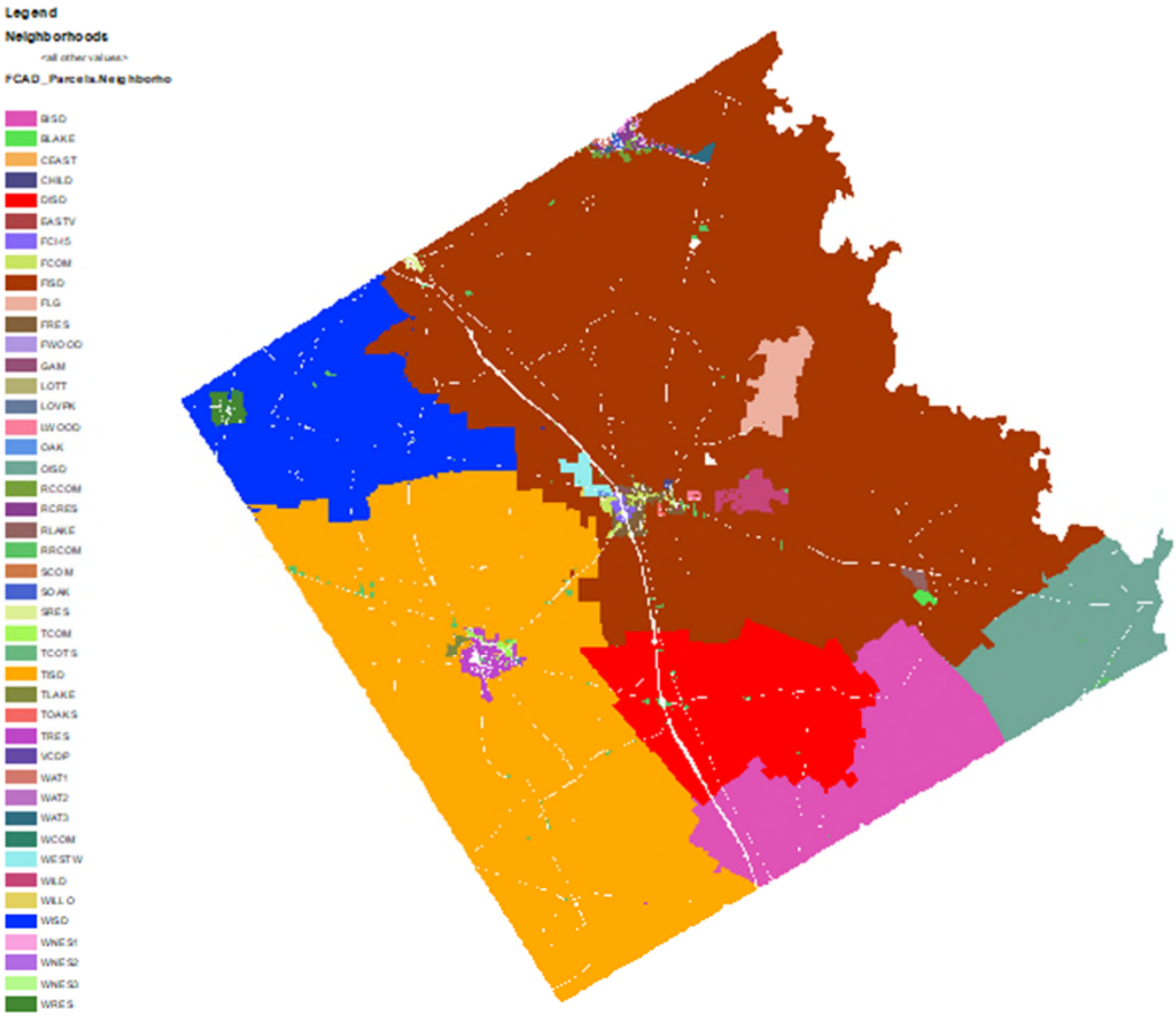
An independent test of the appraisal performance of properties appraised by P&A is conducted by the State of Texas Comptroller's Office through the annual Property Value Study for school funding purposes. This study determines the degree of uniformity and the median level of appraisal for utility properties.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

Addendum B — Market Area (Neighborhood) Listing and Location Map

A current listing of the District's established market areas (neighborhoods), together with a general location map of the reappraisal areas and neighborhoods, is attached.

Neighborhood Code	Description
BISD	RURAL BISD
BLAKE	BURLESON LAKE
CEAST	COUNTRY EAST ADDN
CHILD	CHILD'S ADDN AREA (MEADOWBROOK, NORTHWOOD, WALNUT CREEK SUBDIVISIONS)
DISD	RURAL DISD
EASTV	EASTVIEW ADDITION
FCI45	FAIRFIELD COMMERCIAL I-45 CORRIDOR
FCOM	FAIRFIELD COMMERCIAL
FISD	RURAL FISD
FLG	FREESTONE LAKE AND GOLF CLUB
FRES	FAIRFIELD CITY RESIDENTIAL
FWOOD	FRIENDSWOOD
GAM	GREEN ACRES-MOOREHEAD-GOLDEN CONDO
LOTT	LOTT VILLAGE ADDN
LOVPK	LOVERS LANE/PARKWOOD ADDN
LWOOD	LAKEWOOD
OAK	OAKFOREST FAIRFIELD
OISD	RURAL OISD
RCCOM	COMMERCIAL RICHLAND CHAMBERS AREA
RCRES	RESIDENTIAL RICHLAND AREA
RLAKE	RED'S LAKE
RRCOM	RURAL COMMERCIAL
SCOM	STREETMAN COMMERCIAL
SOAK	SOUTHERN OAKS OFFWATER
SRES	STREETMAN CITY RESIDENTIAL
TCOM	TEAGUE COMMERCIAL
TCOTS	TEAGUE COMMERCIAL - OTS
TISD	RURAL TISD -INCLUDES MISD
TLAKE	TEAGUE HUNT FISH
TOAKS	THOUSAND OAKS ADDITION
TRES	TEAGUE CITY RESIDENTIAL
VCDP	VILLA CRESTA DEL PINO
WAT1	APRIL COVE, GATE VILLAGE, MOPANI BAY, SEPTEMBER SOUND
WAT2	CAPE ESTES, SOUTHSIDE SHORE, KINGSWOOD

Neighborhood Code	Description
WAT3	SOUTHERN OAKS WATERFRONT
WCOM	WORTHAM COMMERCIAL
WESTW	WESTWOOD RESTRICTED & UNRESTRICTED
WILD	WILDWOOD
WILLO	WILLOW CREEK FARMS
WISD	RURAL WISD- INCLUDES CISD
WNES1	WILDERNESS BEST WATERFRONT
WNES2	WILDERNESS GOOD WATERFRONT
WNES3	WILDERNESS WATERVIEW
WRES	WORTHAM CITY RESIDENTIAL



Addendum C — Schedule of Appraisal Activities

2027 Schedule of Appraisal Activities

Reappraisal Cycle — Area B (Blue)

Date	Event
7/27/2026 to 8/28/2026	Maintenance & Preparation for 2027 Reappraisal Cycle
8/12/2026	Regular meeting of the Board of Directors at 5:30 p.m. at the CAD office
8/13/2026	Post and publish request for ARB member applications for the 2027–2028 term
8/31/2026	2027 Reappraisal Cycle Begins
8/31/2026 to 2/12/2027	Review of scheduled properties & new properties for 2027
9/1/2026	Appraisal Date for Inventories that have qualified under Sec. 23.21(f)
9/7/2026	Labor Day Holiday - Office Closed
9/9/2026	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
9/9/2026	Public Hearing for consideration and adoption of 2027-2028 Reappraisal Plan
9/15/2026	ARB meets to hear taxpayer protests
9/17/2026	ARB meets to hear taxpayer protests and 3rd Quarterly Meeting
10/9/2026	Chief Appraiser presents 3rd Qtr. Appraisal Roll Changes to ARB & BOD
10/14/2026	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
11/11/2026	Veterans Day Holiday - Office Closed
11/18/2026	Regular meeting of the Board of Directors, 5:30 pm at the CAD office (moved from 11/11 due to Veterans Day)
11/25/2026	Thanksgiving Holiday - Office Closed at 12:00 pm
11/26/2026 to 11/27/2026	Thanksgiving Holiday - Office Closed
12/9/2026	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
12/10/2026	ARB 4th Quarterly Meeting
12/18/2026	Target Date for Completion of BPP Scheduled Inspections
12/23/2026	Christmas Holiday - Office Closed at 12:00 pm
12/24/2026 to 12/25/2026	Christmas Holiday - Office Closed
12/31/2026	New Year’s Eve Holiday - Office Closed at 12:00 pm
1/1/2027	Valuation date for all properties, except those qualified under Sec. 23.21(f)
1/1/2027	New Year’s Holiday - Office Closed
1/4/2027	Mail Rendition Forms to BPP Accounts
1/4/2027 to 5/15/2027	Review BPP renditions and inspect new businesses
1/8/2027	Chief Appraiser presents 4th Qtr. Appraisal Roll Changes to ARB & BOD
1/13/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
1/15/2027	Mail Annual Exemption Forms for Properties that Qualified in the Previous Year per PTC 11.44(a)
1/18/2027	Martin Luther King Holiday - Office Closed
1/21/2027	ARB 1st Quarterly Meeting
1/21/2027	ARB approves 4th Qtr. Appraisal Roll Changes as presented by Chief Appraiser
1/31/2027	Filing Deadline for PTC Chapter 25 Motions
2/1/2027	Late Filing Deadline for 2024 Homestead Exemptions
2/1/2027	2026 Tax Delinquency Date
2/10/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
2/12/2027	End of Scheduled Inspections
2/15/2027	President’s Day Holiday - Office Closed
2/16/2027 to 3/26/2027	Begin Other Unscheduled Inspections
2/26/2027	Notify/Coordinate with Taxing Jurisdictions on Appraisal Roll Delivery Format
3/1/2027 to 4/2/2027	Review Vehicle Registration List
3/1/2027 to 3/26/2027	Final Internal Ratio Study, Appraisal Model Calibration, and Review

Date	Event
3/1/2027	Publish Exemption ad in newspapers and on the website
3/10/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
3/10/2027	Ag Advisory Board Meeting
3/18/2027	Public Hearing for ARB Adoption of 2027 Hearing Rules & Procedures
3/26/2027	Good Friday Holiday — Office Closed
3/29/2027 to 4/2/2027	Perform error edits on the appraisal file before printing appraisal notices
3/31/2027	Last deed date read for ownership changes before notices
4/2/2027	Data entry for appraisal records for real property ends
4/2/2027	Ownership changes data entry ends
4/2/2027 to 7/19/2027	Ownership changes posted to CAMA and GIS databases from owner documents brought in by property owners/sellers
4/5/2027	Generate the 25.19 notice file for printing
4/9/2027	Chief Appraiser presents 1st Qtr. Appraisal Roll Changes to ARB & BOD
4/14/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
4/14/2027	BOD approves 1st Qtr. Appraisal Roll Changes as presented by Chief Appraiser
4/14/2027	Mail 25.19 Notices of Appraised Value for Real Property
4/14/2027	Update preliminary appraisal data on the website and turn on the electronic protest option
4/15/2027	Deadline for filing renditions
4/15/2027	Deadline for requesting rendition filing extension
4/16/2027 to 5/15/2027	Late rendition filing period
4/30/2027	Chief Appraiser delivers certified estimates to taxing jurisdictions
5/3/2027	Publish public notice of protest procedures in newspapers and on the website
5/3/2027 to 7/1/2027	Accept late-filed 1-d-1 Open Space & Timber Applications for 2027 - 10% penalty applicable
5/10/2027	Chief Appraiser submits proposed 2027 Budget Amendments to Taxing Entities
5/12/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
5/12/2027	Independent Auditor’s Annual Financial Report for Fiscal Year 2026
5/12/2027	Workshop on Amending 2027 Budget to Encumber 2026 Funds
5/17/2027	Deadline for filing late renditions
5/17/2027	Last day to file protests for 04/14/2027 appraisal notices (REAL)
5/17/2027	Edit BPP file for 25.19 Appraisal Notice preparation
5/19/2027	Generate 25.19 Notice file for printing (BPP)
5/21/2027	Mail 25.19 Appraisal Notices on Min/Util/Indus/BPP property
5/21/2027	Mail Penalty Assessment Notice to Unrendered BPP property owners
5/27/2027	ARB 2nd Quarterly Meeting
5/27/2027	ARB accepts 2027 appraisal records from Chief Appraiser
5/27/2027	ARB approves 1st Qtr. Appraisal Roll Changes as presented by Chief Appraiser
5/27/2027	Chief Appraiser presents 2027 Summary Appraisal Report to ARB
5/31/2027	Memorial Day Holiday - Office Closed
6/1/2027 to 7/15/2027	ARB meets to hear Taxpayer Protests. Tuesdays & Thursdays, 9 am - 6 pm (Pending ARB date approval)
6/9/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
6/9/2027	BOD Consideration of Adoption of 2027 Amended Budget
6/9/2027	Chief Appraiser Proposes 2028 Budget to BOD for Workshop & Review
6/10/2027	Copy of Proposed 2028 Budget Mailed to Taxing Units for Review with Notification of Public Hearing Date, Time, and Place
6/18/2027	Emancipation Day (Juneteenth) Holiday - Office Closed (observed; June 19 falls on Saturday)
6/21/2027	Last day to file protests for 05/21/2027 25.19 appraisal notices (MIN & BPP)
6/30/2027	Public Notice of Public Hearing on 2028 Budget Published in Newspaper

Date	Event
7/5/2027	Independence Day Observed - office closed (July 4 falls on Sunday)
7/9/2027	Chief Appraiser presents 2nd Qtr. Appraisal Roll Changes to ARB & BOD
7/14/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
7/14/2027	BOD approves 2nd Qtr. Appraisal Roll Changes as presented by Chief Appraiser
7/14/2027	Public Hearing on Adoption of 2028 Budget
7/15/2027	Copy of Adopted 2028 Budget Mailed to Taxing Units for Review with Notice of 30 Days to Disapprove of Budget by Resolution
7/15/2027	ARB 3rd Quarterly Meeting
7/15/2027	ARB approves 2nd Qtr. Appraisal Roll Changes as presented by the Chief Appraiser
7/15/2027	ARB Approves 2027 Appraisal Records
7/16/2027	Error edits to close appraisal file for certification
7/19/2027 to 7/22/2027	Create Certified History File for Real & Mineral Records
7/23/2027	Chief Appraiser certifies appraisal records to taxing jurisdictions
7/23/2027	Archive GIS map data to match certified roll data
7/26/2027	Update certified appraisal data on website
7/26/2027	Prepare and Archive CAD copies of certified appraisal rolls & lists
7/30/2027	Verify export of appraisal data to TNT Website
7/29/2027 to 8/2/2027	Process jurisdiction requests for certified appraisal rolls/records/data files

2028 Schedule of Appraisal Activities

Reappraisal Cycle — Area C (Red)

Date	Event
7/30/2027 to 8/27/2027	Maintenance & Preparation for 2028 Reappraisal Cycle
8/11/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
8/18/2027	Post & Publish request for ARB member applications for the 2028-2029 term
8/30/2027	2028 Reappraisal Cycle Begins
8/30/2027 to 2/18/2028	Review of scheduled properties & new properties for 2028
9/1/2027	Appraisal date for inventories that have qualified under Sec. 23.21(f)
9/1/2027	Chief Appraiser calculates voting entitlement and delivers written notice to eligible entities of the number of votes they have to cast for Board of Directors appointment
9/6/2027	Labor Day Holiday - Office Closed
9/8/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
9/16/2027	ARB meets to hear taxpayer protests and 3rd Quarterly Meeting
10/8/2027	Chief Appraiser presents 3rd Qtr. Appraisal Roll Changes to ARB & BOD
10/13/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
10/15/2027	Deadline to receive resolutions for nomination of BOD candidates
10/29/2027	Chief Appraiser delivers ballots of timely-nominated BOD candidates to voting entities
11/10/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
11/11/2027	Veterans Day Holiday - Office Closed
11/24/2027	Thanksgiving Holiday - Office Closed at 12:00 pm
11/25/2027 to 11/26/2027	Thanksgiving Holiday - Office Closed
12/8/2027	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
12/9/2027	ARB 4th Quarterly Meeting
12/15/2027	Deadline to receive voting resolution on appointment of BOD members
12/17/2027	Chief Appraiser tabulates the BOD member votes and certifies the results
12/17/2027	Target Date for Completion of BPP Scheduled Inspections
12/23/2027 to 12/24/2027	Christmas Holiday - Office Closed
12/31/2027	New Year’s Holiday - Office Closed (all day)
1/1/2028	Valuation date for all properties, except those qualified under Sec. 23.21(f)
1/3/2028	Mail Rendition Forms to BPP Accounts
1/3/2028 to 5/15/2028	Review of BPP Renditions & Inspection of New Businesses
1/7/2028	Chief Appraiser presents 4th Qtr. Appraisal Roll Changes to ARB & BOD
1/12/2028	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
1/12/2028	BOD approves 4th Qtr. Appraisal Roll Changes as presented by Chief Appraiser
1/13/2028	ARB 1st Quarterly Meeting
1/13/2028	ARB approves 4th Qtr. Appraisal Roll Changes as presented by Chief Appraiser
1/14/2028	Mail Annual Exemption Forms for Properties that Qualified in the Previous Year per PTC 11.44(a)
1/17/2028	Martin Luther King Holiday - Office Closed
1/31/2028	Filing Deadline for PTC Chapter 25 Motions
1/31/2028	Late Filing Deadline for 2025 Homestead Exemptions
2/1/2028	2027 Tax Delinquency Date
2/9/2028	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
2/18/2028	End Scheduled Inspections
2/21/2028	President’s Day Holiday - Office Closed
2/22/2028 to 3/24/2028	Begin Other Unscheduled Inspections
3/2/2028	Publish Exemption ad in newspapers and on the website
3/1/2028 to 3/30/2028	Final Internal Ratio Study, Appraisal Model Calibration, and Review

Date	Event
3/2/2028 to 3/31/2028	Review Vehicle Registration List
3/8/2028	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
3/15/2028	Ag Advisory Board Meeting
3/16/2028	Public Hearing for ARB Adoption of 2028 Hearing Rules & Procedures
3/30/2028	Last deed date read for ownership changes before notices
3/30/2028	Data entry for appraisal records for real property ends
3/31/2028	Notify/Coordinate with Taxing Jurisdictions on Appraisal Roll Delivery Format
3/31/2028 to 4/3/2028	Error edits on appraisal file before printing appraisal notices
4/3/2028 to 7/14/2028	Ownership changes posted to CAMA and GIS databases from owner documents brought in by property owners/sellers
4/3/2028	Generate 25.19 Notice file for printing
4/7/2028	Chief Appraiser presents 1st Qtr. Appraisal Roll Changes to ARB & BOD
4/12/2028	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
4/12/2028	BOD approves 1st Qtr. Appraisal Roll Changes as presented by Chief Appraiser
4/12/2028	Mail 25.19 Notices of Appraised Value for Real Property
4/12/2028	Update preliminary appraisal data on website - turn on electronic protest option
4/14/2028	Good Friday Holiday - Office Closed
4/17/2028	Deadline for filing renditions
4/17/2028	Deadline for requesting rendition filing extension
4/18/2028 to 5/15/2028	Late rendition filing period
4/28/2028	Chief Appraiser delivers certified estimates to taxing jurisdictions
5/1/2028	Publish public notice of protest procedures in newspapers & on website
5/1/2028 to 7/1/2028	Accept late-filed 1-d-1 Open Space & Timber Applications for 2028 - 10% penalty applicable
5/10/2028	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
5/10/2028	Independent Auditor's Annual Financial Report for Fiscal Year 2027
5/10/2028	Workshop on Amending 2028 Budget to Encumber 2027 Funds
5/11/2028	Proposed 2028 budget amendments submitted to taxing entities for review
5/15/2028	Deadline for filing late renditions
5/17/2028	Last day to file protests for 04/17/2028 appraisal notices (REAL)
5/18/2028	Edit BPP file for 25.19 Appraisal Notice preparation
5/22/2028	Mail 25.19 Appraisal Notices on Min/Util/Indus/BPP property
5/22/2028	Mail Penalty Assessment Notice to Unrendered BPP property owners
5/25/2028	ARB 2nd Quarterly Meeting
5/25/2028	ARB accepts 2028 appraisal records from Chief Appraiser
5/25/2028	ARB approves 1st Qtr. Appraisal Roll Changes as presented by Chief Appraiser
5/25/2028	Chief Appraiser presents 2028 Summary Appraisal Report
5/29/2028	Memorial Day Holiday - Office Closed
6/1/2028 to 7/18/2028	ARB meets to hear Taxpayer Protests. Tuesdays & Thursdays, 9 am - 6 pm (Pending ARB date approval)
6/14/2028	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
6/14/2028	BOD considers acting on 2028 Budget Amendments
6/14/2028	Chief Appraiser submits proposed 2029 Budget to BOD and Taxing Entities
6/19/2028	Emancipation Day (Juneteenth) Holiday - Office Closed
6/21/2028	Last day to file protests for 05/22/2028 appraisal notices (MIN & BPP)
7/4/2028	Independence Day - Office Closed
7/7/2028	Chief Appraiser presents 2nd Qtr. Appraisal Roll Changes to ARB & BOD
7/12/2028	Regular meeting of the Board of Directors, 5:30 pm at the CAD office
7/12/2028	BOD approves 2nd Qtr. Appraisal Roll Changes as presented by Chief Appraiser
7/12/2028	Public Hearing on Adoption of 2029 Budget

Date	Event
7/13/2028	Copy of Adopted 2029 Budget Mailed to Taxing Units for Review with Notice of 30 Days to Disapprove of Budget by Resolution
7/13/2028	ARB 3rd Quarterly Meeting
7/13/2028	ARB approves 2nd Qtr. Appraisal Roll Changes as presented by Chief Appraiser
7/13/2028	ARB Approves 2028 Appraisal Records
7/19/2028	Error edits to close appraisal file for certification
7/17/2028 to 7/21/2028	Create Certified History File for Real & Mineral Records
7/25/2028	Chief Appraiser certifies appraisal records to taxing jurisdictions
7/25/2028	Archive GIS map data to match certified roll data
7/25/2028	Update certified appraisal data on website
7/25/2028 to 7/28/2028	Prepare and Archive CAD copies of certified appraisal rolls & lists
7/24/2028 to 7/28/2028	Process jurisdiction requests for certified appraisal rolls/records/data files
7/31/2028	Verify export of appraisal data to TNT Website

Addendum D — Glossary of Terms

The following terms are used in this Plan consistent with the standards of the International Association of Assessing Officers and the Texas Property Tax Code.

Term	Definition
Mass appraisal	The process of valuing a universe of properties as of a given date using standard methodology, common data, and statistical testing, as distinguished from the appraisal of a single property.
Market value	The price at which a property would transfer for cash or its equivalent under prevailing market conditions as of January 1, as defined in Tax Code § 1.04(7).
Market area/neighborhood	A geographic area in which the forces of supply and demand affect property value similarly; used to adjust the appraisal model for location.
CAMA	Computer-Assisted Mass Appraisal — the system used to store property data and apply appraisal models across the jurisdiction.
Cost approach	A valuation approach that estimates value as land value plus the depreciated replacement cost of improvements.
Sales comparison approach	A valuation approach that estimates value by analyzing sales of comparable properties.
Income approach	A valuation approach that estimates value based on a property's capacity to generate income.
Ratio study	A statistical analysis comparing appraised values to market indicators (typically sales) to measure the level and uniformity of appraisal.
Level of appraisal	The overall ratio of appraised value to market value, measured by central tendency (median, mean, and weighted mean); the median is preferred. The District's target median is 0.95 to 1.05, the range applied by PTAD.
Median/mean/weighted mean	The three common measures of central tendency used to determine the level of appraisal; the median is primary because it is not distorted by outlier sales.
COD	Coefficient of Dispersion — the primary measure of horizontal uniformity; the average percentage deviation of individual ratios from the median. A lower COD indicates more uniform appraisal.
Within 10% / 25% of median	PTAD measures of horizontal uniformity — the percentage of sampled properties whose ratios fall within 10 percent and within 25 percent of the median ratio.
PRD	Price-Related Differential — a measure of vertical equity (mean ratio ÷ weighted mean ratio); a value near 1.00 (0.98 to 1.03) indicates neither progressive nor regressive appraisal.
PRB	Coefficient of Price-Related Bias — a regression-based measure of vertical equity indicating the percentage change in appraisal ratios as value doubles; the District seeks −0.05 to +0.05 and regards values outside −0.10 to +0.10 as unacceptable.
Highest and best use	The reasonably probable use of property that is physically possible, legally permissible, financially feasible, and most productive.

Term	Definition
1-d-1 (open-space) appraisal	Productivity-based appraisal of qualified agricultural land under Article VIII, § 1-d-1 of the Texas Constitution and Chapter 23, Subchapter D of the Tax Code.
Productivity value	The value of qualified agricultural, timber, or wildlife-management land based on its capacity to produce, rather than its market value.
Reappraisal year	A year in which a scheduled area is physically reviewed and revalued under the cycle.
Non-reappraisal year	A year in which an area is monitored for change and its values verified and updated through market analysis and ratio study.

Addendum E — Statutory and Regulatory Reference Table

Authority	Subject
Tex. Const. art. VIII, § 1	Equal and uniform taxation in proportion to value
Tex. Const. art. VIII, § 1-d-1	Open-space (productivity) appraisal of agricultural land
Tax Code § 1.04(7)	Definition of market value
Tax Code § 5.10 / § 5.102; Rule 9.301	PTAD Property Value Study and MAP review
Tax Code § 6.05(i)	Biennial reappraisal plan; public hearing; adoption and distribution
Tax Code § 23.01(a)	Appraisal at market value as of January 1
Tax Code § 23.013	Market data comparison (sales comparison) method
Tax Code ch. 23, subch. C/D/H	Productivity appraisal — agricultural, open-space, timber, wildlife management
Tax Code § 25.18	Periodic reappraisals; required activities (including § 25.18(a), as amended by S.B. 973, 89th Leg., 2025)
Tax Code § 25.19	Notice of appraised value
Tax Code § 25.22	Submission of appraisal records to the Appraisal Review Board
34 Tex. Admin. Code ch. 9	Comptroller property tax administration rules
IAAO Standard on Mass Appraisal of Real Property (2025)	Data collection, imagery, inspection, and modeling standards
IAAO Standard on Ratio Studies	Appraisal level and uniformity measures (COD, PRD, PRB)
USPAP Standard 6	Mass appraisal development and reporting