RAINS COUNTY APPRAISAL DISTRICT

2026 MASS APPRAISAL SUMMARY REPORT

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Identification of Subject: The property subject to this report is all real property and tangible personal property, unless specifically exempted, located within the boundaries of the Rains County Appraisal District, hereinafter referred to as "RCAD" or "District."

Effective Date of Appraisal: The effective date of this mass appraisal is January 1, 2026, unless otherwise specified as in the case of inventories, which may qualify for appraisal as of September 1 in accordance with Section 23.12, Texas Property Tax Code.

Purpose and Intended Use of Appraisal: The purpose of this mass appraisal is to estimate the market value of all taxable property in an equitable and efficient manner for ad valorem tax purposes in accordance with the laws of the State of Texas.

Legal Requirements: This mass appraisal is made within the provisions of the Texas Property Tax Code.

Administrative Requirements: This mass appraisal is conducted in accordance with the reappraisal policy of RCAD and the methods and procedures described in the appraisal manual of the district. Furthermore, the District subscribes to the standards of The Appraisal Foundation known as the *Uniform Standards of Professional Appraisal Practices*.

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

> "Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:
>
> A. exposed for sale in the open market with a reasonable time for the seller to find a purchaser.
> B. both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
> C. Both the seller and purchaser seek to maximize their gains, and neither can take advantage of the exigencies of the other.

Regarding inventory held as part of a business, §23.12(a) of the Texas Property Tax Code further provides, in part; "the market value of an inventory is the price for which it would sell as a unit to a purchaser who would continue the business."

Identification of Properties: The descriptions of the properties included in this appraisal are included in detail within the appraisal records of RCAD. These descriptions include, but are not limited to the legal description, situs location, ownership, and detailed listing of the characteristics of the properties.

Property Rights to be Valued: Properties are appraised in fee simple interest. However, restrictions, easements, encumbrances, etc., are considered on an individual basis. Fractional interests or partial holdings are appraised in fee simple for the total property and divided proportionately based on the pro-rated interests.

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

This mass appraisal has been made under the following additional assumptions and limiting conditions:

- It is assumed that the title to the properties is good and merchantable.
- No liability is assumed for matters of a legal nature.
- Assumptions made in the report are based on the best knowledge and judgment of the appraiser and are believed to be typical of the market.
- All properties are appraised as if free and clear of any or all liens or encumbrances, unless otherwise stated.
- The existence of hazardous materials or other adverse environmental conditions are not considered, unless otherwise indicated.
- Any drawings, photographs, plan, or plats are assumed to be correct and are included solely to assist in visualizing the property.
- It is assumed that there is full compliance with all applicable federal, state, and local regulations and laws, unless otherwise noted.
- No responsibility is assumed for hidden or unapparent conditions in the property that may affect its value.
- It is assumed that all required licenses, certificates of occupancy, consents, or other administrative authority from local, state, or federal governments can be obtained or renewed for any use on which the value estimate contained in this report is based.
- A specific survey and analysis of properties to determine compliance with the provisions of the Americans with Disabilities Act has not been performed and non-compliance has not been considered in valuing these properties.
- While it is believed all information included in the appraisal is correct and accurate; the appraiser does not guarantee such.

This report may not be used for any purpose or by any person other than the party to which it is addressed without the written permission of the Rains County Appraisal District.

Scope of Appraisal: The scope of the appraisal relates to the nature of the appraisal assignment and the extent of collecting, confirming, and reporting the data, which provides the basis for the estimate of value.

The three accepted approaches to value are considered in estimating the market value for each property, with the most appropriate method given the greatest emphasis.

A market-based cost approach is considered the most appropriate for single family residential, most owner occupied commercial, and mobile homes since this method reflects the actions of buyers and sellers in the market, with exceptions. This approach is based on the principal that a buyer will not pay more for a property than the cost of acquiring a vacant site and constructing a substitute structure of comparable utility, assuming no costly delays in construction.

The sales comparison method is used for vacant lots and land because it reflects the actions of the marketplace. Where there are no vacant lot sales, an allocation by abstraction is used to

value land. Since these properties typically do not produce any income, the income approach to value is given minimal emphasis.

In the event a property is unavailable for inspection and the owner has not supplied any information, the appraiser has estimated the measurements and condition of the improvements or a lump sum value for the property.

Personal property is appraised utilizing the cost approach to value. The market approach is used for categories of personal property when available.

All appraisal estimates are made in compliance with requirements as provided in the Texas Property Tax Code.

This report is applicable to the following property types: single family and multifamily residential, vacant lots and acreage, farm and ranch properties, commercial and industrial properties, mineral, utility, business personal property and mobile homes.

Personnel Resources: The Rains County Appraisal District staff consists of 6 full-time employees within the departments listed below.

- 1 - Administration
- 1 - Customer Service
- 3 - Residential Valuation
- Commercial Valuation & Personal Property Valuation
- 1 - GIS Mapping

The administrative staff is responsible for overall planning, organizing, staffing, coordinating, and supervising RCAD and the appraisal activities. The appraisal duties are divided among three departments: Residential, Commercial, and Personal Property. The Residential Department is responsible for appraising all residential housing and mobile homes in the district. The Commercial Department is responsible for appraising all commercial, industrial, utility, multi-family real property, excluding 4-plexes and smaller ones in the district. Land is appraised by both the residential and commercial departments. The Personal Property Department appraises business personal property. The Customer Service Department is responsible for exemptions, owner addresses, data entry, and first response to the property owner. support staff are responsible for data entry and verification of data. The Chief Appraiser, Deputy Chief Appraiser and all appraisers are registered with the Board of Tax Professional Examiners.

The Rains County Appraisal District contracts with Capitol Appraisal Group Inc. to appraise its personal property utility properties (Category J).

Data Collection and Verification Resources: The Rains County Appraisal District is responsible for approximately 14,000 real and personal property accounts covering approximately 298 square miles. RCAD is responsible for appraising property for four (4) school districts, three (3) cities, (1) one special district, and Rains County. Appraisal records are maintained in a computer automated mass appraisal (CAMA) system.

Property characteristic data is recorded for each property to be appraised. Resources for the discovery, describing, and listing of property include, but are not limited to the following: field inspections by appraisal staff, renditions, deed records, plat records, and assumed name certificates filed for record with the Rains County Clerk's office, city building permits, local fee appraisers, builders and realtors, newspaper publications, maps, and other appraisal records of the district.

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

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

Rental rates, expenses and occupancy rates are gathered on income producing properties for use in the income approach to value through questionnaire mailings, owner filed property reports and telephone surveys. Income and expense information is entered into a spreadsheet database for analysis and use by district appraisers.

Information relating to business personal property is collected during the normal inspection process and through owner filed renditions and property reports. Costs are also researched for personal property using NADA Guides and other sources.

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

Preliminary Analysis: A ratio analysis is performed for all types of property to determine the accuracy of schedules and properties that need visual inspection or reappraisal.

Area Analysis: Subject properties are primarily located in Rains County, Texas. The district appraises property in several school districts that are located across the Rains County line, into portions of Miller Grove ISD, Lone Oak ISD, and Alba Golden ISD. The City of Emory is in Rains County, lies between to major fairway, Interstate 30, and Interstate 20. Emory has a population of approximately 2,000 which is about half of the total county population.

With low interest rates and a stable economy in Emory, new construction and market activity is brisk and values are increasing at a slow rate and have stabilized in some areas.

Neighborhood Analysis: Neighborhood analysis examines how economic, social, physical, and governmental forces affect property values. The effects of these factors are used to identify neighborhoods. Properties whose values are influenced by the same economic, social, physical, and governmental forces are grouped as neighborhoods. Included in the neighborhood analysis is the consideration of patterns of development and property use. Neighborhoods typically experience a three-stage cycle: development, stability, and decline.

Highest and Best Use: Highest and best use is the probable, and legal use of vacant land or improved property, which when physically possible, financially feasible, and appropriately supported, results in the highest value for the property. For improved properties, the highest and best use determination of a site is made both as if the site is vacant and as improved. The highest and best use for residential property is normally its current use. This is due in part to the fact that residential development, in many areas, through use of deed restrictions and zoning, precludes other land uses.

Data Collection and Validation: Appraisers are assigned specific school districts to drive out and work annually. Although most inspections are performed as a drive-by, properties with changes such as additions, swimming pools, etc. are conducted by an on-site inspection. Properties where physical data has been questioned or requires reviewing, inspections may include confirming the dimensions of structures and/or a complete interior and exterior inspection. The field appraiser determines the extent of the inspection needed. A walk-through inspection is made on all new construction if possible. Physical characteristics such as size, quality of construction, detail and property amenities are determined during these inspections. Additionally,

size is confirmed though sources such as building permits, construction plans and realtor information. All available and reliable resources are used in pursuit of accurate characteristic data for each property.

Recently sold properties, with high variances from typical sales ratios are site inspected to ensure proper classification and accurate characteristic descriptions prior to being used in ratio studies or being used to develop market value adjustment factors.

Depreciation: Depreciation is the loss in value from replacement cost new of an improvement or personal property item due to physical deterioration, functional obsolescence and/or economic obsolescence. Each property, during the on-site review process, is assigned a depreciation factor based on the observed physical condition of the property. Additional adjustments may be made to the property for functional or economic obsolescence if conditions so warrant. Personal property is depreciated using the age-life method based on a typical economic life for each personal property component type.

Testing: Appraised values to sale price ratio studies are conducted to determine the accuracy of values in the district. All areas are evaluated every year based on the availability of sales information. Ratio tests are performed first to see if global or general adjustments should be made to the cost and/or depreciation schedules or if certain geographic areas or improvement subclasses require reappraisal. The final ratios are performed by school district and/or state code, where sales information is available. Stratification is performed to help in determining if certain valued properties need to be reappraised. See Exhibit A.

Certification:

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the properties that are the subject of this report, except for those properties that are personally owned, and I have no personal interest with respect to the parties involved.
- I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have not made a personal inspection of the property that is the subject of this report.
- No one provided significant professional assistance to the person signing this report.

_____
Sherri McCall, Chief Appraiser
Rains County Appraisal District

_____
Chairman, Appraisal Review Board

_____
Date:

EXHIBIT A

Value totals from Pacs