

**Tax Assessment Values for Texas Multifamily
Expected to Rise Across All Classes**

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With much improved operations across all classes of properties, along with an active velocity of property sales supporting higher values, appraisal districts are expected to increase 2013 values. 2013 notice (preliminary) values typically will be mailed by May 1 with the protest deadline the later of May 31 or 30 days after receipt of notice.

But even if your property shows a stronger NOI that supports a higher 2013 notice value, you should still employ a seasoned tax consultant to make sure you are not missing out on all the protest methods available by law. For example, an Equal & Uniform protest, also known as an equity protest can still reflect a value reduction versus the typical market value protest which arrives at a value by calculating the NOI and using a market CAP rate. CMI, as a routine, does an equity analysis on each property in addition to calculating NOI.

Unlike the appraisal district's mass appraisal methodology used for determining the notice value and then reliance on an owner's actual operating statement to fine tune a final value, CMI refuses to allow the appraisal district to ignore other value remedies such as Section 42.26(d) which provides that "The district court shall grant relief on the ground that a property is appraised unequally if the appraised value of the property exceeds the median appraised value of a reasonable number of comparable properties appropriately adjusted."

In short, the plain language of the statute allows a protest without proof of market value of comparable properties. **Hence, if a conflict exists between taxation at market value and equal and uniform taxation, equal and uniform taxation prevails.**

If you would like further information on this topic or other property tax related issues, contact Mark J. Cantrell at (214) 368-1295 or email mcantrell@cmi-tax.com.

Cantrell McCulloch, Inc. (CMI) is one of the leading property tax consulting firms in Texas. Representing almost \$5 billion in multifamily value alone, with over 120,000+ multifamily units and 700+/- properties, CMI continues to be the leader in negotiating value reductions for the apartment industry.

JOB GROWTH	Area New Jobs	1 Mo	6 Mo	12 Mo	
	Estimate	End 4/30	End 4/30	End 4/30	
	Dallas/Plano/Irving	12,100	15,700	69,500	
	Fort Worth/Arlington	2,100	10,900	31,500	
		14,200	26,600	101,000	
INTEREST RATES	Rates	END 4/30		Yr. Ago	
	10 Year Treasury		1.70%	1.95%	
	11th District COFI		0.99%	1.21%	
	1 Mo. LIBOR		0.20%	0.24%	
Best all in fixed rates for the best properties are around 4.08% (10 year maturity - Fannie Mae).					
SUPPLY/ DEMAND	Units Added/ Absorbed	6 Mo	12 Mo	24 Mo	
		End 4/30	End 4/30	End 4/30	
	Dallas County				
	Added	4,420	7,312	12,914	
Absorbed	4,567	7,846	16,883		
Tarrant County					
Added	2,770	4,639	7,312		
Absorbed	2,651	4,647	9,861		
OCCUPANCY RATES	Dallas County	4/30/2013	6 Mo Ago	12 Mo Ago	
	2000's	87.8%	91.2%	91.9%	
	1990's	94.8%	95.0%	94.8%	
	1980's	93.8%	92.2%	92.2%	
	1970's or Older	90.7%	89.7%	88.9%	
	Tarrant County				
	2000's	90.8%	93.5%	93.9%	
	1990's	94.6%	94.6%	94.9%	
1980's	93.9%	93.2%	92.9%		
1970's or Older	90.4%	88.8%	88.2%		
RENTAL RATES	Dallas County	4/30/2013	6 Mo Ago	12 Mo Ago	
	2000's	\$1,251	\$1,239	\$1,214	
	1990's	\$1,104	\$1,093	\$1,081	
	1980's	\$694	\$678	\$660	
	1970's or Older	\$668	\$649	\$636	
	Tarrant County				
	2000's	\$1,039	\$1,016	\$1,004	
	1990's	\$962	\$945	\$939	
1980's	\$662	\$648	\$630		
1970's or Older	\$611	\$598	\$581		
HISTORICAL JOB GROWTH	Average year change of the combined DFW MSA's		1 Texas Workforce Commission		
	2007	82,200	2 Banxquote.com		
	2008	2,500	3 ALNsys.com - Rental rates are after concessions.		
	2009	(94,900)	Approx. 25% of 70's or older are all bills paid.		
	2010	50,800			
	2011	51,200			
	2012	79,200			

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