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# 2026 MASS APPRAISAL REPORT

## OCHILTREE COUNTY APPRAISAL DISTRICT

825 S MAIN STE 100
PERRYTON, TX 79070
Phone: 806-435-9623

# Table of Contents


**Introduction** ..... 3

**Purpose** ..... 3

**Organizational Structure** ..... 4

**Office of the Chief Appraiser** ..... 4

**Personnel/Education** ..... 4

**Appraisal District Boundaries** ..... 5

**Properties Appraised** ..... 5

**Models Used in Appraisal** ..... 6

1. **Market or Sales Comparison:** ..... 6
2. **Cost Approach:** ..... 6
3. **Income Method:** ..... 6

**Components Analyzed** ..... 6

**Area Analysis** ..... 6

**Highest and Best Use Analysis** ..... 7

**Market Analysis** ..... 7

**Data Collection and Validation** ..... 8

**Cost Schedules** ..... 8

**Market/Sales Comparison** ..... 9

**Income Approach Used in Appraisals** ..... 10

**Depreciation** ..... 10

**Top Taxpayers** ..... 11

**General Assumptions and Limiting Conditions** ..... 12

**Single Family Residence Appraisal** ..... 13

**Overview** ..... 13

**Assumptions and Limiting Conditions** ..... 13

**Homestead Cap Value** ..... 13

**Data Collection and Validation** ..... 14

**Valuation Approach and Analysis** ..... 15

**Review and Testing** ..... 15

**Multi-Family Property Appraisal** ..... 16

**Overview** ..... 16

**Assumptions and Limiting Conditions** ..... 16

**Data Collection and Validation** ..... 16

**Valuation Approach and Analysis** ..... 17

**Review and Performance Testing** ..... 17
**Commercial/Industrial Property** ..... 18
**Overview** ..... 18
**Assumptions and Limiting Conditions** ..... 18
**Data Collection and Validation** ..... 18
**Valuation and Analysis** ..... 19
**Review and Testing** ..... 19
**Minerals (Oil and Natural Gas Reserves)** ..... 20
**Overview** ..... 20
**Assumptions and Limiting Conditions** ..... 20
**Business Personal Property** ..... 21
**Overview** ..... 21
**Assumptions and Limiting Conditions** ..... 21
**Data Collection and Validation** ..... 21
**Valuation Approach and Analysis** ..... 21
**Certification** ..... 24
**Apendeix A- Business Personal Property Depreciation Schedule** ..... 25

# OCHILTREE COUNTY APPRAISAL DISTRICT

# 2026 MASS APPRAISAL REPORT

## Introduction

### Purpose

The purpose of this report is to inform the Board of Directors, property owners, and taxing entities within the boundaries of the Ochiltree County Appraisal District (OCAD) regarding methods and procedures utilized in the valuation and revaluation of taxable property. The report also intends to comply with Standards Rule 6 of Uniform Standards of Professional Appraisal Practice (USPAP). Standards Rule 6-7 requires a written summary report of a mass appraisal for ad valorem taxation. Mass appraisal is the process of valuing a group of properties as of a given date, using standard methods, and employing common data, which allows for statistical testing. The intended use of the appraised values is to establish a tax base upon which a property tax will be levied. Each taxing unit within OCAD boundaries will use the appraised values for ad valorem tax purposes only.

The purpose of the appraisals performed by OCAD is to estimate market value on January 1 of each year (as defined by the Texas Property Tax Code Sec. 1.04) on all taxable property within the boundaries of OCAD, "Market Value" is defined by Sec. 1.04 as 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 the purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

It should be noted that market value as defined by the Texas Property Tax Code differs from the definition as established by USPAP; therefore, a jurisdictional exception applies.

OCAD follows an orderly sequence of tasks in arriving at appraised value for a property. The order is broadly prescribed in the Texas Property Tax Code which lists certain dates/deadlines that appraisal districts must comply with. A summary of the calendar of important dates for the period of this report is shown in the appendix. As mentioned above the effective appraisal date for most taxable property in this report is January 1 with the exception of inventory which may be appraised at its market value on September 1; the appraisal herein reported was completed on July 24, 2026.

# Organizational Structure

The Ochiltree County Appraisal District was created by the Texas Legislature. The OCAD appraises property for nine entities in Ochiltree County, Texas. OCAD is a political subdivision of the State of Texas. The appraisal district is governed by a seven-member board of directors, who are appointed by the voting entities in the county. The board appoints the chief appraiser who serves at the pleasure of the board. The board also approves the budget and sets policy.

## Office of the Chief Appraiser

The Chief Appraiser is the chief administrator of the appraisal district. The Chief Appraiser is appointed by the Board of Directors and answers directly to that body. The Chief appraiser employs and directs the District's staff, and oversees all aspects of the operations for the District, including, but not limited to:

- Appraisal of property which includes discovery, listing, review and valuation of all taxable property within the District, using standard approaches for estimating market value.
- Administration of exemptions, which includes approving or denying applications for total or partial exemption pursuant to Chapter 11 of the Texas Property Tax Code.
- Administration of special valuation including approving or denying applications for productivity valuation or other special valuations in accordance with Chapter 23 of the Texas Property Cody.

Other duties including maintenance of all property records as required by the Texas Property Code; Sending and receiving rendition forms concerning property; preparing and sending required notices, postings and publications; any other duties necessary for the efficient appraisal of property for tax purposes in the District.

The Chief appraiser represents the Appraisal District in appeals concerning value with the Property Tax Assistance Division of the Texas Comptroller of Public Accounts.

## Personnel/Education

During the period covered by this report, OCAD had two Registered Professional Appraisers, two appraiser registrants, and two data entry staff members. All appraisers are required to be registered with the Texas Department of License and Registration (TDLR). The TDLR registration requires that each appraiser must successfully complete a five-year educational program and pass a required number of course hours within a specified time. Additionally, all appraisers must pass review exams at levels three and four of the certification programs. After successfully completing the required curriculum and passing both state exams, an appraiser is awarded the designation of Registered Professional Appraiser (RPA). There is also a requirement of at least thirty hours of continuing education units every two years in order to re-certify the RPA designation. OCAD currently has one RPA on staff. The OCAD appraiser staff stays abreast of current trends affecting property through review of published materials, attendance at conference, course work, and continuing education.

# Appraisal District Boundaries

The appraisal district is responsible for appraising property in the district (all of Ochiltree County) for ad valorem tax purposes for each taxing unit that imposes ad valorem taxes. OCAD serves the public and nine taxing entities in Ochiltree County. Taxing entities in Ochiltree County are as follows:

1. Perryton ISD
2. Booker ISD (the portion that falls within Ochiltree County)
3. Spearman ISD (the portion that falls within Ochiltree County)
4. City of Perryton
5. City of Booker (the portion that falls within Ochiltree County)
6. Ochiltree County
7. Ochiltree Hospital District
8. North Plains Ground Water Conservation District
9. Frank Phillips College-Ochiltree

# Properties Appraised

The district employs Pritchard and Abbott Inc. an appraisal firm located in Amarillo, Texas, to appraise, hotels, minerals, pipelines and compressors, and some industrial property. The district also employs Pritchard and Abbott Inc., to provide the District with software used by the District to appraise and maintain property values. All other properties are appraised by local staff at the Ochiltree Appraisal District.

The Appraisal District certified a total of 35,452 parcels with a total market value of $2,357,607,330 for 2026. The following chart breaks this total down into specific categories (the categories on the left are state-mandated designations for the various types of properties in this district):

| | | | |
|---|---|---|---|
| A | REAL: RESIDENTIAL SINGLE FAMILY | 2,910 | 331,154,302 |
| B | REAL: RESIDENTIAL, MULTI-FAMILY | 62 | 10,990,260 |
| C | REAL: VACANTS/LOTS TRACTS | 340 | 3,018,498 |
| D1 | REAL: QUALIFIED AG LAND | 2,486 | 803,473,141 |
| D2 | REAL: NON-QUALIFIED AG LAND | 494 | 23,311,252 |
| E | REAL: FARM AND RANCH IMPROVEMENTS | 712 | 61,989,038 |
| F1 | REAL: COMMERCIAL | 935 | 118,176,842 |
| F2 | REAL: INDUSTRIAL | 95 | 249,878,739 |
| G | REAL: MINERAL & GAS | 25,234 | 401,348,847 |
| J | REAL AND TANGIBLE PERSONAL: UTILITY | 296 | 142,317,400 |
| L1 | PERSONAL COMMERCIAL & INDUSTRIAL | 552 | 42,343,502 |
| L2 | PERSONAL: INDUSTRIAL- MANUFACTURING | 654 | 84,464,900 |
| M1 | MOBILE HOMES | 430 | 9,762,242 |
| S | SPECIAL INVENTORY | 7 | 1,417,056 |
| X | EXEMPT PROPERTY | 245 | 73,961,311 |
| | TOTALS | 35,452 | 2,357,607,330 |

# Models Used in Appraisal

The models used in the appraisal covered by this report include three basic models, briefly described here:

1. **Market or Sales Comparison:**
   This approach "considers the marketplace directly and uses the market to estimate value by comparing the subject property to similar properties that have recently sold." *(Property Assessment Valuation – IAAO)* Appraised values are directly correlated to the prevailing market trends in the area. This method is the most widely used by OCAD in arriving at the appraisals covered by this report.
2. **Cost Approach:**
   This model is used by OCAD when reliable market value is not available or when a property's most accurate appraisal would be obtained by using this method such as for unique properties. In the cost approach, value is determined by land value plus the depreciated cost of improvements.
3. **Income Method:**
   The income method is used by OCAD to appraise income-producing properties. This method converts all expected future net benefits into a present value figure.

# Preliminary Analysis

In preparation to engage in the mass appraisal process, appraisers and the Chief Appraiser reviewed information regarding sales, economic and social factors in the area to be reappraised, which for 2026 was OCAD's area one as outlined later in this report. Areas needing special attention were identified and appraisers were assigned tasks, including those noted in the system. Broad surveys/studies/discussions were conducted to note areas of difficulty. These surveys may have included comparisons with other jurisdictions, pilot studies, and/or study of information from sources outside the county to note trends.

# Components Analyzed

## Area Analysis

The properties appraised by Ochiltree County Appraisal District include all property located in the Ochiltree County. Ochiltree County is located in the northeastern Texas Panhandle and is bordered on the north by the state of Oklahoma, on the east by Lipscomb County, on the south by Roberts County, and on the west by Hansford County. The District has one city, Perryton and two small towns, Farnsworth and Waka as well as several unincorporated communities.

Minerals by far contribute to most of the economic wealth in the area. Farming is also a large part of the economy. The majority of the rural land in the county is devoted to cattle raising or crop production. There is also a commercial pig farm in the county. A listing of the top twenty taxpayers is shown in another section of this report.

The nearest urban area in the state is Amarillo, Texas, 120 miles to the southwest. Liberal, Kansas is 50 miles to the north and Guymon, Oklahoma is 60 miles to the northwest. The remote location has a large effect on values of properties in this county.

The District is divided into three areas, one of which is reappraised each year on a rotating basis. The area reappraised in 2026 and covered by this report includes all property located south of Highway 15 and east of Highway 83 in the County.

Because the OCAD area is sparsely populated, neighborhoods correspond to the three appraisal areas. The neighborhood covered by this report includes residential area on the Southeast side of Perryton as well as any industrial properties in this area.

## Highest and Best Use Analysis

The highest and best use of real estate is defined as the most reasonable and probable use of land that will generate the highest return to the property over a period of time. This use must be legal, physically possible, economically feasible, and the most profitable of the potential uses. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact.

In order to complete the highest and best use analysis of a property, an appraiser must estimate its highest and best use as if the land were vacant. This estimate does not take into consideration the existing improvements. It is the highest value the land could have if it were available for any legal, physically possible and economically feasible development.

In determining highest and best use, preliminary judgements are made in the field by appraisers. Appraisal District property data cards contain information regarding lot size and frontage; therefore, appraisers normally make judgements on possible use of sites in the field. Most profitable uses are also determined by observing surrounding property and the way those properties are used.

## Value in use

Value in use is another concept that was used in arriving at values covered by this report. Value in use, for OCAD purposes, applies mostly to valuation of personal property and implies that equipment is installed and in continual use for generating income or performing its function. It sets the upper limit of value and is the concept used with the cost approach.

## Market Analysis

Economic trends, national, regional and local trends affect the values of property appraised in our area. An awareness of social, economic, governmental and environmental conditions is essential in understanding, analyzing and identifying local trends that affect the real estate market and business climate.

Market analysis is performed throughout the year. Examples of sources of general data include "Trends" issued by The Real Estate Center at Texas A&M University; the monthly publication published by the State Comptroller's Office's, "The Appraiser" published by The Texas Association of Appraisal Districts, valuation guides such as Marshall-Swift and various news sources. When possible, local sources are also tapped in order to obtain data.

Sales information is gathered from various sources. Asking prices are gathered from the local paper and realtor listings. Information is also gathered from conversations with local real estate appraisers, agents, and brokers.

The District receives copies of deeds and transactions filed in the County Clerk's office. From this information, sales letters are mailed to sellers and buyers to obtain information on the sale. This information is not mandatory in the State of Texas, and only a small percentage of letters are returned with useful information. This is a serious problem in that there is usually inadequate sales data to perform as thorough an analysis of sales data as USPAP would require. However, every effort is made to use what data is available. The Property Tax Assistance Division also sends out sales letters and that data is made available to the District at least once a year.

Sales and market analysis are performed each year on residential properties, as information is available. Each year new properties are inspected, measured and added to the roll. In addition, building permits within the City of Perryton are obtained, and changes to accounts are made as indicated. Individual properties are also reappraised when there are changes the property; for example, fire, remodeling, or an addition or demolition of a portion of the improvement. Appraisers will perform detailed field inspections of properties if requested by the owner.

The appraisers performing revaluation in the field have property record cards that contain specific information regarding the property being appraised. These cards contain brief legal descriptions, ownership interest, property use codes, property addresses, land size, drawings of improvements, and any available detailed information of the improvements. A copy of a property data card is included in this report in the appendix.

## Data Collection and Validation

The following section discusses the sources of data and collection procedures delineated for each type of valuation method.

## Cost Schedules

Cost schedules were used by the District in the mass appraisal of properties in the County. Included are schedules for commercial real and residential real improvements, business personal property, mobile homes, aircraft, pipelines and compressors. The basis for commercial real estate and residential real estate schedules comes from information in the Marshall and Swift Valuation Service Cost Guide and local construction cost information.

Business personal property schedules come from the Texas Property Tax Assistance Division appraisal manual, Marshall and Swift, NADA automobile and truck booklets, aircraft booklet, NADA mobile home guide and property owner original costs. Personal property renditions provided by property owners are also used in the valuation of business personal property. Information on costs for pipelines and compressors are gathered from property owners, manufacturers, specific cost guides, consultants and various other sources. (Compressor and pipeline cost schedules were maintained by Pritchard & Abbot Inc. for the 2026 appraisal year.) Costs information from these sources is adjusted for time and location before being applied to the schedules.

Renditions are confidential sources and cannot be used for specific information. However, data from renditions may be compared with data from cost manuals and used to test for accuracy. Data on individual properties is also collected from the field, compiled and analyzed. It can be compared to cost information to make localized adjustments.

## Market/Sales Comparison

In order for sales data to be considered reliable it must contain a sales date, sales price, financing information, buyer and seller's names, and any information detrimental to the transaction. Sales data is gathered by sending sales letters to both the buyer and seller of properties that the District knows changed ownership. Commercial sales are confirmed from the direct parties involved whenever possible. Confirmation of sales from local real estate appraisers, title companies and interested parties is considered helpful in qualifying a sale.

Sales data is compiled and the properties are physically inspected. All data listed on the property record card is verified and updated as needed including building classification, building size, additions or added out buildings, condition of structures and any change in data or characteristics that would affect the value of the property. When all the variables of a sold property are identified and recorded, then the sale can be appropriately compared to similar properties.

A sale that has been properly analyzed may then be considered an "arms-length" transaction. Only arms-length transactions are used to estimate market value of other properties. Examples of reasons why sales may not be considered arms-length transactions are:

- Properties are acquired through foreclosures or auction.
- Properties are sold between relatives.
- The buyer or seller is under duress and may be compelled to sell or purchase.
- Financing may be non-typical or below or above prevailing market rates.
- Considerable improvements or remodeling have been done since the date of the sale, and the appraiser is unable to make judgements on the property's condition at the time of the transaction.
- Sales may be unusually high or low when compared with typical sales located in the market area. Some sales may be due to relocation or through divorce proceedings.

- The property is purchased through an estate sale with the probability of special consideration given to the sale price.
- The sale includes personal property that is difficult to value and separate from the sale price.

Within the Ochiltree County Appraisal District, and in the surrounding area, it is often difficult to obtain sufficient sales data to meet USPAP standards for analysis of sales, and exception is taken to USPAP Standard Six in this area.

## Income Approach Used in Appraisals

Income producing properties are properties like apartments, office buildings, rented single-family residences, rented or leased retail stores or spaces, shopping malls and other rented properties.

Value estimates or appraisals of income producing properties may be made based on data collected relevant to the property itself. When this data is available on a similar property that has recently sold in an arms-length transaction, then the resulting estimate can be a very good indicator. A simple formula including gross income, less expenses, divided by a capitalization rate may produce a reasonable estimate of the value of a property.

A capitalization rate may be simply defined as a reasonable rate of return on a like investment. The income approach to value may not always be the best method of appraisal for a given property, but it should be taken into consideration when the information is available because it is a strong indicator of value for investment property.

## Depreciation

Depreciation is a method of adjusting the value of a property because of deterioration in the condition or value of a property due to aging, wear and tear or other causes. Depreciation is applied to the improvements or structures (not to the land) and is primarily based on the age of a property. Effective age for a house that is properly maintained may be its actual or chronological age. However, if a structure suffers from deferred maintenance due to neglect, its effective age may be older than the actual age. In contrast, if a house is an older structure and has been remodeled or updated, its effective age may be less than its actual age.

During the appraisal covered by this report, appraisers in the field usually inspected structures from the exterior only. The interior condition is assumed to be similar to its exterior. However; taxpayers were allowed to request interior inspections by appointment.

Additional depreciation may be estimated for a variety of reasons including functional obsolescence resulting from bad floor plans or out of date construction methods. Economic obsolescence results from a loss of value to a property due to adverse influences from outside the physical boundaries of the property. Examples of economic obsolescence may be proximity to undesirable industrial structures, location of residences outside city limits with no access to city

amenities, residences located on farm and ranch land, etc.

These kinds of depreciation are combined in judging the condition of a property relative to the condition of the improvements. The physical depreciation is maintained within OCAD's software system.

# Top Taxpayers

Ochiltree County net taxable property values total $1,609,498,786 for 2026. The taxable and appraised values for the top 20 taxpayers in the County are listed below.

**2026 Top Taxpayers - Ochiltree County**

| | Market Value | | Taxable Value |
|---|---|---|---|
| PALO DURO WIND ENERGY VLA | $179,897,960 | | $179,897,960 |
| MEWBOURNE OIL COMPANY (MIN) | $116,212,980 | | $99,724,880 |
| COURSON OIL & GAS INC | $45,787,800 | | $39,944,800 |
| SEABOARD FOODS LLC | $48,575,490 | | $39,029,790 |
| ET GATH & PROCESSING (PIPE) | $35,957,360 | | $35,832,360 |
| SOUTHWESTERN PUBLIC SERVICE | $28,628,380 | | $28,503,380 |
| ET GATHERING & PROCESSING(PLTS) | $23,427,410 | | $23,235,360 |
| CAPTUREPOINT LLC (MIN) | $17,564,380 | | $16,800,700 |
| PRESIDIO PETROLEUM LLC (MIN) | $19,091,220 | | $15,770,600 |
| HIGH RIVER RES OPERATING LLC | $12,727,300 | | $12,727,300 |
| MID AMERICA PIPELINE COMPANY | $11,652,180 | | $11,527,180 |
| NORTH PLAINS ELECTRIC COOP | $10,937,940 | | $10,687,940 |
| DCP OPERATING CO (PIPE ONLY) | $9,582,730 | | $9,457,730 |
| DCP OPERATING COMPANY LP | $8,274,920 | | $7,818,990 |
| BRACKEN OPERATING LLC (MIN) | $7,735,310 | | $6,753,630 |
| LATIGO PETROLEUM LLC | $7,523,130 | | $6,085,460 |
| PALO DURO WIND ENERGY LLC | $6,309,160 | | $6,059,160 |
| EQUITY EXCHANGE | $5,687,205 | | $5,687,205 |
| COURSON FAMILY LAND PARTNERSHIP | $31,553,703 | | $5,499,560 |
| PERDURE PETROLEUM LLC | $5,683,560 | | $5,428,400 |
| Total of Top 20 Taxpayers | $632,810,118 | | $566,472,385 |
| % of County Appraised Value Taxable | | | 35% |

Reptd on 9/23/2026

# General Assumptions and Limiting Conditions

In the process of appraising property at OCAD during the period covered by this report, various general assumptions or limiting conditions may have affected the resulting appraisal. A summary of these general assumptions and limiting condition follows: (assumptions and limiting conditions to specific types of appraisals are addressed later in this report)

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded, and the property is appraised as though free and clear, under responsible ownership and competent management.
3. The appraisers developing these appraisals are not required to give testimony of attendance in court by reason of the appraisals, unless directed by, employed by, and provided legal counsel by the Ochiltree County Appraisal District.
4. All properties are appraised in fee simple interest in accordance with Texas Property Tax Code Sec 25.06 (Jurisdictional Exception to Standards Rule 6-4 (c) and 6-5(c) of USPAP)
5. All sketches in the appraisal records are intended to be visual aids with rounded measurements and should not be constructed as surveys or engineering reports, etc.
6. All information in the appraisal records is obtained by members of the appraisal district's staff or other reliable sources.
7. The appraisal staff has inspected, as permitted, by observation, the land and the improvements thereon; however, it is not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore, no representations are made as to these matters unless specifically considered in an individual appraisal.
8. All interior inspections are performed at the property owner's request by appointment. All other inspections performed are external and assume the quality, condition, and desirability of the interior are approximately equal to that of the exterior, unless otherwise known.
9. Agricultural land is appraised at market value using a market data model based on market sales information. However, it may also be subject to appraisal using an income model specified in Sec. 23, Sub-chapters C, D, and E of the Texas Property Tax Code. (Jurisdictional Exception to 6-4 (b) of USPAP)
10. The highest and best use of property is defined as the most reasonable and probable use of the land that will generate the highest return to the property over a period of time. This use must be legal, physically possible, economically feasible, and the most profitable of the potential uses. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact. Furthermore, appraisers are limited by Texas Property Code Section 23.01(d) in the use of this principle for appraising residential homestead property.
11. Subsurface rights (mineral and oil) are not considered in making these appraisals.

# Single Family Residence Appraisal

## Overview

Single-family residences consist of all land and real property improvements that by the nature of their design and/or construction are suitable for single-family use only. This includes manufactured homes that are classified as real property when the owner of the land is also the owner of the manufactured home and personal property when the owner of the manufactured home does not own the land. Properties at OCAD are divided into three distinct areas of the county; each area is reappraised every third year. Residential property reappraised in 2026 was all property located south of Highway 15 and east of Highway 83 in the county.

## Assumptions and Limiting Conditions

The appraisals completed by OCAD for single-family residences are subject to the following assumptions and limiting conditions:

1. The Ochiltree County Appraisal District staff and/or contracted appraisers do not physically inspect all single-family residences within its jurisdiction each year, but some are re-inspected on a three-year rotating basis as noted above. Interior inspections have not been done on a majority of the properties in the jurisdiction because (1) most residential owners are not at their residence during regular business hours, (2) permission to inspect is not always granted, (3) the safety of the appraiser may be in question, and (4) respect for privacy rights of the property owner should be exercised.
2. The opinion of value for each single-family property applies to land and improvement only. The value of personal property of an owner has not been included with the value of the real estate. The only personal property that is valued as an improvement is a manufactured home where the owner of the home does not own the land. See Sec. 11.14(a) of the Texas Property Tax Code.
3. Residential real property inventory as defined by the Texas Property Tax Code in Sec. 23.12 is considered as inventory and the market value is the price for which it would sell as a unit to a purchaser who would continue the business. (Jurisdictional Exception to Standards Rule 6-5(d) of USPAP)
4. Single-family qualified properties used to provide affordable housing are appraised to comply with Sec. 23.22 of the Texas Property Tax Code. (Jurisdictional Exception to Standards Rule 6-4(b) of USPAP)
5. Single family residences that have a homestead exemption were not appraised using the highest and best use principle. Texas Property Tax Code Section 23.01 (d) limits the use of this principle in appraising residential homestead property. In addition, appraisals of homesteads were limited by Texas Property Tax Code Section 23.23 (Cad value) as described in the following section.

## Homestead Cap Value

The Ochiltree Appraisal District is required to keep written procedures to apply homestead capped values. The date of appraisal is tracked via the appraisal cards in the District software

program. District personnel enter updated data each year that assures the cap value is calculated correctly.

Cap value applies to residential homestead only. If the property is a residence homestead (a home in which the owner lives), the appraised value may not exceed the lesser of:

1. The market value of the property, or
2. The sum of-
    - 10 percent of the appraised value of the property for the last year in which the property was appraised for taxation times the number of years since the property was last appraised.
    - The appraised value of the property for the last year in which the property was appraised; and
    - The market value of all new improvements to the property.

## Circuit Breaker Limitation-Property Tax Code Section 23.231

Beginning in 2024, real property valued at $5,000,000 or less will benefit from a 20% limitation on the net appraised value of the property used to calculate your taxes, with the exclusion of land receiving the agriculture-use special appraisal and homestead properties that could qualify for the 10% homestead limitation.

The circuit breaker provision limits the amount the appraisal district can increase the appraised value of a property. The appraised value of qualifying real property is limited to an increase of no more than 20% per year unless new improvements, excluding ordinary maintenance, have been made. This limitation takes effect on January 1 of the tax year following the first tax year in which the owner owns the property. The Texas Legislature has currently only authorized the circuit breaker limitation for the 2024, 2025, and 2026 tax years. The appraised value that the circuit breaker applies to is set at $5,320,000 or less for 2026, and unless extended, will expire at the end of 2026.

## Data Collection and Validation

Two basic types of data are collected: data which is specific to each property and data which is indicative of a particular class of property that has been predefined by OCAD.

Property-specific data is collected as a part of the inspection process and through submission by the property owner. As part of the inspection process, the improvements are measured and classified. Any additional or unusual features are also noted at the time of the inspection. Data on individual properties is maintained on an appraisal card(s) for that property. Data on individual properties is verified through previously existing records, published reports, building permits, analysis of comparable properties, GIS maps, and through submission by the property owner. Appraisal cards are available for review at the appraisal district office and via email.

Data pertaining to a class of properties is grouped together according to the differing quality levels and then used to develop valuation models for each property class. Such data is collected in a variety of ways. Cost information is obtained from nationally recognized sources, local contractors, new construction permits, mechanics liens, reliable source of new property sales, and from

renditions submitted by owners. All local information is used to verify, supplement or modify costs from these published sources. Renditions are confidential submissions by property owners and cannot be used for other properties; however, data from renditions may be compared with data obtained from cost manuals to test their accuracy.

Market sales information is collected through a variety of sources including surveys of buyer and sellers, deed record, and from local real estate professionals.

## Valuation Approach and Analysis

Improvements are appraised using replacement cost new less depreciation (RCNLD) models. Replacement costs are estimated from published sources, other publicly available information, and comparable properties. Depreciation is calculated on the age/life method using typical economic lives and depreciation rates based on published sources, market evidence, and the experience of knowledgeable appraisers. Adjustments for functional and economic obsolescence may be made if diminished utility and comparable sales are found to justify such. A market data model based on typical selling prices per unit of area is also used when appropriate sales information is available.

Land values are based on selling prices for the appropriate highest and best use of the site, and as though it was vacant. Highest and best use analysis of the improvements is based on the likelihood of the continued use of the improvements in their current and/or intended use and is essential to an accurate appraisal. Identification of a highest and best use different from the current or intended use has a significant effect on the cost and market data models and is a statement of opinion, not a statement of fact. It should be noted that residence homesteads' highest and best use is always as a residence according to Texas Property Tax Code Section 23.01(d).

## Review and Testing

Field review of appraisals is performed through the regular inspection of subject properties. Ratio studies are preferred by OCAD as the method for measuring performance. The results of the performance measures used indicate the validity of the appraisal models used. Appraisers perform ratio studies multiple times annually.

Performance is also measured through comparison with valid single-property appraisal submitted for staff review. Appraisal results are also tested annually by the Property Tax Division of the Texas Comptroller's Office. Appraisal methods and procedures are also reviewed by the Property Tax Division.

# Multi-Family Property Appraisal

## Overview

Multi-family properties with situs in this district are appraised at market value as previously defined. Because most multi-family properties are income producing, OCAD is in the process of transitioning to using the income approach in appraising all of these.

## Assumptions and Limiting Conditions

The appraised value derived is subject to the following assumptions and limiting conditions:

1. For some multi-family properties only, the market value stated is for land, improvements and the personal property common to the classification and economic area. The business personal property value is insignificant to the overall value.
2. The Ochiltree County Appraisal District's staff and/or contracted appraisers attempt to physically inspect all apartment complexes and duplex properties within its jurisdiction and normally re-inspects and/or conducts statistical studies on these properties every three years, unless they are appraised using the income approach, in that case, appraisals are recalculated yearly.
3. For multi-family property that is used to provide affordable housing the property is appraised to comply with Texas Property Tax Code Sec. 23.22 (Jurisdictional exception to Standard 6-2(d) of USPAP)

## Data Collection and Validation

Two basic types of data are collected: data which is specific to each property and data which is indicative of a particular property or class that has been predefined by OCAD.

The property appraised has multi-family use. This classification of properties includes apartment complexes, quadruplex, and duplex properties. Properties of this classification are discovered and their characteristics recorded during field inspections, investigation of building permits issued through political entities, and investigation of mechanical liens recorded with the county clerk. Geographically, these properties are located throughout the county, the majority of which are in the city limits of Perryton.

Specific property data is collected at the time of inspection or re-inspection and through submissions by property owners. Characteristics of a specific property's physical improvements and amenities are recorded and stored electronically and may be printed on an appraisal card(s). Appraisal cards are available for review at the district office.

Sales data is taken from deed records, local real estate professionals, written appraisal reports, and telephone contact with principals. Sales are validated with the principals when possible. Sales data for properties is account-specific and retained electronically.

## Valuation Approach and Analysis

Based on the principal of substitution, land values are determined by the selling prices of similarly positioned functional tracts. Sites are analyzed for highest and best use as though they were vacant. Highest and best use of the improvements is based on the likelihood of the continued use of the improvements in their current and/or intended use and is essential to an accurate appraisal. Identification of a highest and best use different form the current or intended use has a significant effect on the cost and market data models and is always a statement of opinion, not a statement of fact.

A value per unit is charted and stratified by neighborhood and comparative class. A sales value per unit is also charted by neighborhood and comparative class for recent sales. Acceptable ranges of value are established for these comparative units. Preliminary property values are adjusted to meet with agreed ranges, and then unique property considerations are addressed.

Value indications are compared to renditions and valid single property appraisal submitted for staff review. The appraiser reviews the appraisal report to confirm and verify data as would be done with a sale. Final value recommendations are tested for reasonableness by performing a sales ratio study and, individually, during the appeal process. During the appeal process, property specific income and expense are reviewed for reasonableness and values are adjusted as necessary.

## Review and Performance Testing

Field review of appraisal is performed through the regular inspection of subject properties. Ratio studies are preferred method for measuring performance. The results of the performance measures used indicated the validity of the appraisal models used. Appraisers perform ratio studies annually, though in reality, data for ratio studies on multi-family properties is limited in Ochiltree County.

Appraisal results are tested annually by the Property Tax Division of the Comptroller of Public Accounts for the State of Texas. Appraisal methods and procedures are also reviewed by the Property Tax Division. Performance is also measured through comparison with valid single-property appraisal submitted for staff review.

# Commercial/Industrial Property

## Overview

This type of property consists of all land and improvements in Ochiltree County that are classed F1& F2 commercial/industrial according to the property's highest and best use.

## Assumptions and Limiting Conditions

The appraisals completed by OCAD are subject to the following assumptions and limiting conditions:

1. The opinion of value for each property applies to land and improvements only. The value of trade fixtures, furnishings and other equipment has not been included with the value of the real estate.
2. The Ochiltree County Appraisal District's staff and/or contracted appraisers attempt to physically inspect all properties within its jurisdiction and normally re-inspect and/or conduct statistical studies on these properties annually. Complete interior inspections have not been done on a majority of the properties.

## Data Collection and Validation

Two basic types of data are collected: data which is specific to each property and data which is indicative of a particular property class that has been defined by OCAD.

Property-specific data is collected as part of the inspection process and through submission by the property owner. As part of the inspection process, the improvements are measured and classified. Properties are classified according to construction type and quality. The appraiser also estimates the effective age and condition of the improvements. Any additional or unusual features are also noted at the time of the inspection. Data on individual properties is maintained on the appraisal card(s) for that property. The data includes legal description, sites, owner address, parcel number, and the property-specific information such as class, quality, measurements, condition, etc. Data on individual property is verified through previously existing records, published articles and reports, building permits, mechanics liens, analysis of comparable properties, and through information obtained from the property owner. Appraisal cards are available for review at the appraisal district office.

Data pertaining to a class of properties is used to develop valuation models for that property class. Such data is collected in a variety of ways. Cost information is obtained from nationally recognized sources, as well as from new construction permits, mechanics liens, local contractors, reliable sources of sales on new property, and renditions submitted by the property owners. Cost information on newly constructed improvements is also used to verify and/or modify costs from published sources. Renditions are confidential submissions by property owners and cannot be used for other properties. However, data from renditions may be compared with data obtained from cost manuals to test their accuracy.

Market sales information is collected through surveys of buyers and sellers in addition to public records.

## Valuation and Analysis

Land values are based on selling prices for the appropriate highest and best use of the site analyzed as though vacant. Highest and best use analysis of the improvements is based on the likelihood of the continued use of the improvements in their current and/or intended use and is essential to an accurate appraisal. Identification of a highest and best use different from the current or intended use has a significant effect on the cost and market data models and is always a statement of opinion, not a statement of fact.

Improvements are valued using replacement/reproduction cost new less depreciation. Cost tables are constructed using published sources as a guide and adjustments are applied using local market information. Adjustments are also applied for functional and economic obsolescence if utilization, sales and income information warrant. An income approach is used when economic and/or subject property income information is available. A market data model based on typical selling prices per unit of similar properties is used when sufficient information is available.

The cost approach to value is most accurate and reliable when appraising new construction. In older areas or areas of transition, cost is calculated and considered. However, due to the difficulty of measuring accrued depreciation, more weight is applied to the market and income approaches (when income information is available).

## Review and Testing

Field review of appraisals is performed through the regular inspection of subject properties. Although the ratio study is preferred method of measuring performance, single property appraisal submitted to the appraisal staff are also reviewed for appraisal accuracy. Appraisal results are also tested annually by the Property Tax Division of the Texas Comptroller's office. Appraisal methods and procedures are also reviewed by the Property Tax Division.

# Minerals (Oil and Natural Gas Reserves)

## Overview

Minerals-in-place (oil and gas reserves) are real property though not appraised as such until they are in process of being removed from the ground. Minerals in the District were appraised by Pritchard & Abbott Inc., for 2026.

## Assumptions and Limiting Conditions

Appraisal of oil and gas reserves is based on estimating the present value of economically recoverable reserves of oil and gas. The economic analysis (appraisal) is based on estimating the discounted net present value of the oil and gas production over the economic life of the well(s).

# Business Personal Property

## Overview

Business personal property is the tangible personal property owned by a business or by an individual for the purpose of producing income. Other tangible personal property is exempt according to Sec. 11-14(a) of the Texas Property Tax Code.

## Assumptions and Limiting Conditions

The appraisals completed by OCAD are subject to the following assumptions and limiting conditions:

1. The Ochiltree County Appraisal District's staff and or contracted appraisers inspect properties as needed and examine renditions for accuracy, comparing them with the Comptroller's list of active businesses annually.

## Data Collection and Validation

Data on new and existing businesses is collected through personal inspection, newspaper articles, government reports, legal documents filed in the county, comparison to like businesses, renditions and other confidential information supplied by the owner.

## Valuation Approach and Analysis

Personal property as defined by the Uniform Standards of Professional Appraisal Practice is "identifiable, portable, and tangible objects that are considered by the general public to be personal, e.g. furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment: all property that is not classified as real estate." The Texas Property Tax Code Section 1.04(5) defines tangible personal property as "...personal property that can be seen, weighed, measured, felt, or otherwise perceived by the senses but does not include a document or other perceptible objects that constitute evidence of a valuable interest, claim, or right and as negligible or of no intrinsic value." The Texas Property Tax Code Section 1.04(4) defines personal property as "...property that is not real."

The purpose of the appraisals of business personal property is to estimate market value on January 1 of each year as previously defined in the introduction. A separate definition of market value for inventory is found in the Texas Property Tax Code Sec. 23.12(a) "...the market value of inventory is the price for which it would sell as a unit to a purchaser who would continue the business." The Texas Property Tax Code sets forth three ways in which inventory may be valued if the requirements are met:

1. Sec 23.12(f) allows some inventories to qualify for appraisal as of September 1 of the year before January 1 of the taxable year.
2. Sec 23.121, 23.127, 23.1241 and 23.12D dictate that dealers in new and used vehicles, vessels, outboard motors and trailers, manufactured housing, and heavy equipment be valued differently. (Jurisdictional exception to Standard Rule 6-3(b)7(c)).
3. Sec 23.12(a) covers the inventories of remaining businesses.

Personal property is appraised using original cost less depreciation models. Depreciation is calculated on the age/life method using typical economic lives and depreciation rates based on published sources, market evidence, and the experience of knowledgeable appraisers. (A copy of the OCAD business personal property depreciation schedule for 2026 is shown in the appendix.)

Adjustments for functional and economic obsolescence may be made if utilization of the subject property justifies such. In the case of some business personal property types, such as licensed vehicles and aircraft, market data from published pricing guides is used to construct a market value model. In other cases, models are based on quality and density information available through published sources or through private sources. These models are cost based.

# Vacant Land

## Overview

Vacant land in this District is comprised of vacant lots and small acreages near the cities and towns as well as large parcels that are classed as agricultural land. Agricultural land value is calculated using the cash lease method. The productivity value is "net to land value: which is the average annual net income that a class of land would be likely to have generated over a five-year period. The average net income is divided by the cap rate to arrive at the productivity value. Therefore, the table or schedule used to appraise vacant land depends on the type of vacant land, i.e. residential lots, acreage near the cities and towns or agriculture land.

## Assumptions and Limiting Conditions

The appraisals completed by OCAD were subject to the following assumption and limiting condition:

- Market value for agricultural classed land was appraised at market value using a market data model based on market sales information. However, it was also subject to appraisal using an income model specified in Sec. 23, Sub-chapters C, D, and E of the Texas Property Tax Code. (Jurisdictional Exception to 5-6 of USPAP)

## Data Collection and Validation

In the case of agricultural properties, applications were reviewed and re-examined within the appraisal area. Lease data was collected and used to calculate productivity values. The Chief Appraiser worked closely with the Agricultural Advisory Board to obtain the needed data.

Other vacant land valuation data was collected from sales records, deeds recorded at the county information from other property professionals in the area, and from taxpayers.

## Valuation Approach and Analysis

Vacant land was appraised based on selling prices for the appropriate highest and best use of the site looking at the most profitable use that is legal, physically possible and economically feasible. Market data models based on typical selling prices per unit of area were used when appropriate and when sales information was available.

# 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 report analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinion, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on the reporting of a predetermined value, or direction in values 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, opinion, and conclusions were developed, and this report has been prepared in conformity with that Uniform Standards of Professional Appraisal Practice as set forth in Texas law.
- I have not made a personal inspection of all properties that are the subject of this report.
- Persons providing significant professional assistance to the person signing this report are listed here: Lorena Ceniceros & Julia Mendez. The appraisal and clerical staff have made contributions in supplying data and information for this report.
- Appraisers Pritchard & Abbott Inc. have signed their own certification which is on file at the OCAD office.

Marlee Jones, Interim Chief Appraiser RPA

# Apendeix A- Business Personal Property Depreciation Schedule

OCHILTREE COUNTY APPRAISAL DISTRICT

DEPRECIATION - BUSINESS PERSONAL PROPERTY-2026

30% BASE

| YEAR | 3 YEAR | 5 YEAR | 8 YEAR | 10 YEAR | 12 YEAR | 15 YEAR | 20 YEAR | 25 YEAR |
|---|---|---|---|---|---|---|---|---|
| 2026 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 2025 | 0.77 | 0.86 | 0.91 | 0.93 | 0.94 | 0.95 | 0.97 | 0.97 |
| 2024 | 0.53 | 0.72 | 0.83 | 0.86 | 0.88 | 0.91 | 0.93 | 0.94 |
| 2023 | 0.30 | 0.58 | 0.74 | 0.79 | 0.83 | 0.86 | 0.90 | 0.92 |
| 2022 | 0.30 | 0.44 | 0.65 | 0.72 | 0.77 | 0.81 | 0.86 | 0.89 |
| 2021 | 0.30 | 0.30 | 0.56 | 0.65 | 0.71 | 0.77 | 0.83 | 0.86 |
| 2020 | 0.30 | 0.30 | 0.48 | 0.58 | 0.65 | 0.72 | 0.79 | 0.83 |
| 2019 | 0.30 | 0.30 | 0.39 | 0.51 | 0.59 | 0.67 | 0.76 | 0.80 |
| 2018 | 0.30 | 0.30 | 0.30 | 0.44 | 0.53 | 0.63 | 0.72 | 0.78 |
| 2017 | 0.30 | 0.30 | 0.30 | 0.37 | 0.48 | 0.58 | 0.69 | 0.75 |
| 2016 | 0.30 | 0.30 | 0.30 | 0.30 | 0.42 | 0.53 | 0.65 | 0.72 |
| 2015 | 0.30 | 0.30 | 0.30 | 0.30 | 0.36 | 0.49 | 0.62 | 0.69 |
| 2014 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.44 | 0.58 | 0.66 |
| 2013 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.39 | 0.55 | 0.64 |
| 2012 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.35 | 0.51 | 0.61 |
| 2011 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.48 | 0.58 |
| 2010 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.44 | 0.55 |
| 2009 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.41 | 0.52 |
| 2008 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.37 | 0.50 |
| 2007 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.34 | 0.47 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 2006 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.44 |
| 2005 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.41 |
| 2004 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.38 |
| 2003 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.36 |
| 2002 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.33 |

## BUSINESS PERSONAL PROPERTY-2026

**Various Life Expectancies or Categories for Depreciation**

**In order to apply depreciation to the cost of an asset it is necessary to assign a useful life expectancy to the asset. As a rule of thumb, the following is a listing of assets and the number of years we will typically assign as the useful life expectancy.**

| LIFE | ASSETS |
|---|---|
| 3 YEARS | P. C.'s/Mini computers, Video Tapes |
| 5 YEARS | Main frame computers, Most electronic equipment, VCR's, electronic gas pumps, Security systems, Computerized medical equipment |
| 8 YEARS | Certain Machinery and Equipment of proprietary nature such as some found in Fast food restaurants or convenience stores or in other similar cases |
| 10 YEARS | Mechanical gas pumps, car wash equipment, Retail or Office furniture and fixtures and machinery and equipment, signs. The vast majority of business personal property not otherwise indexed should fall under a 10 YEAR life. |
| 12 YEARS | Fork lifts, Construction machinery and equipment |
| 15 YEARS | Machinery and equipment for Industrial purposes, leasehold improvements |
| 20 YEARS | Tanks, piping |
| 25 YEARS | Sign poles, billboards, plant processing components |

***Keep in mind that the life of an asset can vary in specific situations. Any variation from the norm should carry a notation for future reference. ***

## Review and Testing

Field review of appraisals is performed through the inspection of subject properties.

Sales for most types of personal property are infrequent. Furthermore, many market transactions This makes analysis difficult, subjective, and inadequate to develop a statistical analysis. Performance is measured through comparison of like businesses as well as applying quality and density models to units of comparison. Performance is also measured through comparison with valid single-property appraisals submitted to staff review. OCAD's appraisal methods and procedures and values are subject to review of the Property Tax Division of the Texas Comptroller's Office.

# Appendix B – 2026 Calendar of Key Events

**Calendar of Key Events – 2026 Appraisal**

## 2025

| | |
|---|---|
| August | Worked changes/splits; examined building permits.<br>Organized discovery for all types of properties, sent postcards,<br>Started reviewing tasks in system for 2026 appraisal cycle<br>Started initial field work in reappraisal area 1. |
| September | Final performance review of 2025 appraised values.<br>Adopt 2026 Budget<br>Determined Sept 1 inventory values.<br>Rates were adopted by entities and input into system for 2026 |
| October | Continued inspection of real property within reappraisal area.<br>Produced Mass Appraisal Report for 2026.<br>Produced Annual Report and posted to the website<br>Mailed tax statements. |
| November | Continued field work in reappraisal area.<br>Held Ag Board meeting and completed calculations for 1-d-1 values. |
| December | Started Mobile Home field work.<br>Continued field work in reappraisal area.<br>Began data entry for inspected properties. |

## 2026

| | |
|---|---|
| January-February | Continued drive-outs for new and existing mobile homes.<br>Mailed applications for productivity valuation, exemptions requiring annual apps.<br>Worked initial ratio studies and examined schedules that needed adjustment.<br>Published required property tax information in local newspaper<br>Mailed renditions to business personal property owners.<br>Began review of business personal property renditions as received.<br>Began inspections or productivity valuation applications to verify compliance.<br>Continued discovery and inspection of real property.<br>Dealers inventory declarations reviewed. |
| March | Continued work on inspection of real property, mobile homes.<br>Continued to perform statistical and ratio studies.<br>Made any needed adjustments to schedules and input to system |
| April | Completed re-drive of real property sales.<br>Completed data entry for inspected properties. |

| | |
|---|---|
| | Agricultural value tables changed and recalculated.<br>Data entry completed for business personal property. |
| May | Mailed appraisal notices.<br>OCAD informal hearings began. |
| June | Clerical updates to appraisal records continued. |
| July | Appraisal Review Board hearing began and ended<br>Appraisal Review Board approved the 2026 appraisal records.<br>Chief Appraiser certified the 2026 appraisal roll. |