



FORT BEND CENTRAL APPRAISAL DISTRICT

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OFFICE OF THE CHIEF APPRAISER

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Fort Bend Central Appraisal District Mailing 2022 Notices of Appraised Value

FORT BEND – Most property owners in Fort Bend County will receive their 2022 Notice of Appraised Value from the Fort Bend Central Appraisal District (FBCAD) next week.

The market value for residential properties increased an average of 31% from 2021 to 2022. The market value for properties with a homestead exemption increased an average of 28% from 2021 to 2022. However, properties with a homestead exemption will have a 10% cap or limit on the increase of their taxable value.

The overall value for commercial properties increased 16% from 2021 to 2022. The increase has been segment specific, with warehouse market values increasing on average 33%, and apartment values increasing 18% from 2021 to 2022. Retail property values increased on average 7% from 2021 to 2022.

“Despite the pandemic, the real estate market in 2021 was very active and that trend has continued for 2022,” said Jordan Wise, Chief Appraiser. “Fort Bend County is an area where families and business want to be. The 2022 tax year saw a 21% increase in the number of residential homes built and a 25% increase in the number of commercial properties constructed in the area. This marked the first time in FBCAD history that we’ve added more than 10,000 homes to the appraisal roll in a single year. According to the U.S. Census Bureau, Fort Bend County is in the top five for the largest-gaining counties in the United States. This growth is certainly a major factor in the unprecedented increase in the market value of properties.”

The Texas Property Tax Code and the state constitution require appraisal districts to appraise a property at its full market value as of January 1st. This is to ensure that all properties are valued fairly and uniformly. For residential properties the average change in values is a 31% increase. For properties with a homestead exemption, the average increase in value is 28%.

There were several factors that drove residential property value increases for 2022; some of them the same factors that affected 2021. Record low interest rates, economic stimulus funds, and the need for better work-from-home amenities all encouraged homebuying. Investors made record home purchases in 2022; nearly 1 in 7 homes was bought

by investors on a national level. This increased demand, coupled with the record low supply of homes, pushed market values higher.

For commercial properties, much of the increase in market values is attributable to increased construction costs, rising land values, and new developments. Construction costs were affected by pandemic related supply and demand issues that made building materials more expensive. There was an increased demand for land for commercial development due to business growth in the state. The growth was fueled in part by businesses experiencing better than expected rebounds from pandemic closures and businesses following the movement of homeowners into the area. Higher demand for multi-family rental properties, which may have been spurred by buyers having trouble purchasing residential properties, also played a part in increased values.

“We want every property owner to be fully informed as to the various ways they can reduce their property tax burden,” said Jordan Wise. “The homestead exemption remains the easiest way a homeowner can reduce their property taxes by as much as 20%. Beyond that, homeowners may be eligible for additional exemptions, including the over 65, disability, veterans, or disaster exemptions, among others.”

Property owners can apply for exemptions through the FBCAD exemptions portal at <https://www.fbcad.org/exemption-application/>. They can also find a list of exemptions by going to the FBCAD home page, selecting forms, and looking under “Homestead Exemptions” and “Miscellaneous Exemptions”.

Property owners can see what exemptions are on their property by looking at their appraisal notice or visiting their account at <https://esearch.fbcad.org/>. Certain disability and age-related exemption information is not listed online in order to protect property owners’ privacy. Please contact FBCAD’s Information & Assistance team at 281-344-8623 or send an email to info@fbcad.org for any exemptions-related questions.

“The protest process provides another avenue for reducing your property’s value, which may reduce your overall tax burden. As a property owner, you know your property best and may have additional information specific to your property or market area. For this reason, the state legislature created the protest process to officially appeal the value set by the appraisal district,” Wise said.

Property owners may appeal their value immediately. The deadline to file an appeal is May 16th, 2022, or 30 days after you receive your Notice of Appraised Value, whichever is later. For more detailed information on FBCAD’s online appeals process, please visit www.fbcad.org/appeals/. To learn more about the appeals process for individual property owners and for small businesses, please visit <https://www.fbcad.org/property-tax-videos/>.

While the property values for residential homestead is increasing on average by 31%, there is a mechanism in place to protect property owner’s residence homestead from rapid

increases. Property owners with a homestead exemption have their taxable value increase capped at 10%. This means that if the market value of a residence homestead increases by more than 10% from one year to the next, the property owner will pay taxes based on the value that is only a 10% increase. For tax year 2022, approximately 169,000 homeowners across Fort Bend County will see their homestead cap protect them from further increases in taxable values.

There is another measure in place to protect property owners from rapid increases in their tax burden. In 2019, the state legislature passed new laws (SB 2 and HB 3) that cap the amount a city, county, or other taxing unit can raise their property tax revenue without holding an election, to 3.5%. For school districts the cap is 2.5%. These have the effect of limiting the taxing entities' ability to raise property tax revenues, without receiving voter approval.

Property taxes are affected by more than just property values; they are also affected by property tax rates. Local taxing entities set their tax rates each fall. FBCAD created a property tax transparency website to provide the community with additional information on the tax rate adoption process. The goal of this truth-in-taxation website is to increase transparency in the property tax system while educating the public on the tax rate adoption process. Visit www.fortbendtax.org for more.

FBCAD is committed to increasing the amount of transparency around the valuation process as well. A special page dedicated to information on 2022 values is located on the appraisal district's website at www.fbcad.org/2022values/. For detailed information about a specific property, please use the search feature located at <https://esearch.fbcad.org/>.

About FBCAD

The Fort Bend Central Appraisal District is a political subdivision of the State of Texas established in 1982 for the purpose of discovering and appraising property for ad valorem tax purposes for each taxing unit within the boundaries of the district. The district has approximately 390,000 accounts to appraise each year with a total market value of approximately \$143 billion. The Fort Bend Central Appraisal District serves approximately 225 taxing units. For further information, visit www.fbcad.org.