

Prime Property

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Consultant says commercial property values vastly overstated

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The **mass appraisal methodology** the Harris County Appraisal District uses to evaluate commercial properties often leads to inaccurate appraisals, a Houston property valuation firm said.

In some instances, values have been overstated by more than \$10 million, Deal Sikes & Associates said in a statement.

“HCAD’s mass appraisals tend to be inconsistent and we often see a disparity between the agency’s appraisals and market value,” said principal Matthew Deal.

Across Harris County, initial appraised values for multifamily properties were up 22 percent in 2015 over last year. Office building values were up 12 percent, retail properties increased 21 percent and commercial land jumped 23 percent.

Earlier this month, **HCAD spokesman Jack Barnett told KUFH** the mass appraisal system is the district’s only feasible option given its workload.

“We appraise 1.7 million parcels (of land) each year in Harris County,” Barnett said in the report. “If a property owner feels that their property is not valued correctly, then the state gives them the opportunity to appeal that value, and they can file a protest.”

The state Legislature is considering creating **new laws regarding property taxes**, which could result in a more equitable system.

