

MIDLAND CENTRAL APPRAISAL DISTRICT

2021 Low Income Housing Apartment

Capitalization Rates

According to **House Bill 3546**, ‘not later than February 1st, the appraisal district shall give public notice in the manner determined by the district, including posting on the district’s website if applicable, of the capitalization rate to be used in that year to appraise property receiving and exemption under this section’.

Pursuant to **Sec. 11.1825(r) of the Texas Property Tax Code**, the Midland Central Appraisal District gives public notice of the capitalization rate to be used for tax year **2021** to value properties receiving exemptions under this section.

Rent restricted properties vary widely. These variations can have an affect on the valuation of the property. A basic capitalization rate between **8.0%** and **11.5%** will be used to value these properties; although adjustments may be made based on the individual property characteristics and the information provided to the chief appraiser as required under **Sections 11.182 (d) and (g), Property Tax Code**.