

**Market Value** is the price at which a property would sell for cash or its equivalent under prevailing market conditions where:

- 1) Exposed for a reasonable time on the open market
- 2) Both the buyer and the seller are well informed of all the property uses, purposes and restrictions
- 3) Both parties seek to maximize their gain
- 4) Neither is in a position to take advantage of the other



## Hood County Appraisal District

**1902 W. Pearl St.  
Granbury, TX 76048**

**Email:**  
[hoodapp@hoodcad.net](mailto:hoodapp@hoodcad.net)

**Phone: (817) 573-2471  
Fax: (817) 573 6451**

[www.hood-cad.org](http://www.hood-cad.org)

To view the current Property Tax Code, visit:

<https://comptroller.texas.gov/taxes/property-tax/docs/96-297-15.pdf>

## Hood County Appraisal District

Local Government Property Tax  
Appraisal, Assessment and Collections



How Is My Home Appraised?

**TEXAS LAW REQUIRES APPRAISAL DISTRICTS TO APPRAISE ALL PROPERTIES AT THEIR CURRENT MARKET VALUE**

**Market or Sales Comparison Approach**



The market approach to value develops an estimate of value by comparing your property to similar properties that have sold recently. The focus is on sales prices of similar properties. This is the most reliable approach to value in an active market. The Appraisal District acquires sales data from a variety of sources, including from the homeowners themselves. We then use this data in determining values for homes that are similar to yours.

**Cost Approach**



Sometimes there are not enough sales of similar homes to use the sales comparison approach. In this case, the cost approach is used. This approach to value estimates value by adding the cost of replacing a structure to the value of the land and then adjusting for depreciation and circumstances. We refer to trusted sources for information regarding the current construction costs. Including local contractors, owner building contracts, and Marshall & Swift® Valuation Service.

**Homestead Caps & Exemptions**



If you own and occupy your home on January 1<sup>st</sup>, you are entitled to an exemption of \$25,000 off of the value for school tax purposes (the biggest chunk of your tax). That amounts to over \$250 a year for most homeowners. Additionally, you are entitled to a homestead “cap”. This means that the assessed value of your home can not go up more than 10% per year (plus any new improvements you may have added). Check with an Appraisal District employee to make sure you are getting the most of your exemptions.