

# Fort Bend County Property Tax Trends

*O'Connor now possesses the knowledge to analyze and explain the property tax patterns in Fort Bend County.*

HOUSTON, TEXAS , UNITED STATES ,  
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EINPresswire.com/ -- Fort Bend County property valued by Fort Bend Central Appraisal District increased in value by 77% from 2014 to 2021 (most recent data available). The total value of Fort Bend County property rose from \$62 billion in 2013 to \$110 billion in 2021. This rate of property assessment increases is low compared to the statewide growth rate of 92% (during 2013 to 2021). The total value of property valued by Texas appraisal districts rose from \$2.253 trillion in 2013 to \$4.335 trillion in 2021.

## Fort Bend Central Appraisal District

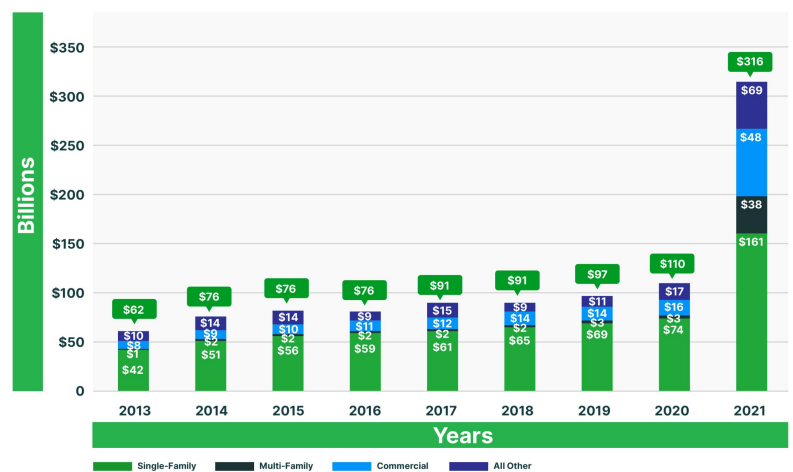
Fort Bend Central Appraisal District is a government organization charged with valuing all the property in Fort Bend County at least every 3 years. Governance is based on a board of directors who hires the chief appraiser. Fort Bend Central Appraisal District values property for property taxes, has protest hearings, administers exemptions and special valuations, and distributes the final tax roll to all Fort Bend tax entities.

## Fort Bend County Property Value per Acre

## O'CONNOR

### Tax Reduction Experts

### Fort Bend County Property Tax Valuations



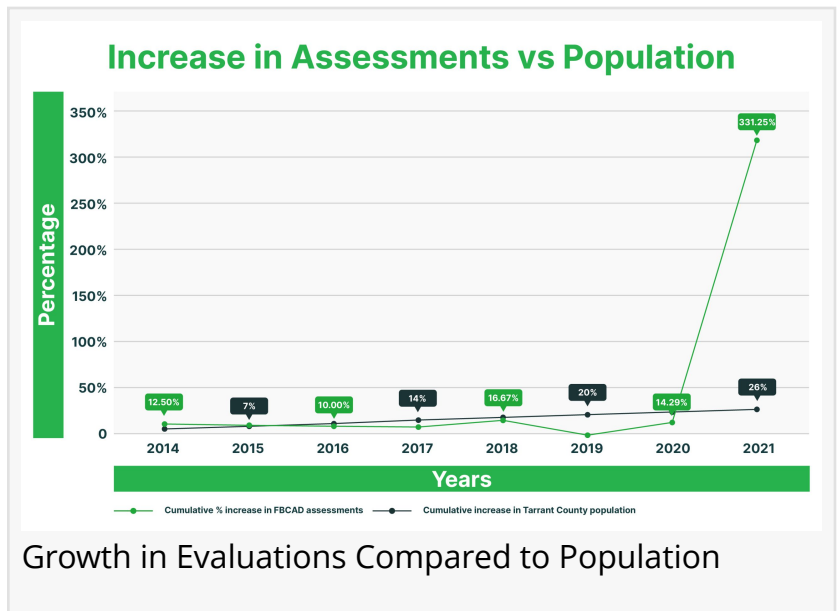
### Property Tax Valuations in Fort Bend County

### Fort Bend County Assessment By Property Type



### Evaluation of property categories in Fort Bend County

Fort Bend County property is valued at more than eight times the statewide average. Fort Bend County has 885 square miles and 566,400 acres (640 acres per square mile). Fort Bend County is about 16% smaller than the average Texas county (1,058 square miles). The total value estimated by Fort Bend Central Appraisal District for 2021 is \$110 billion. The value per acre is \$194,209. The statewide value is \$25,218 per acre.



Fort Bend County Houses ~66% of Total Value

Houses account for roughly two-thirds of the Fort Bend County property tax bases. This is a heavy concentration on houses compared to Harris County at about 46% and state of Texas at ~44% houses. This information is from data compiled by Fort Bend Central Appraisal District for the Texas Comptroller. The ratio of value for houses is substantially higher than the Texas average of ~44% of total market value for most recent years. The statewide average has increased from 41% to 44%. The Fort Bend County average has ranged from 67% to 74%.

Fort Bend County Property Value \$135 BB per 1 Million Population

The value of Fort Bend property per 1 million population totals \$135 billion, up from \$99.2 billion/ per million population in 2014. This is a 36% increase in 8 years (4.5% / year), which is much faster than growth of cpi. The statewide market value per 1 million population is \$145 billion for the state. However, the growth rate of tax assessments of 4.5% annually is low compared to Texas.

Fort Bend County Population Growth and Density

Fort Bend County population growth has totaled 38% during 2012 to 2021. Texas population growth is much slower at 13%, during the same period The Fort Bend County population density is 1.52 people per acre versus Texas-wide average of 0.17 people per acre. Stated differently, there are 5.88 acres of land for each resident of Texas, men, women, and children. Fort Bend County population density is 8.9 times the statewide average.

Property Value Grow Faster than Population

The value of Fort Bend County property as valued by FBCAD increased (77%). This is much faster

than the 38% growth of population during the same period. Real estate value across the United States soared during 2013 to 2021. However, the real estate market has been in a reset mode since early 2022. Higher interest rates have reduced the affordability of houses and reduced the value of commercial properties.

### Transition Period to Slower Property Value Growth

It appears that home prices are stagnant in Houston and in Texas as of October 2023. The volume of home sales is down about 15% in major Texas metro areas, but prices are flat compared to year-ago levels. Year-end home values will likely be similar to year end 2022 values, with variations by metro and micro market. The pool of sellers is diminished by homeowners with low-rate loans unwilling to sell and buy a new home financed with a 7 to 8% loan.

### Erratic Reassessment in 2024

It is possible that Texas appraisal districts could again raise values for houses substantially. However, home sale data for both the sales volume and sales prices offer little succor. In practice, if sales prices are generally flat across a metro area, they are mixed from area to area. Some areas have higher prices, some areas have lower prices, and some areas are flat. It seems likely the 2024 reassessments will be a mixed bag. Some assessments will be increased and likely some will fall.

However, each Texas appraisal district is independently staffed and makes their own decisions regarding whether to raise or lower property tax assessments.

### Houston Home Sales Volume

The volume of Houston metro homes sales reported by the Houston MLS surged from 82,229 in 2018 to a peak of 106,229 in 2021. It fell 10.5% in 2022 to 95,113 houses sold and appears to be off 10% in 2023. The 2023 home sales are estimated to be 85,000 in 2023, or just above the 2018 Houston metro area home sales (82,229).

### Fort Bend County Home Price Sale Trends

Home prices are essentially flat over last year. October average home sale prices for the Fort Bend County area are up 0.8% while the median home price in September is up 2.3% to \$399,960.

Fort Bend housing affordability is at or near a record low due to the higher sales prices, interest rates and casualty insurance rates.

### Commercial Property Values Down Due to Higher Interest Rates

Commercial property values are tied to interest rates, specifically the 10-Year-Treasury. Higher interest rates create higher the capitalization rates and a lower market value.

Interest rates were low prior to COVID and during COVID through the end of 2021. Commercial mortgage rates skyrocketed during 2022 and 2023 and have caused severe decline in sales and mortgages for commercial income properties.

The increase in interest rates has caused commercial property capital markets to freeze as buyers and sellers face a canyon separating the sales price acceptable. Buyers need a materially higher cap rate to deliver attractive investment returns. The higher cap rate lowers sales prices and owners are reluctant to accept lower prices. Unless forced to sell, most owners are waiting for interest rates and capital markets to settle.

Commercial Values Estimated by Fort Bend Central Appraisal District Have Soared!

The value of all commercial types of property in Fort Bend County rose from \$19 billion in 2014 to \$36 billion in 2021. The 2014 breakdown was \$1 billion apartments, \$8 billion commercial and \$10 billion BPP / industrial / other. The 2021 breakdown was \$3 billion apartments, \$16 billion commercial and \$17 BPP / industrial.

Fort Bend County Property Value in Comparison to Proximate Counties

Fort Bend County property as valued by Fort Bend Central Appraisal District had a value of \$110 billion in 2021. Following are the values for nearby counties: 1) Harris County \$687 billion, 2) Montgomery County \$87 billion, 3) Brazoria County \$65 billion, 4) Galveston County \$55 billion and 5) Waller County – \$13 billion.

Following is a list of counties with higher assessed value, excluding Harris County at \$687 billion: 1) Dallas County \$392 billion, 2) Travis County \$316, 3) Tarrant County \$283, 4) Bexar County \$223 billion, 5) Collin County \$201 billion and 6) Denton County \$147 billion.

Fort Bend Central Appraisal District (FBCAD) Property Values Reliable?

FBCAD has a huge challenge, as does each appraisal district in Texas. FBCAD had 57 appraisers in 2021 to value 387,000 property tax parcels. Most years, FBCAD revalues all properties. Of the 57 appraisers, most work in the field to record data for newly built properties. Perhaps there are 10 appraisal modelers at FBCAD. That would work out to 38,700 tax parcels for each of the 10 modelers focused on valuing property.

It is clearly a difficult challenge for 57 appraisers to keep track of the land values, buildings data and condition and impairments. Fully 80,000 Fort Bend County property owners disagree with the initial value set by Fort Bend Central Appraisal District in recent years.

## 22% of Accounts and 43% of Value Protest Annually

Tax protests by 22% of the property owners in Fort Bend County indicate concerns over the accuracy and consistency / equity of the Fort Bend Central Appraisal District valuations. The accounts protested include ~43% of the total value in Fort Bend County.

## Fort Bend County Owners Actively Protest Property Taxes

Fort Bend County property owners are more likely to protest than Texas-wide property owners. Fort Bend property owners protested the value of 22% of accounts in 2021 versus 10.5% statewide.

Fort Bend County property tax protests reduced property taxes by \$120 million in 2021. Fort Bend County property tax protests reduced the taxable value of property in Fort Bend County by \$4.59 billion (include both informal, ARB and judicial appeals).

Texas accounts for an outsized portion of property tax savings from property tax protests / judicial appeals. The total value reduction statewide was \$162 billion in 2021 and Fort Bend County accounted for 2.8% of statewide reductions.

## Homeowner Tips

Homeowners are advised to confirm they have a homestead exemption for their primary residence. In most cases the county appraisal district website will indicate whether a home has a homestead exemption. Feel free to call us with homestead questions!

Homeowners who protest in Fort Bend County are likely to succeed in reducing property taxes at the informal appeal. The second installment of this blog on Fort Bend County property taxes will address protests – number, results, comparison to Texas etc. Call us for complimentary assistance on homestead exemptions 713 290 9700. No fees for homestead assistance.

## About O'Connor:

O'Connor is among the largest property tax consulting firms in the United States, providing residential property tax reduction services in Texas, Illinois, and Georgia, as well as commercial property tax reduction services across the United States. O'Connor's team of professionals possess the resources and market expertise in the areas of property tax, cost segregation, and commercial and residential real estate appraisals. The firm was founded in 1974 and employs more than 600 professionals worldwide. O'Connor's core focus is enriching the lives of property owners through cost-effective tax reduction.

Property owners interested in assistance appealing their assessment can enroll in O'Connor's Property Tax Protection Program™. There is no upfront fee, or any fee unless we reduce property taxes, and easy online enrollment only takes 2 to 3 minutes.

Patrick O'Connor, President

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