

# Galveston County Commercial Property Values More than Double Versus Residential Property Value Increase in 2025

*O'Connor discusses how the Galveston County commercial property values more than doubled compared to the residential property values in 2025.*

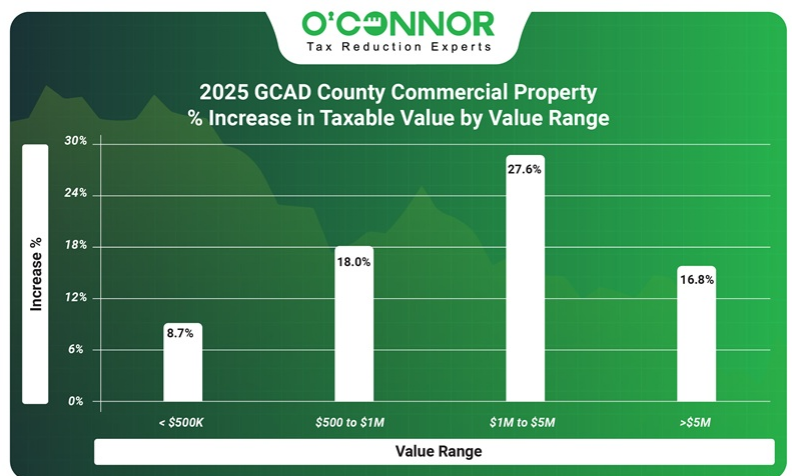
HOUSTON, TX, UNITED STATES, May 13, 2025 /EINPresswire.com/ --

In 2025, the Galveston Central Appraisal District (CAD) released proposed property values for the upcoming tax year. During the countywide reassessment, roughly 35% of homes were overvalued, while 65% were assessed at or below market value. The typical residential property experienced a 7.5% increase in assessed value, while commercial properties saw a much steeper rise of 18.1%—more than double the residential rate. These adjustments reflect updates to both existing properties and newly constructed developments.

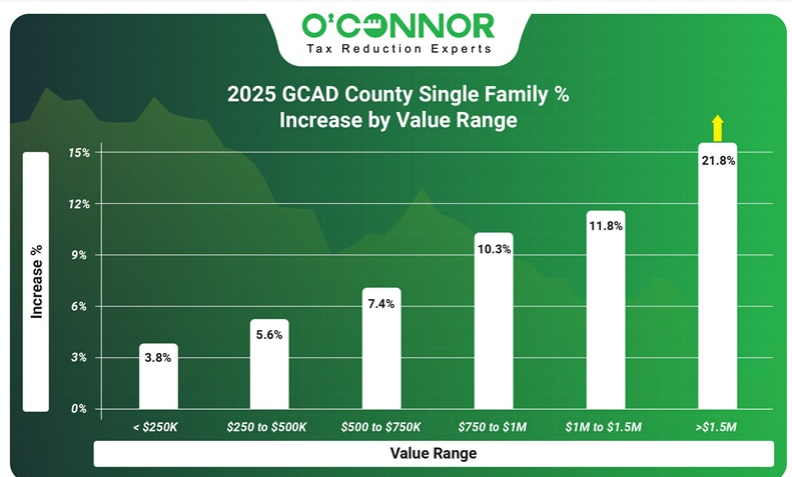
Galveston County Residential Assessments Increase by 7.5% in 2025

An analysis of property tax assessments by value range in Galveston County shows a clear and positive correlation: the greater the home's value range, the greater the

## O'CONNOR Tax Reduction Experts



2025 GCAD County commercial property % increase in taxable value by value range



2025 GCAD County single family % increase by value range

assessment increase. The value assessment for homes valued at \$250k or less rose by 3.8%, compared to homes that are valued between \$500 to \$750k, which increased by 10.3 percent. The highest assessment increase was seen in residences valued at \$1.5 million and more. These properties climbed in value by 21.8% with a combined 2025 notice market value of \$3 billion.

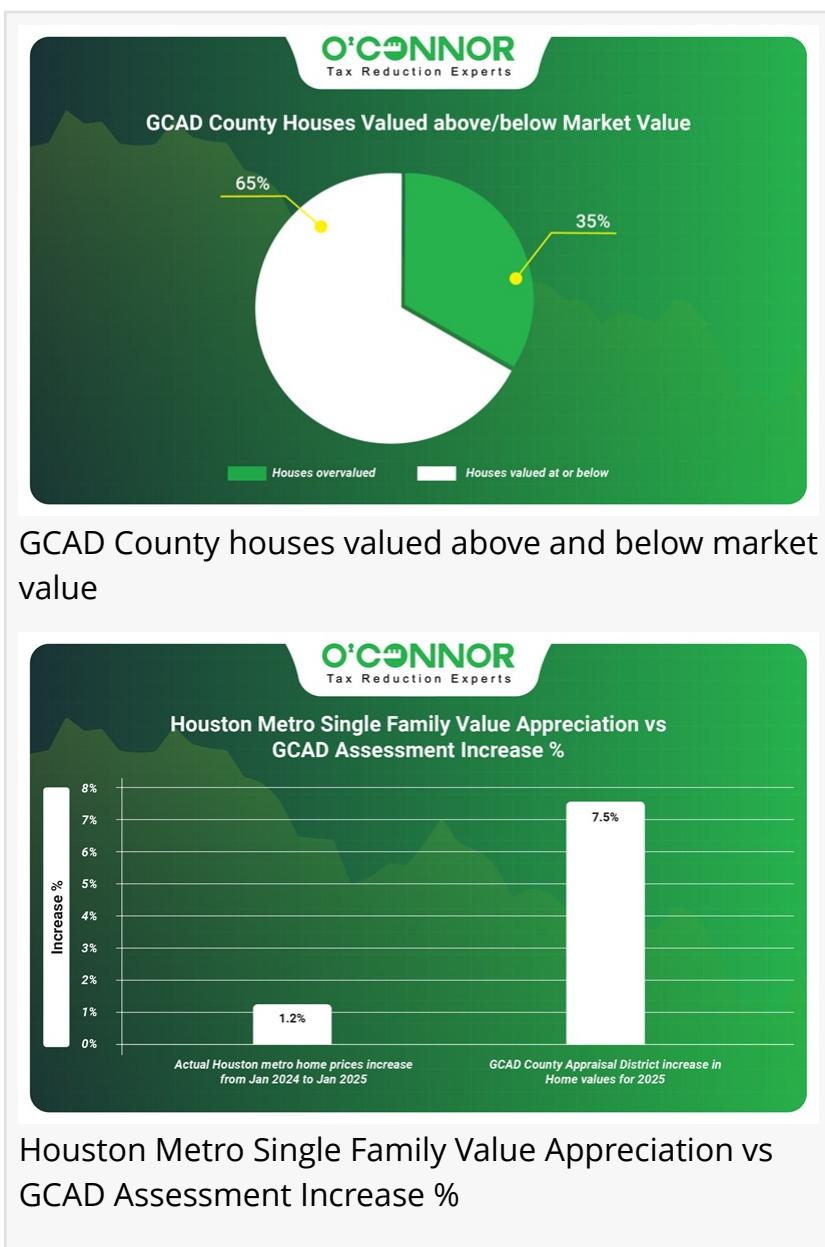
In Galveston County, property values per square foot increased with home size, with larger homes experiencing the most significant assessment values. Homes that measured 2,000 square feet or less saw the smallest value increase of 4.7%. Homes between 4,000 and 5,999 square feet increased by 12.3%. Luxury homes (8k square feet or more) saw the highest increase of 33.7%, growing in assessment from \$211 million to \$282 million.

According to Galveston CAD, every category of houses per year built increased massively, particularly newer homes. Homes that were built between 1961 to 1980 and 1981 to 2000 had similar increases, 5.3% and 5.5% respectively. The smallest growth was seen in houses built between 2001 to 2020 with 4.7% and the largest growth was seen in houses built in 2021 and later with 42.2%.

### Galveston Sales Prices Indicate 35% of Homes are Overvalued

In 2025, Galveston CAD overvalued 35% of homes in the county, based on a comparison between the reassessed property values and actual 2024 home sales prices. Conversely, 65% of properties were assessed below their market value. While this indicates progress toward more accurate valuations—fewer homes are being overvalued—homeowners remain hopeful that this positive trend will continue.

### Assessment for Commercial Property in Galveston is More than Double Residential



An analysis of commercial property tax assessments in Galveston County by value range shows high increases throughout all value ranges. For properties valued at \$5,000 or less, assessments increased minimally by 8.7%. In contrast, properties worth between \$1 to \$5 million increased the most by 27.6%. In the past year, the market value has grown from \$10.8 billion to \$12.8 billion.

For the 2025 tax year, Galveston CAD raised the assessment values across all categories of commercial properties tremendously, except for one category. Land had the smallest value increase, reaching only 3.1%. Other commercial property types like apartments increased by 31.5% and retail property increased by 40.1%.

Commercial property assessments for 2025 by Galveston CAD increased across all construction years, except for the unassigned category. The category without an assigned construction date only increased by 2.8%. This may be because unimproved land would not necessarily have a construction date associated if there are no improvements. Consequently, there are fewer variables to influence an increase in appraisal value. Commercial properties built before 1960 grew greatly by 41.5% and property built in 2021 and later increased tremendously by 44.9%.

#### GCAD Commercial 18.1% Increase vs U.S. Property Values

Galveston CAD's 2025 commercial property tax reassessment stands in sharp contrast to an analysis by Wall Street firm Green Street Real Estate Advisors. While Green Street reports a 21% decline in commercial property values since their 2022 peak, Galveston CAD asserts that those same values have risen by more than 18.1% in the past year.

#### Apartment Value Increases Reach 31.5% in 2025

The graph shows that all categories – apartments by year built – have increased massively in Galveston County for 2025. Apartments constructed in 2021 or later experienced the highest increase at 59.8%, and following closely behind is property built before 1960 with 50.7%. In contrast, those built between 1981 and 2000 saw the smallest rise of 24.1%; however, it is still a notable increase. The market value grew from \$3 billion in 2024 to \$3.9 billion in 2025.

Apartment owners in Galveston County significant property tax increases in 2025, as Galveston CAD raised the taxable value of apartment buildings by 31.5% overall. There are three apartment sub-types in Galveston County: apartment garden, multi-family 9+ units, and regular apartments. Garden Apartments, typically low-rise complexes, increased by 36.2%, the highest of all three.

#### Older Office Buildings in Galveston County Increased the Most in Value

According to Galveston CAD, property tax assessments for office buildings in 2025 have increased across all construction years, particularly older buildings. Apartment buildings built

before 1960 saw the highest value increase of 54.6%, with a 2025 notice market value of \$87 million. Apartments built in 2021 and later also saw a high increase of 27.7%.

Property tax assessments for both medical and general office buildings in Galveston County rose in 2025. General office properties experienced the sharpest increase, climbing 22.7%, while medical office buildings saw a more moderate rise of 14.2%. Overall, market value grew from \$1.2 billion in 2024 to \$1.4 billion in 2025.

#### GCAD Retail Increases by 40.1% in Value

Property tax assessments for retail buildings in Galveston County rose across the board, regardless of the year built with no clear correlation between age and value increase. Retail properties constructed in 2021 and later saw the greatest increase of 66.5%, from \$36.8 million in 2024 to \$61.3 million in 2025. Following closely behind is retail property built before 1960 with an increase of 59.8%. The smallest value growth was seen in retail property constructed between 2001 to 2020 with 29.0%.

Property tax assessments increased across three out of four retail property categories in Galveston County in 2025. Malls experienced a tremendous increase at 302.5%, growing from \$12 million in 2024 to \$50 million in 2025 for the market value. Single-tenant retail properties were the only sub-type property to experience a decline by 8.4%, dropping from 476 thousand to \$436 thousand.

#### Galveston CAD Warehouse Tax Assessments Increased by 19.2% Overall

All warehouse building owners in Galveston County saw property tax increases in all categories of year built except for one. Warehouse property built before 1960 was the only category to see a decline, which was 49.7%, falling from \$21 million in 2024 to \$11 million in 2025. Warehouse property built in 2021 and later saw the highest value increase of 84.5%, doubling in market value from \$3.6 million in 2024 to \$6.6 million in 2025.

Galveston CAD determined the market values of three categories of warehouse properties, but only two saw increases. Mini warehouses increased by 9.0% and industrial warehouses increased by 22.7%. Regular warehouses were the only sub-type to decline by 25.8%, dropping from \$593 thousand in 2024 to \$440 thousand. The total market value grew from \$215 million in 2024 to \$256 million in 2025.

Over the past year, property values in Galveston CAD rose by 7.5%, while home prices across the Houston Metro area saw a modest increase of just 1.2%.

#### Summary for Galveston CAD 2025 Property Tax Revaluation

In 2025, property owners in Galveston County are experiencing sharp increases in their property

tax assessments, with commercial properties being hit especially hard. Residential property values rose by 7.5% based on value range, square footage, and year built. Commercial assessments more than doubled compared to residential values, averaging 18.1% across the same categories.

## Appeal Your Property Values Each and Every Year

Texas property owners—including those in Galveston County—have a powerful tool at their disposal when it comes to managing their tax burden: the right to appeal property tax assessments. Whether the property is residential or commercial, the appeals process allows owners to challenge inflated valuations with supporting evidence. And it often pays off—most protests result in tax reductions. For nearly five decades, O'Connor has helped property owners trim their tax bills by leveraging strategic, cost-effective approaches. Partnering with a seasoned consulting firm can make a meaningful difference when it comes to protecting your bottom line.

### About O'Connor:

O'Connor is one of the largest property tax consulting firms, representing 185,000 clients in 49 states and Canada, handling about 295,000 protests in 2024, with residential property tax reduction services in Texas, Illinois, Georgia, and New York. O'Connor's possesses the resources and market expertise in the areas of property tax, cost segregation, commercial and residential real estate appraisals. The firm was founded in 1974 and employs a team of 1,000 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 your property taxes, and easy online enrollment only takes 2 to 3 minutes.

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