

# Property Owners Face Higher Tax Bills as Hidalgo County Property Values Climb in 2025

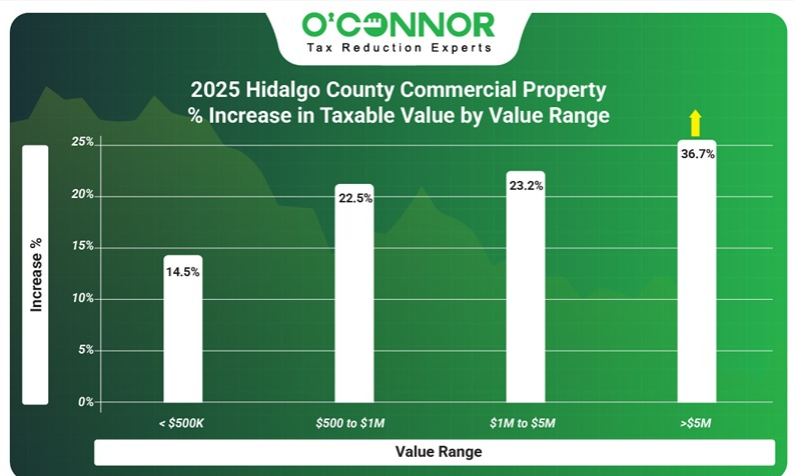
*O'Connor discusses how property owners face higher tax bills as Hidalgo County property values climb in 2025.*

MCALLEN, TX, UNITED STATES, June 3, 2025 /EINPresswire.com/ -- Hidalgo County Appraisal District (CAD) has released proposed noticed values for property tax assessments in 2025. Property values across Hidalgo County saw a substantial increase during the 2025 property tax reassessment, with residential properties rising by 17.9% and commercial properties by 23.8%. The reassessment revealed that approximately 39% of homes were overvalued, while the remaining 61% were assessed at or below their market value. Although the majority of residential properties were valued fairly or even conservatively, many homeowners continue to face financial strain due to the resulting high property tax bills. The sharp rise in valuations, coupled with already tight household budgets, has intensified concerns about affordability and the long-term impact on residents.

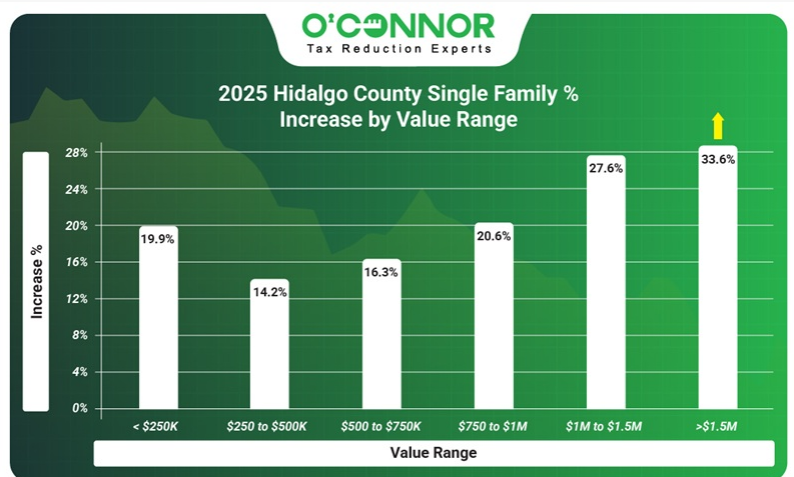
**Hidalgo County Residential Values Reach a High of 17.9%**

An analysis of property tax assessments by value range in Hidalgo

## O'CONNOR Tax Reduction Experts



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



2025 Hidalgo County single family % increase by value range

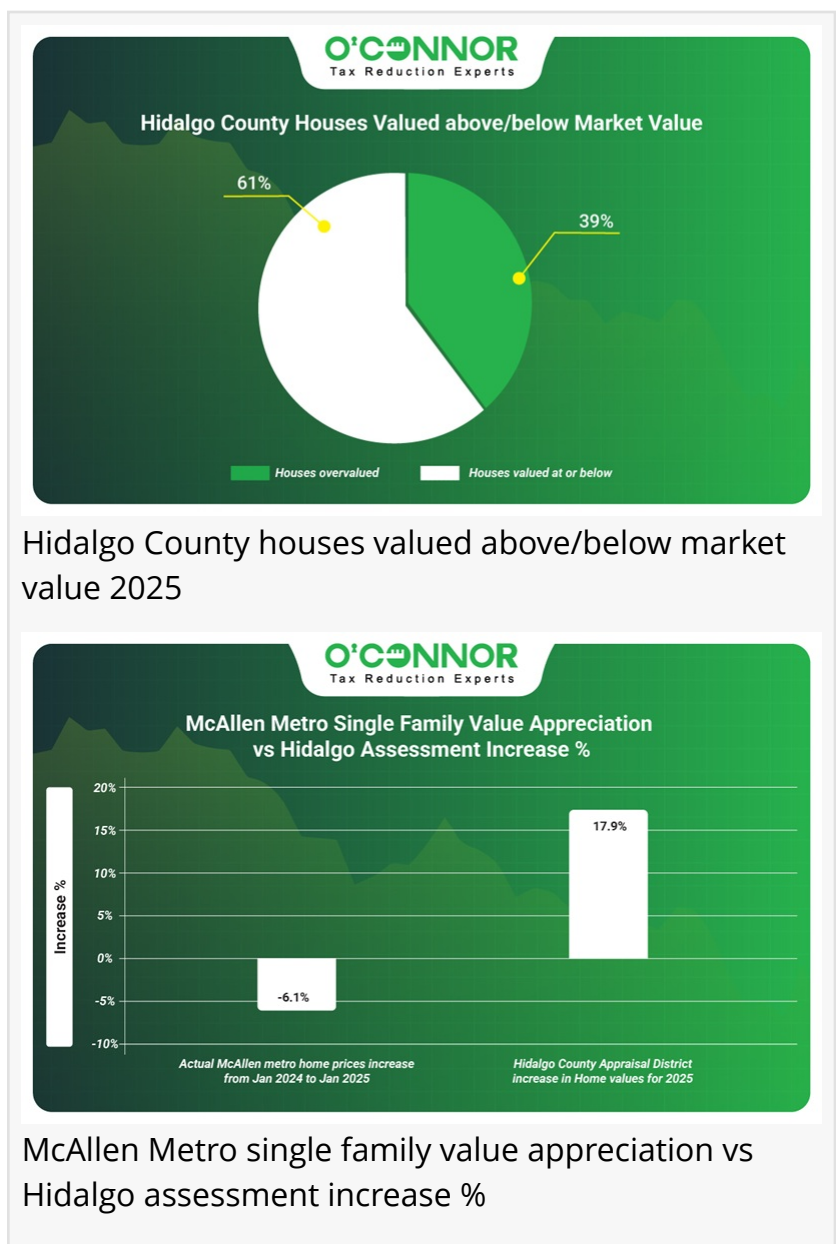
County reveals a consistent trend of significant increases across all housing categories. The smallest growth was observed in homes valued between \$250,000 and \$500,000, which still rose by 14.2%. While this was the lowest increase among property value brackets within the county, it surpassed the average growth seen in most other counties during the same year. The highest surge occurred in homes valued over \$1.5 million, which jumped by 33.6%, increasing in total value from \$285 million to \$381 million. Other high-end properties also saw substantial appreciation, including homes in the \$1 million to \$1.5 million range, which rose by 27.1%.

Similar to trends seen in overall value ranges, property values per square foot in Hidalgo County increased with home size. Larger homes experienced the most significant growth, with properties over 8,000 square feet seeing a 32.7% increase, compared to a more modest 14.5% rise for homes between 2,000 and 3,999 square feet. Overall, the county's total market value rose sharply—from \$36 billion in 2024 to \$43 billion in 2025.

According to the Hidalgo CAD, all homes according to year built increased in assessment values for 2025, especially older homes. The greatest increase in value was seen in newer homes built after 2021 with 35.2%, growing from \$3.1 billion to \$4.2 billion. The lowest increase in value was seen in property built between 2001 and 2020 with 12.6%. Other high increases in market value were seen in houses built before 1960 with 30.5% and homes built between 1961 and 1980 with 23.7%.

### Unfair Property Values Impact 39% of Hidalgo County Homeowners

In 2025, Hidalgo CAD overvalued 39% of homes, based on a comparison between reassessed property values and actual 2024 home sales data. The remaining 61% of homes were assessed below market value. While this marks an improvement over previous years – indicating progress



in valuation accuracy – it still raises concerns among homeowners. Many residents continue to face inflated property tax bills due to inconsistent or inequitable assessments, leading to ongoing frustration and financial strain despite overall gains in the appraisal process.

While Hidalgo CAD reported a 17.9% increase in property valuations, home prices in the McAllen metro area have actually declined by 6.1% over the past year. This growing disparity between assessed values and actual market trends has raised concerns among property owners, many of whom argue that appraisal increases do not reflect current real estate conditions. The mismatch has intensified scrutiny of the appraisal process and fueled calls for greater transparency and fairness in property tax assessments.

### Significant 23.8% Increase in Commercial Property Values Alarms Owners

An evaluation of commercial property tax assessments in Hidalgo County reveals a consistent trend – properties with higher market values experienced disproportionately larger assessment increases. The highest value increase was seen in commercial property valued over \$5 million with 36.7%, rising from \$5 billion in 2024 to \$7 billion in 2025. Following behind is property valued between \$1 million to \$5 million with 23.2%. The lowest value increase of 14.5% was experienced by property owners with commercial property valued less than \$500k. Despite it being the lowest increase of the bunch, owners of this commercial property category are struggling to meet the high values.

For the 2025 tax year, Hidalgo CAD significantly increased market values across all categories of commercial properties. The most substantial hikes were seen in hotels, which rose by 41.8%, followed by office buildings at 39.4%, and apartment complexes at 38.5%. Land was the only commercial property type to see a single-digit increase, rising by a comparatively modest 7.9%.

Commercial property assessments for 2025 by Hidalgo CAD increased across all construction years, with the most significant growth seen in newer buildings. Properties built in 2021 or later experienced the highest jump – rising by 57.6%, from \$1.3 billion to \$2 billion. Properties constructed between 2001 and 2020 also saw a substantial increase of 28.8%. These sharp increases highlight how newer or more modern commercial properties have appreciated at a much faster rate over the past year compared to older buildings.

### Property Values vs. Market Conditions: When They Don't Align

The 2025 commercial property tax reassessment conducted by Hidalgo CAD presents a striking contrast to recent market analyses from Wall Street firm Green Street Real Estate Advisors. While Green Street reports a 21% decline in commercial property values nationwide since their peak in 2022, Hidalgo CAD's assessment indicates that commercial property values within the county have surged by more than 23.8% over the past year. This significant discrepancy raises questions about the accuracy and methodology of local valuations compared to broader market trends, potentially impacting both taxpayers and investors who rely on these figures for decision-

making.

### Apartment Values in 2025 Reach A High of 38.5%

The graph shows no clear pattern between the construction year of apartments and the percentage increase in their 2025 property tax assessments in Hidalgo County. Still, one trend is clear: apartment owners across the board saw significant value jumps. The steepest increase – 58.9% – was for apartments built in 2021 or later, with their total market value soaring from \$809 million to \$1.3 billion. In contrast, apartments built before 1960 experienced a more modest 25.6% rise, reaching a 2025 market value of \$12 million. Meanwhile, properties listed without a construction date saw just a 2.4% increase.

In a sweeping reassessment in 2025, Hidalgo County boosted the taxable value of apartment properties by 38.5%, triggering a sharp increase in property taxes for owners.

### Office Property Owners Face High Value Increases by 39.4%

Hidalgo County property tax assessments for office buildings spiked in 2025, with the sharpest hikes targeting the newest constructions. According to Hidalgo CAD, buildings constructed in 2021 or later saw a staggering 67.5% jump, skyrocketing from \$68 million to \$115 million in assessed value. Even older properties were not spared. Office buildings built between 1961 and 1980 experienced a 33.1% increase. Overall, total assessed values for office buildings surged 39.4%, leaping from \$2.2 billion to \$3.1 billion.

In 2025, two office property subtypes were assessed in Hidalgo County. Regular office buildings increased in value by 40.3%, followed by medical office buildings by 37.1%.

### 2025 Brings Big Gains for Retail Property Owners: Values Up 27.9%

Property tax assessments for retail buildings in Hidalgo County soared across the board, with the largest hikes hitting newly constructed properties. Retail buildings built in 2021 or later saw their assessed value skyrocket by 52.7%, jumping from \$95 million to \$146 million. In contrast, properties built before 1960 experienced the smallest increase at 15.9%. This offers some relief to owners of older buildings while newer property owners bear the brunt of the rise.

In 2025, property tax assessments were raised for all retail property subtypes in Hidalgo County. Shopping malls had the highest value increase at 47.2%, with a 2025 notice market value of \$479 million. Neighborhood centers also notably saw a high value increase of 29.7%. Meanwhile, the lowest value increase was seen in strip centers by 7.2%.

### Warehouse Property Increased by 31.0% in Hidalgo County

All warehouse building owners in Hidalgo County saw high property tax increases for 2025.

Warehouses built before 1960 experienced a high value increase of 49.0% and a 2025 notice market value of \$96 billion. The highest value increase was seen in new warehouse property built in 2021 and later with 68.6%, rising from \$167 million to \$281 million.

Hidalgo CAD's 2025 assessments show warehouse properties on the rise. Mini warehouses saw a jaw-dropping 35% jump in market value, outpacing even standard warehouses, which surged by 31%. In total, warehouse property values across the county shot up from \$3 billion in 2024 to \$3.4 billion in 2025.

## Summary for Hidalgo County 2025 Property Tax Revaluation

In 2025, property owners in Hidalgo County are facing substantial increases in their property tax assessments, with commercial properties experiencing particularly sharp rises. Residential property values increased by a high of 17.9%, influenced by factors such as value range, square footage, and the year the property was built. Similarly, commercial properties increased greatly but saw a more pronounced average increase of 23.8% across similar assessment criteria. While around 61% of homeowners benefited from adjustments that relieved previously inflated valuations, approximately 39% of residential properties remain overvalued. This ongoing disparity has heightened concerns among many property owners about escalating tax burdens and the financial impact on households and local businesses throughout the county.

## Appeal Assessment Values Every Year

Property owners throughout Texas, including those in Hidalgo County, have the legal right to appeal their property tax assessments if they believe their valuations are inaccurate or excessive. This appeals process applies to both residential and commercial properties, allowing owners to present evidence that supports a fairer valuation. Taking action – whether by filing an appeal independently or working with a specialized property tax consulting firm – can be highly advantageous, as the majority of protests lead to reduced assessments and significant tax savings. For over five decades, O'Connor has been a trusted partner for property owners, employing cost-effective, proven strategies to help clients lower their tax liabilities. Their expertise ensures that property owners pay a fair and accurate amount, alleviating unnecessary financial burdens.

## 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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