50% of Lubbock Homes are Overvalued by the Appraisal District

O'Connor discusses how 50% of Lubbock County homes are overvalued by the appraisal district.

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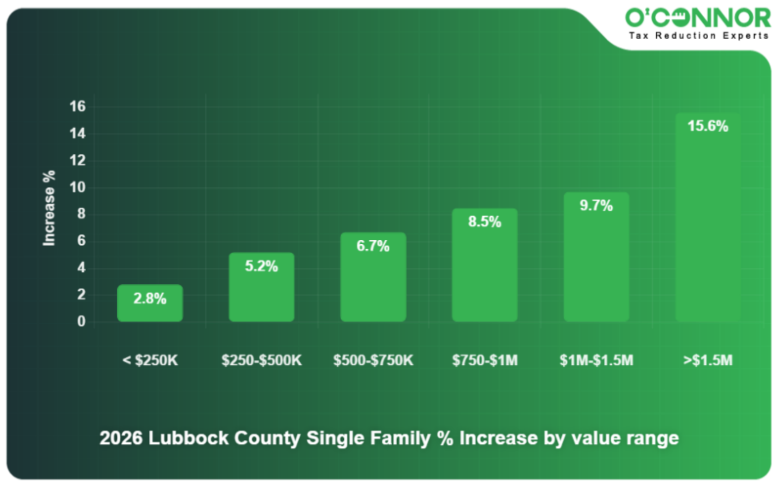
Tax Reduction Experts



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Based around the titular city, Lubbock is one of the best-kept secrets in Texas. With a growing population and a modernizing economy, Lubbock County is set to make history in 2026 and beyond. The downside of all this success is that home and business values will continue to rise, which in turn leads to higher taxes. The people of Lubbock have been using property tax protests in record numbers over the last few years to reduce these taxes and have seen solid success. With the 2026 deadline passed, time will tell how effective the protests were this year at blunting a new set of increases.

Homes Add 2.3% in Market Value

In 2025, Lubbock home values increased by 1.9%, roughly in line with inflation. 2026 saw a much larger growth spurt of 4.8%, which took the total from $23.41 billion to $24.53 billion. Modest homes were responsible for most of the value in the county. Following an increase of 2.8%, homes worth under $250,000 totaled $9.99 billion. Jumping 5.2%, homes worth between $250,000 and $500,000 reached a final sum of $9.15 billion. Those worth between $500,000 and $750,000 added 6.7%, for a third-place total of $3.02 billion. The percentage of increase climbed, while the total fell, in general. The most expensive homes managed to soar an astounding 15.6%, totaling $401.10 million.

As the price breakdown would indicate, Lubbock residential real estate is mostly made up of modest homes. The largest source of value came from homes measuring between 2,000 and 3,999 square feet, which achieved a total of $11.46 billion following a stout increase of 5.1%. Next were homes under 2,000 square feet, which climbed 4% to $10.60 billion. Those between 4,000 and 5,999 square feet totaled $1.86 billion after a jump of 6.1%. While only being responsible for $188.59 million in value, luxury homes still saw a mammoth increase of 15.9%.

Unlike most of Texas, Lubbock County's residential value is pretty evenly broken down by age of construction. The lone exception is the boom period from 2001 to 2020, which accounted for $8.75 billion of the total after an uptick of 1.4%. All other timeframes were responsible for around 15% of the total each, with growth percentages under 3%. New construction did see a large increase of 23.6%, and was responsible for $3.75 billion of the total.

50% of Homes are Overvalued

Market value is determined by studying home sales, determining what the fair price for a home would be on January 1 of the tax year. According to independent studies by realtors, 50% of homes in Lubbock County are overvalued by the Lubbock Central Appraisal District (LCAD), meaning that homeowners are facing unfair taxes. Home sales studies are also a vital form of evidence in property tax appeals, which bodes well for you if you have filed an appeal on these grounds. If you did not file in 2026, then this information should encourage you to fight in 2027, as values rarely decline.

Another study by the Lubbock Association of Realtors (LAR) found that homes in the county had declined by 1% after a rigorous study of home sales. This is contrasted to LCAD's proposed increase of 4.8%. This is another indication that LCAD is overcooking home values, leading to higher taxes for the average homeowner. This should encourage those who are appealing their taxes in 2026, as it only adds more evidence that could be deployed in both informal and formal hearings.

Commercial Values Surge 9.8%

While homes have seen rapid growth, businesses have skyrocketed in market value over the past few years. In 2025, these spiked 3.6%, though this pales in comparison to 2026's 9.8%, which resulted in a final total of $6.74 billion. Like most of Texas, this was thanks to the largest businesses, which shot through the ceiling with a jump in value of 16.5%, resulting in a final tally of $3.18 billion. Businesses worth between $1 million and $5 million were next with $1.63 billion, following a jump of 8%. Smaller businesses saw only minor increases.

Apartments were the largest source of business value in Lubbock, as they are in most major counties. These saw a massive increase in market value of 15.6%, which translated into a final value of $2.39 billion. Raw land was second in value, but only grew by 1.7%. Offices saw a total of

$1.35 billion following an increase of 5.2%, while retail reached $892.62 million following a spike of 9%. Hotels experienced a massive surge of 27.2%, for a final sum of $454.13 million.

We looked at it by age of construction, and business value was not as evenly distributed. 40%, or $2.68 billion, was created during the boom of 2001 to 2020, which also saw a spike of 9.6%. New construction surged by an astounding 42.8%, which resulted in a final tally of $442.85 million. Those built from 1981 to 2000 and those from 1961 to 1980 were roughly responsible for the same total, around 15% of the overall value each. The former saw an impressive spike of 12.2%, while the latter added 8%.

Commercial Real Estate Nationwide Falls in Value

According to the Federal Reserve of St. Louis (FRED), the overall value of commercial property across the nation fell by 7%. This is thanks to several factors, including vacant office and retail properties. In contrast, LCAD reported the overall value of Lubbock properties climbing by 9.8%. Discrepancies like this are why most commercial properties are protested each year.

Apartments Surge 15.6%

Apartments grew their lead as the most valuable business type in 2026, with a large jump of 15.8%. 60% of the $2.39 billion total came from apartments built between 2001 and 2020, which saw an increase of 13.2%. 20% of value was generated by apartments from 1961 to 1980, which jumped 22.2%. Apartments built from 1981 to 2000 added 15.2% to total $315.29 million. New construction jumped 20.2% for a final sum of $143.59 million.

LCAD only divided apartments into two subtypes. Garden apartments grew their value by 15.3%, reaching a total of $2.35 billion. Generic apartments soared 33.8% to $46.69 million.

Offices Grow 5.2%

Offices are only behind apartments and raw land in value, and experienced a 5.2% growth in value in 2026. 35% of the $1.35 billion total came from those built from 2001 to 2020, which saw a decrease of 2.1%. The second-largest category, those from 1981 to 2000, also experienced a reduction of 1%. New construction soared 50.7%, for a final total of $166.29 million. Offices built from 1961 to 1980 added 4.7% for a final sum of $232.17 million. Even the oldest offices still managed to grow by 11%.

There were only two categories of offices. Office buildings jumped 8.7% to finish with an overall total of $1.02 billion. Medical offices lost 4.6% in value, for a final sum of $321.70 million.

New Retail Construction Surges 77.1% in Value

Thanks to an increase in market value of 9%, the grand total for all retail property was $892.62

million. 40% of this was from stores constructed from 2001 to 2020, which grew their value by 7.7%. Stores built from 1961 to 1980 added 1.6% to reach $205.33 million, while those from 1981 to 2000 added 4.5% to total $184.36 million. New construction soared 77.1% to achieve a new total of $84.83 million, a rarity in Texas.

LCAD used four subtypes for retail spaces. Retail stores had the largest growth rate and total, with 15.4% and $311.71 million, respectively. Neighborhood shopping centers jumped 5.3% to $331.77 million, followed by community shopping centers at $160.69 million. Regional shopping centers stood pat with $88.47 million.

Lubbock Warehouses Grow by 6.2%

For an urban county, Lubbock's warehouses had a relatively small total of $270.28 million, even after a strong increase of 6.2%. 43% of this value was built in the boom period of 2001 to 2020, which added 1% to its total. New construction surged 22.3% to $36.74 million. The three elder timeframes grew faster as they got older, ending with the oldest warehouses adding 14.1%.

Of the three warehouse categories, mini warehouses were, ironically, the largest, with $178.13 million after an increase of 4.5%. Generic warehouses added 10% for a total of $89.73 million. Office warehouses lost 0.6% in value and totaled only $2.42 million.

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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