

Posted
This 15th day of July, 2021
at 9:25 AM

APPRAISAL REVIEW BOARD MEETING

AGENDA

Meeting to be held in the Deaf Smith County Appraisal District
located at 140 E. 3rd Street, Hereford, Texas, July 20, 2021 at 9:00 A.M.

- I. Roll Call.
- II. Review and approve minutes from May 27, 2021 meeting.
- III. Administer Affidavit of Sworn Testimony to Danny Jones, Chief Appraiser and Mark Powers, Assistant Appraiser.
- IV. Administer Exparte Affidavit to board members.
- V. Hear Protests.
- VI. Approve 2021 Appraisal Records.
- VII. Approve supplement records of the appraisal roll.

DATED THIS 15th DAY OF JULY 2021

Deaf Smith County Appraisal District

140 E. 3rd Street • P.O. BOX 2298 • Hereford, TX 79045

Phone: 806-364-0625 • Fax: 806-364-6895

Minutes for ARB Meeting, July 20, 2021

- I. Meeting began at 9:25 a.m.
 - A. Members present:
 1. Randy Paetzold
 2. Raul Pesina
 3. Joe Ward
 - B. Others present:
 1. Danny Jones, DSCAD Staff
 2. Mark Powers, DSCAD Staff
 3. Anthony Soto, DSCAD Staff
 4. Daniel Rico, DSCAD Staff
- II. Minutes from the May 27, 2021 meeting were reviewed and approved.
 - A. Motion to approve minutes by Joe Ward.
 - B. 2nd by Raul Pesina.
 - C. Approved unanimously
- III. Affidavit of Sworn Testimony to Danny Jones, Chief Appraiser and Mark Powers, Assistant Appraiser was administered.
- IV. Exparte Affidavit was administered by Anthony Soto to all Board Members.
- V. Protest Hearings:

9:30 A.M., Fiji Hotel Group (Holiday Inn) & First Financial Bank (PID 25475 & 4346)

Proposed 2021 Appraised Value (Fiji): \$4,051,000

Proposed 2021 Appraised Value (First Financial): \$1,093,000

Danny Jones reported that he already spoken with their agents, and both requested a joint motion.

- A. Motion to change value for Fiji to \$3,900,000 by Joe Ward.
 - B. 2nd by Raul Pesina.
 - C. Approved unanimously
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- A. Motion to keep the value for First Financial at \$1,093,000 by Raul Pesina.
 - B. 2nd by Joe Ward.
 - C. Approved unanimously

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10 A.M., La Plata Group Apartments (PID 2705)

Proposed 2021 Appraised Value: \$840,030

Mrs. Gina Blanton explained she inherited the apartments and only recently was able to review the financials and operating expenses. She explained that the tenants are senior citizens, disabled, and on a fixed income. Maintenance and repairs need to be done. She asked for "at least one year so we can figure out how to reduce our operating expenses, how to maximize our rent and rental aid, because right now it's a mess."

Mr. Mark Powers explained that the reason for the increase in value was to be more consistent – some apartments were appraised using income approach, some were based on market value. He said there are six other apartment complexes that are like the LaPlata Group - four of them protested. He reviewed all of them and made adjustments, specifically to the expense ratio. He changed it to 40/60 (40% income, 60% expense) After doing that, LaPlata Group's appraised value was \$441,724. (2020 Appraised Value was \$271,000) Mr. Powers suggested adjusting it to 35/65, which would bring it to \$386,500.

- A. Motion to lower the value to \$386,500 by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously

11 A.M., Hill (Various PID's)

A protest was filed because of the market value of the land, which was around \$12,000,000. Mr. Hill asked for it to be lowered to \$10,000,000. Mr. Jones agreed but explained that market value doesn't affect the taxable value since Mr. Hill is getting Ag Value. Mr. Jones will send a withdrawal form for Mr. Hill to sign.

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Minutes for ARB Meeting, July 20, 2021

11:20 A.M., Policarpio Hernandez Jr., Situs: 207 San Jose (PID 4269)

Proposed 2021 Appraised Value: \$83,040
Owner/Agent opinion of value: \$60,000 or \$28 sq. ft.

Mr. Powers began his testimony describing the property as a 2,166 sq. ft. brick home. It does not have a garage but does have a carport and a shed. Mr. Powers noted that there are not many sales in the San Jose area, so he took sales from similar neighborhoods and made a 25% location adjustment. Mr. Powers then presented the following comparable homes:

- Comp #1: 603 S 25 Mile Ave has 1,638 sq. ft and sold in 2019 for \$87,000. It's a hundred-year-old, two-story home in a poor location. After adjusting for size (528 sq. ft. smaller than subject) location, and age, the value is \$73,500.
- Comp #2 110 Ave. G has 1,754 sq. ft and sold in March 2021 for \$90,000 (\$51 sq. ft.) It's also a hundred-year-old home. After adjusting for size (412 sq. ft. smaller than subject) and location, the value of this home is \$78,000.
- Comp #3 207 Barker St has 1,490 sq. ft and sold in November 2020 for \$145,000. It's a stucco home in the San Jose community and is 676 sq. ft. smaller than the subject. After taking off the shop and shed (valued at \$35,000) the value of the home is \$110,000 or \$74 sq. ft.

In conclusion, Mr. Powers said the subject property is not over appraised and is worth more than \$60,000.

Mrs. Hernandez said she's fixed up her home some, but it is also a hundred years old. She does not have a paved road. She thinks people are being taking advantage of and overpaying for houses. She also thought values would be affected because of COVID-19.

Discussion: Mr. Ward and Mr. Pesina thought the appraisal was reasonable. Mr. Paetzold said "all values are going up, and only going up a \$1 sq. ft was a deal...it's a nice house." He added that Hereford wasn't really affected by COVID (economically).

- A. Motion to keep the 2021 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: No change in value.

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Minutes for ARB Meeting, July 20, 2021

Policarpio Hernandez Jr, Personal Property (PID 20550)

Proposed 2021 Appraised Value: \$55,000

Mr. Powers stated that he did not receive a rendition for this property. He put together a list of what he thought was owned: two trucks and four trailers. He went to the location where those are parked and saw more trucks and trailers at the property besides the list he had compiled. He reminded the ARB of page 63 of the *Appraisal Review Board Manual*: "If a required rendition is not delivered prior to the date of an ARB hearing, the property owner has the burden to prove the property's value to the ARB rather than the appraisal district...if the owner fails to meet its burden [of proof], the ARB must determine the protest in favor of the appraisal district."

Mrs. Hernandez said two of the trucks (a blue one and orange one) and a black trailer, weren't owned by her and her husband. (The black trailer belongs to her son PJ) Two of the reefers aren't theirs. She lets people park their trucks and trailers there. She said the rendition was dropped in our mail slot and wasn't sure why we didn't receive it.

Discussion: Mr. Ward said, "it makes it hard on us because we don't have a list, it makes it hard for us to make a decision."

- A. Motion to keep the 2021 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: No change in value.

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Minutes for ARB Meeting, July 20, 2021

Esequiel Hernandez, Situs: 316 Ave. D (PID 10648)

Proposed 2021 Appraised Value: \$31,740
Owner/Agent opinion of value: \$18,000

Mr. Powers asked if the property was rented; Mrs. Hernandez said yes for \$500. The property is a 784 sq. ft. home. He then presented the following comparable homes:

- Comp #1: 709 Knight has 855 sq. ft and sold in 2019 for \$29,900. After removing the storage building (\$1,200), the value of the home is \$33 sq. ft.
Comp #2 436 Mable has 576 sq. ft and sold in 2019 for \$30,000 (\$52 sq. ft.)
Comp #3 404 Ave. K has 744 sq. ft and sold in 2019 for \$29, 500 (\$40 sq. ft.)

Mr. Powers suggested that, based on these comps, the value be lowered to \$33-\$36 sq. ft.

Mrs. Hernandez said she bought this house for \$8,000 and had to fix it up because it had fire damage. She estimates she spent \$5,000 on repairs.

Discussion: Mr. Jones explained that if the property was appraised with the income approach, it would be valued at \$30,000-\$40,000.

- A. Motion to lower the 2021 appraised value by Randy Paetzold.
- B. 2nd by Joe Ward.
- C. Approved unanimously.

ARB decision: Lower to \$28,200.

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Minutes for ARB Meeting, July 20, 2021

1 P.M., Luis Torres, Situs: 216 Star (PID 1588)

Proposed 2021 Appraised Value: \$120,840

Owner's Opinion of Value: \$102,550

(Mr. Parra spoke Spanish, so Daniel Rico, a Deaf Smith CAD employee, interpreted for both parties.)

Mr. Mark Powers described the property as a 2,070 sq. ft. home with three bedrooms, two bathrooms and a two-car garage. Mr. Powers explained there was an error on Mr. Parra's Notice of Appraised Value which stated the total market value was \$160,990; this was corrected to \$120,840. Mr. Powers then presented the following comparable homes:

- Comp #1: 221 Star has 1,685 sq. ft and sold in October 2020 for \$127,500 (\$75/sq ft.). This property is across the street from the subject property. It's the same age and might be in better condition, but it's 385 sq ft smaller and has one garage. It's 2021 appraised value is \$128,210, which is higher than Mr. Torres' home.
- Comp #2 116 Star has 2,075 sq. ft. and sold in January 2021 for \$132,500 (\$66/sq. ft.) This home is similar in age, size, and neighborhood. It's bricked and had the garage converted into living area.
- Comp #3 127 Star has 2,120 sq. ft. and sold in January 2021 for \$140,000 (\$66/sq. ft.). It has a two-car garage and is in better condition than the subject property.

Mr. Torres said he didn't make any modifications to the house, not even painting the outside. He explained that there was damage to his roof and wondered if he had fixed up his home, how much more would the value have gone up?

Discussion: Mr. Ward thought based on the comps that the \$58/sq ft was "pretty good."

- A. Motion to leave the residence at the 2021 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously

ARB decision: No change in value for the residence.

Mr. Torres was given a copy of the ARB survey to fill out.

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Minutes for ARB Meeting, July 20, 2021

Esequiel Hernandez, Situs: 221 Boston (PID 7798)

Proposed 2021 Appraised Value: \$5,260 (\$2,130 Mobile Home #1, \$1,060 Mobile Home #2,
\$2,070 land)
Owner/Agent opinion of value: \$2,000

Mr. Powers showed photos of the mobile homes. Mobile Home #1 is brown and 14X76, Mobile Home #2 is silver and 14X76. Mrs. Hernandez said the brown mobile home wasn't hers and belongs to Alejandro Aarbralis. Mr. Powers said this would be corrected. Mr. Jones said if the land was being rented; Mrs. Hernandez said yes and added that the silver mobile home wasn't livable. Mr. Powers presented the following comparable properties:

Comp #1: 709 Ave. H, a 14X76 mobile home, sold for \$5,500 (\$5.20/sq ft.).
Comp #2: 909 Cherokee, a 12X57 mobile home, sold for \$5,000 (\$7.30/sq. ft.)
Comp #3: 404 W Gracy, a 12X56 mobile home, sold for \$4,500 (\$6.70/sq. ft.).
Comp #4: 421 Ave. F, a 10X55 mobile home and land, sold for \$8,600. After adjusting for location, the value is \$6,450.

Discussion: Mr. Paetzold said she had a good deal because her property was \$3,130 instead of \$6,450. Mr. Ward said it's reasonable.

- A. Motion to remove brown mobile home #1 and keep the remaining value by Raul Pesina.
- B. 2nd by Joe Ward.
- C. Approved unanimously.

ARB decision: Remove brown mobile home, lower the total value to \$3,130.

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Minutes for ARB Meeting, July 20, 2021

Esequiel Hernandez, Situs: 201 San Jose (PID 4273)

Proposed 2021 Appraised Value: \$4,670 (\$3,480 Mobile Home, \$1,190 land)

Owner's Opinion of Value: \$1,500

Mr. Powers showed a picture of the 12X56 mobile home. He noticed some fire damage; Mrs. Hernandez confirmed this occurred in April and they've done some remodeling, but it hasn't been rented for 3 years. She asked why this couldn't be valued the same as the 221 Boston silver mobile home. Mr. Powers presented the following comps:

Comp #1: 913 Cherokee, 552 sq. ft. sold in 2019 for \$8,600. (\$15/ sq. ft.)

Comp #2: 404 W Gracy, 672 sq. ft. sold in 2019 for \$4,500. (\$6.70/sq. ft.)

Comp #3: 617 Ave. H, 840 sq. ft. sold in 2017 for \$8,300. (\$9.90/sq. ft.)

Discussion: Mr. Paetzold said even though it's not currently being rented, "there's opportunities there."

- A. Motion to keep the 2021 appraised value by Randy Paetzold.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: No change in value.

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Minutes for ARB Meeting, July 20, 2021

Griselda Hernandez, Situs: 203 San Jose (PID 4272)

Proposed 2021 Appraised Value: \$3,930
Owner/Agent's opinion of value: \$2,000

Mrs. Hernandez was wondering why her husband wasn't listed as the owner. Mr. Jones did some research and agreed with Mrs. Hernandez that the owner information should be corrected. She added that based on a land survey she had done, the land is 50X120. Mr. Jones asked her to bring a copy so it could be corrected.

Mr. Powers described the property as 66X130 piece of land with an old, non-livable house that is used as storage. This property was bought by Mrs. Hernandez at a tax sale in 2007 for \$1,200.

- Comp #1: 105 San Jose, a 65X130 vacant lot, sold in 2015 for \$2,070 and again in 2016 for \$5,000.
Comp #2: 221 Boston, a 120X115 vacant lot, sold in 2013 for \$5,000.
(Mrs. Hernandez owns this property.)
Comp #3: 201 Columbus, a 150X120 vacant lot, sold in 2014 for \$6,000.

Discussion: Mr. Paetzold asked Mrs. Hernandez why she paid \$2500 per lot for 221 Boston in 2013 when she paid \$1200 in 2007. She answered that no one else wanted to buy it, she lives out there, it was available, so she bought it.

- A. Motion to keep the 2021 appraised value by Raul Pesina.
- B. 2nd by Joe Ward.
- C. Approved unanimously.

ARB decision: No change in value.

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Minutes for ARB Meeting, July 20, 2021

Esequiel Hernandez, Situs: 112 Dayton (PID 7819)

Proposed 2021 Appraised Value: \$14,730 (\$17.70/sq ft.)
Owner/Agent's opinion of value: \$10,000

Mr. Powers stated that it is an 832 sq. ft. rental property. Mrs. Hernandez said the house has a poor foundation (the house is leaning). Mr. Powers agreed with Mrs. Hernandez and explained that's part of the reason why it was appraised at \$18/sq ft and not \$23/sq ft. Mrs. Hernandez shared that her son rents it out for \$300/month. Mr. Ward said her value increasing by \$540 (2020 Appraised Value was \$14,090) is reasonable.

Comp #3 3903 County Road 6A, 864 sq. ft sold in 2019 for \$20,000 or \$23/sq. ft. No location adjustment was made because it's in a poor location (there's a feedyard south of it)

- A. Motion to keep the 2021 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: No change in value.

Esequiel Hernandez, Situs: 111 Domingo (PID 4256)

Proposed 2021 Appraised Value: \$29,420 (\$24.30/sq ft.)
Owner/Agent's opinion of value: \$20,000 (\$16.50/sq ft.)

Comp #1: 134 Ave. A, 924 sq. ft. It sold in 3/25/2020 for \$30,000 (\$32/sq. ft.) This home was bad on the inside and not rentable until the bathroom pipes were replaced. After adjusting for location, the value is \$24/sq. ft.

Mr. Powers presented the above comp. Mrs. Hernandez compared the subject property with Comp#3. Mr. Powers mentioned that the subject property is larger, has refrigerated air and a concrete driveway. Mr. Ward thought the value was a little high, Mr. Pesina thought the value was fine.

- A. Motion to keep the 2021 appraised value by Raul Pesina.
- B. 2nd by Joe Ward.
- C. Approved unanimously.

ARB decision: No change in value.

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Minutes for ARB Meeting, July 20, 2021

Esequiel Hernandez, Situs: 113 Domingo (PID 4257)

Proposed 2021 Appraised Value: \$25,800 (\$29/sq ft.)
Owner/Agent's opinion of value: \$16,000 (\$16/sq ft.)

Mrs. Hernandez rents the property and explained that the house has fire damage even though it's been fixed up some.

Comp #5 404 N Ave. K, 744 sq. ft. sold in 2019 for \$29,500. After adjusting for location, the value is \$30/sq. ft.
Comp #6 709 Knight, 855 sq. ft. This stucco home sold in 2019 for \$29,900. After adjusting for location, the value is \$26.20/sq. ft.

Mr. Powers explained that even if no improvements have been done to a property, appraisals are based off market values.

- A. Motion to keep the 2021 appraised value by Raul Pesina.
- B. 2nd by Joe Ward.
- C. Approved unanimously.

ARB decision: No change in value.

Esequiel Hernandez, Situs: 205 San Jose (PID 4274)

Proposed 2021 Appraised Value: \$11,740 (\$20/sq ft.)
Owner/Agent's opinion of value: \$8,500 (\$14/sq ft.)

Mrs. Hernandez said it's in bad shape on the inside and the roof leaks in the back. She bought the property since it's next to her house and she "really doesn't want to have neighbors." Mr. Paetzold said that even though it's in bad shape, it still has value.

Comp #4 120 Kibbe, a 512 sq. ft stucco home sold in May 2021 for \$16,000. After adjusting for location, the value is \$23/sq ft.

- A. Motion to keep the 2021 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

Mrs. Hernandez was given a copy of the ARB survey to fill out.

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Minutes for ARB Meeting, July 20, 2021

1:20 PM Dairy Queen-180 Talmadge Inc. (PID 1114, Real property); Vasari, LLC (PID 11684, Personal property)

The agent and/or taxpayer did not call or show up for the hearing. Mr. Jones informed the board that the protester has four days to request another hearing.

1:40 PM, Golden Spread Electric Coop/WT Services (22 properties)

The agent did not call or show up for the hearing.

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Minutes for ARB Meeting, July 20, 2021

2:00 P.M., Pablo and Eva Garcia, Situs: 126 Ave. C (PID 1216)

This protest is for 2020 and 2021. Neither Mr. or Mrs. Garcia or their agent from O'Connor & Associates called or showed up for the hearing in 2020. They say they didn't receive the Protest hearing notice. Mr. Powers sent it via certified mail and received the return receipt. The ARB agreed to hear the protest.

Proposed 2020 Appraised Value: \$132,450 (\$54/sq ft.)
Owner/Agent's opinion of value: \$125,828 (\$51/sq ft.)

The property has 2,448 sq. ft. with 3 bedrooms, 2 bathrooms, and two car garage.

- Comp #1: 514 Star, 2,639 sq. ft. Sold in 2019 for \$140,000 After adjusting for time, the value is \$58/sq ft.
Comp #2: 404 Ave. E, 2,173 sq. ft. Sold in 2018 for \$110,000. After adjusting for time, the value is \$58/sq ft.
Comp #3: 112 Elm, 2,431 sq. ft. Sold in 2019 for \$150,000. After adjusting for time, the value is \$63/sq ft.

The agent submitted an affidavit saying they didn't have any sales within the last 3 years to support the increase and asked that 5% depreciation be applied due to the property age.

Proposed 2021 Appraised Value: \$159,100 (\$65/sq ft.)
Owner/Agent's opinion of value: Market: \$135,235 (\$55/sq ft.), Appraised: \$123,841 (\$51/sq ft.)

- Comp #1: 127 Star, 2,120 sq. ft. Sold in 2021 for \$140,000 (\$66 sq ft.)
Comp #2: 116 Star, 2,020 sq. ft. Sold in 2021 for \$132,500 (\$66 sq ft.)
Comp #3: 125 Ave. D, 2,285 sq. ft. Sold in 2020 for \$166,650 (\$77 sq ft.) This house is close in proximity, size, and quality to the subject property

The agent submitted an affidavit asking for 15% depreciation due to the property age.

Mr. Ward said he hadn't "seen any clear and convincing evidence." Mr. Pesina agreed.

- A. Motion to keep the 2021 appraised value by Raul Pesina.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

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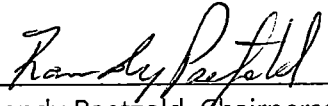
- VI. The 2021 Appraisal Records were approved by the board.
- A. Motion to approve by Raul Pesina.
 - B. 2nd by Joe Ward.
 - C. Approved unanimously.

- VII. Supplement records given to the ARB.

Meeting adjourned at 4:30 p.m.

Approved:

Date:


Randy Paetzold, Chairperson

5-31-2022