



# Looking Back at The 87<sup>th</sup> Session

**Brent South** 2021/2022 Legislative Committee Chair

## What a strange session the 87th Texas Legislature turned out to be!

It started off extremely slow due to COVID restrictions but went from zero to 100 overnight. The House of Representatives elected a new speaker, there were multiple “scandals” that took up space, there was a once in a lifetime weather event that shut down the legislature (and the entire state) for several days, there were armed guards constantly roaming the halls of the Capitol Building, tents were set up on the lawn for rapid COVID testing to be able to enter certain areas of the building, and the grand finale of the session was a walkout of several members of one political party on the final night which broke quorum and caused several key bills to die. Now Governor Abbott has vetoed the line item of the state budget which funds the members of the legislature, and their staff and has called for a special session to begin on July 8.

As the dust begins to settle from the regular session, it is time to begin focusing on the bills that passed that effect appraisal districts and how/when we must go about implementing these new laws. There were two major pieces of legislation that will impact appraisal district operations. **HB 988** creates a new binding arbitration remedy for property owners who claim there was a procedural violation and amends several other sections of the property tax code, as well as creating a new section which now mandates that an appraisal district offer informal hearings to property owners prior to an ARB hearing. **SB 63** makes several key changes to deadlines regarding action on exemptions and scheduling protest hearings.

For a detailed review of these bills, (along with the other 61 bills that PTAD has identified as required bills to be covered for continuing education), I encourage everyone to attend the TAAD Legislative Update in San Antonio, August 9-10. This two-day seminar will not only meet the 2-hour continuing education requirement, but we will take a much deeper dive into these new laws. We will have expert speakers who can explain to us what these laws mean and how we need to implement them within our offices.

I want to wrap-up by saying a huge **THANK YOU** to the members of the TAAD Legislative Committee who once again work tirelessly during the session to ensure that the Texas Property Tax System remains one of the best in the nation. These folks spent hours upon hours over the last several months on top of their “paying” jobs.

I look forward to finally seeing all of you in-person again in San Antonio!

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# TAAD Legislative Update For TDLR CEs

August 9-10, 2021  
San Antonio Rivercenter Marriott Hotel

## MONDAY, AUGUST 9

### 87th Regular Session in Review *(Ross Ramsey, The Texas Tribune)*

★ HB 988, ★ HB 2941 - CAD Administration/Exemptions and Special Appraisal Legislation/ARB Legislation  
(excluding PTAD responsibilities)

Covered: HB 988 and 2941

#### Break

★ HB88: What About Procedural Violations? *(excluding PTAD responsibilities)*

Covered: HB 988

Lunch provided by TAAD

★ HB 2723: One-Stop Internet Shopping for Property Tax-related Info

Covered: HB 2723

CAD Administration/HR/Public Information and Confidentiality/Changes to Open Meetings, Open Records

Covered: HB 1082, 1118, 1154, 1493, 1560; HJR 125; SB 56, 63, 334, 841, 916, 1134, 1225, 1245, 1257

#### Break

Exemptions, TIFs, Abatements

Covered: HB 115, 368, 1197, 3610; SB 113, 611, 794, 1427, 1449; SJR 35

Legislative Miscellany

Covered: HB 1525, 3607, MORE

The Bill that Got Away

Describes how a bill is introduced, assigned, goes through committees, is debated and reconsidered, and in the end, fails.

## TUESDAY, AUGUST 10

★SB 63: ARB Legislation/CAD Administration/Arbitration/Appraisal Legislation

Covered: SB 63

Also covered: HB 1090, 1475, 1564, 2535, 3514, 3788, 3833, 3971; SB 1088, 1315, 1421, 1679, 1854, 1919

Legislation Affecting PTAD

Covered: HB 988, 3786, 3788; SB 916, 1245

#### Break

Legislation Affecting Ag Valuation, Special Appraisals

Covered: HB 3833; SB 725, 1245

What Didn't Pass in 2021, What to Look for in 2023?

★HB 1869, ★DSB 1438 and MORE Assessing and Collecting Legislation

Covered: HB 1869, SB 1438

Also covered: HB 295, 533, 1410, 1428, 1900, 2429, 3115, 3629; HJR 99; SB 23, 186, 604, 742, 1357, 1764

**Have You Completed Your Public Funds Investment Act Training For 2021**



If you're a chief appraiser or an individual responsible for handling appraisal district funds, you are required by statute (Chapter 2256 of the Texas Government Code) to undergo a minimum of 10 hours of training every two years.

Where to find such training, you may wonder. Good news – TAAD will once again offer its PFIA training online, November 8-9.

**TAAD Presents a Seminar for Appraisers Public Fund Investment Training for Appraisal Districts**



The purpose of this workshop is to provide training mandated by Texas Government Code, Chapter 2256.

This two-day seminar *meets the required 10 hours of PFIA training needed every two years by all individuals serving as financial officer, treasurer or investment officer of a local government, including an appraisal district.*

» Dates	<b>November 8-9, 2021</b>
» Registration Deadline	<b>November 1, 2021</b>
» Class Location	<b>ZOOM online</b> Log in info will be sent the week prior to class
» Primary Instructor	<b>Patrick Shinkle</b> , Center for Public Management, University of North Texas
» Class Hours	<b>Day 1:</b> Registration 8:30-9am; Class 8:30am-12:00pm, 1:30-5pm <b>Day 2:</b> Class 8:30-12:00pm
» CEs	<b>11.25 hours</b>

**Topics discussed**

- » Public Funds Investment Act Compliance
- » The Texas Public Funds Collateral Act
- » Developing a Certificate of Deposit Program
- » Investment Policies
- » Investment Basics
- » Factors that Affect Interest Rates
- » Using Excel for Investment Controls
- » Investment Pools
- » Internet Resources for Investment Decisions
- » Internal Controls
- » The Budgeting Process
- » Computer Security Awareness Controls
- » Business Impact Analysis

Name \_\_\_\_\_ TDLR number \_\_\_\_\_

Jurisdiction/Firm \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ E-mail Address \_\_\_\_\_

**Registration Fees:**

- TAAD member district ..... \$200
- TAAD associate/affiliate member ..... \$250
- Non-member ..... \$300

**TOTAL AMOUNT ENCLOSED ..... \$ \_\_\_\_\_**

*Registration fees must reflect current membership status.*

Requests for refunds must be in writing and submitted by November 1; a \$75 cancellation fee will be deducted. No refunds for cancellations after November 1.

**Office Use Only:**

Date \_\_\_\_\_  
Check# \_\_\_\_\_  
Paid \_\_\_\_\_  
DB \_\_\_\_\_

Please complete the registration form and return it along with payment to:  
**TAAD | 7700 Chevy Chase Drive; Building One, Suite 425 | Austin, Texas 78752-1558**

## How Busy Was The **Legislative Session?**

Let's compare the Regular Sessions

	House				Senate			
	87R 2021	86R 2019	85R 2017	84R 2015	87R 2021	86R 2019	85R 2017	84R 2015
<b>Bills Filed</b>	4671	4765	4333	4207	2256	2560	2298	2069
<b>Bills Passed</b>	587	968	700	818	486	968	511	504
<b>Concurrent Resolutions Filed</b>	119	186			60	68		
<b>Joint Resolutions Filed</b>	163	147	111	133	58	70	58	67
<b>Joint Resolutions Passed</b>	4	7	3	2	4	3	6	5

### How many bills did TAAD track/work on during the Regular/Special Sessions?

84R (2015)	406	85R (2017)	439	85 (ISS)	147	86R (2019)	526	87R (2021)	534
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Does not include the upcoming Special Sessions?

### How did the 87th Regular Session break down?

Bill Statistics/Session: 87R		Democrat		Republican		Total		
Bill Type	Range	Filed	Passed	Filed	Passed	Filed	Passed	
<b>House Bills</b>	HB 1 - HB 4671	2567	183	2104	404	4671	587	13%
<b>House Concurrent Resolutions</b>	HCR 1 - HCR 119	48	11	71	43	119	54	45%
<b>House Joint Resolutions</b>	HJR 2 - HJR 165	64	1	99	3	163	4	2%
<b>Senate Bills</b>	SB 1 - SB 2259	1140	182	1116	304	2256	486	22%
<b>Senate Concurrent Resolutions</b>	SCR 1 - SCR 60	18	10	42	36	60	46	77%
<b>Senate Joint Resolutions</b>	SJR 11 - SJR 68	28	0	30	4	58	4	7%

# TAAD Legislative Update for TDLR New Laws/Rules CEs

Monday-Tuesday, August 9-10, 2021

San Antonio Marriott Rivercenter Hotel  
101 Bowie Street; San Antonio, TX 78205



## Registration Fees: (Deadline: July 23)

- TAAD member district (per person) ..... \$275
- TAAD associate/affiliate member ..... \$350
- Non-member ..... \$400

## Guest Registration: (Deadline: July 22)

- Guest ..... \$150

(no CEs; for spouse or companion of attendee;  
meals and breaks only; deadline: July 23)

## Seminar Location/Lodging

San Antonio Marriott Rivercenter Hotel  
101 Bowie Street; San Antonio, TX 78205

\$185/single or \$189/double; call 877-622-3056 by  
July 21 for TAAD block rates.

Deadline for refund requests: August 2, 2021

## Tentative Seminar Schedule

### Monday

8:30-9:00am	Registration
9:00am-12:00pm	Information Sessions
12:00-1:15pm	Lunch (TAAD provides)
1:30-4:30pm	Information Sessions

### Tuesday

8:00-9:00am	Breakfast (TAAD provides)
9:00-11:45am	Information Sessions
11:45am	Adjourn
1:00-3:00pm	(Tentative) CE Sessions

**CEs will be granted for attendance; final agenda will meet TDLR requirements for "law/rules update" needed by RPAs, RTAs, and RTCs.**

Name \_\_\_\_\_ TDLR number \_\_\_\_\_

Entity/Business \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ E-mail Address \_\_\_\_\_

**TOTAL AMOUNT ENCLOSED\$ \_\_\_\_\_**

**Registration fees must reflect current membership status.**

Requests for refunds must be in writing and submitted by August 2; a \$100 cancellation fee will be deducted. No refunds for cancellations after August 2.

Please complete the registration form and return it along with payment to:

**TAAD | 7700 Chevy Chase Drive; Building One, Suite 425 | Austin, Texas 78752-1558**

**Office Use Only:**

Date \_\_\_\_\_

Ck# \_\_\_\_\_

Paid \_\_\_\_\_

PC \_\_\_\_\_

DB \_\_\_\_\_

# TAAD's 2021 State Certification Course Schedule

<i>Month</i>	<i>Course Number</i>	<i>Name</i>
<b>AUGUST 2021</b>		
August 16-18	Course 7	Texas Property Tax Law
August 16-18	Course 10	Analyzing a Real Property Appraisal
August 16-20	Course 203	Appraisal of Real Property
<b>SEPTEMBER 2021</b>		
September 13-16	Course 3	Income Approach to Value
September 13-16	Course 4	Personal Property Appraisal
September 13-16	Course 5	Mass Appraisal
<b>OCTOBER 2021</b>		
October 11-12	Course 30	Ethics
October 11-13	Course 101	Intro to Texas Property Tax System
October 13-15	Course 102	Intro to Appraisal
October 11-15	Course 102	Seminars
<b>NOVEMBER 2021</b>		
November 15-17	Course 32	USPAP
November 15-19	Course 203	Appraisal of Real Property
<b>DECEMBER 2021</b>		
December 6-8	Course 7	Texas Property Tax Law
December 6-8	Course 10	Analyzing a Real Property Appraisal
December 6-9	Course 3	Income Approach to Value
December 6-9	Course 4	Personal Property Appraisal
December 6-8	Course 101	Intro to Texas Property Tax System
December 8-10	Course 102	Intro to Appraisal

*course registration on next page*

# TAAD's 2021 State Certification Course Registration Form

- 1. **Class Hours:** Unless otherwise specified, course hours are from 8:30 am-5 pm.  
Registration on day one of class is 8-8:30 am.  
See TAAD website for course lengths.
- 2. **Class Locations/Hotel Lodging:**
  - » **Austin Marriott North/Round Rock**  
2600 La Frontera Blvd., Round Rock, TX 78681  
Lodging: 800.865.0546; \$125/night; call *at least three weeks* in advance for the TAAD block.
  - » **TAAD Office:** 7700 Chevy Chase Dr., Bldg. 1, Ste. 425, Austin, TX 78752  
See TAAD website for lodging suggestions.
- 3. **Coupon:** All member districts will receive a coupon for \$50-off one Member District Course Fee each year. To redeem, please enclose original coupon with remaining fee.
- 4. **Class Materials:** Your class materials will be waiting for you at registration. If you want them sooner, select the appropriate check box below.
- 5. **Cancellations:** There will be a **\$75 fee** charged for cancellations. Written request for a refund must be received at TAAD at least seven days *before* class begins or entire registration is forfeited.

### Cost for Courses:

*Submit separate forms and fees for each course.*

<b>Course 30</b>	\$210 for TAAD Member Districts \$235 for TAAD Associate/Affiliate Members \$325 for Nonmembers
<b>Course 31</b>	\$75 for TAAD Member Districts \$160 for TAAD Associate/Affiliate Members \$225 for Nonmembers
<b>Courses 101, 102, 9, 28 or 32</b>	\$235 for TAAD Member Districts \$275 for TAAD Associate/Affiliate Members \$375 for Nonmembers
<b>Courses 3, 4, 5, 7 or 10</b>	\$325 for TAAD Member Districts \$350 for TAAD Associate/Affiliate Members \$450 for Nonmembers
<b>Course 8</b>	\$325 for TAAD Member Districts \$350 for TAAD Associate/Affiliate Members \$450 for Nonmembers
<b>Course 203 (previously 201 and 202)</b>	\$425 for TAAD Member Districts \$450 for TAAD Associate/Affiliate Members \$525 for Nonmembers

Course # \_\_\_\_\_ Course Date \_\_\_\_\_ Course Location \_\_\_\_\_

Name \_\_\_\_\_ Nickname \_\_\_\_\_ TDLR # (if applicable) \_\_\_\_\_

Jurisdiction/Firm \_\_\_\_\_ Title \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Email address \_\_\_\_\_

*confirmations are sent by email*

### Course Materials (please mark one)

- Please **email** my class materials (student responsible for printing and bringing materials to class)
- I will **pick up** my class materials at registration
- Please **mail** my class materials. I have enclosed the \$10 shipping and handling fee.\*

*\*Materials mailed only if registration and payment are received **three weeks prior** to class.*



**Note: Property Assessment Valuation book (used in Courses 201, 202, 3, 4 and 5) should be ordered directly from IAAO (iaao.org).**

Course Registration Fee..... Registration Fee .....\$ \_\_\_\_\_

PTEC Glossary - optional (\$20) ..... Enclosed .....\$ \_\_\_\_\_

Mail Course Materials - optional (\$10) ..... Enclosed .....\$ \_\_\_\_\_

Member District Certificate (must enclose with payment) ..... minus .....\$ \_\_\_\_\_

**TOTAL AMOUNT ENCLOSED \$ \_\_\_\_\_**

Please complete the registration form and return it along with payment to:  
**TAAD | 7700 Chevy Chase Drive; Building One, Suite 425 | Austin, Texas 78752-1558**

### Office Use Only:

Coupon \_\_\_\_\_ Date \_\_\_\_\_ Check# \_\_\_\_\_ Paid \_\_\_\_\_

Glossary \_\_\_\_\_ Materials mailed \_\_\_\_\_ DB \_\_\_\_\_

## Texas Association of Appraisal Districts

### 2021 IAAO Course/Workshop Schedule



#### Course 311: Real Property Modeling Concepts

August 30-September 3, 2021

Site: Harris CAD, 13013 Northwest Freeway, Houston

Instructor: Barry Couch, CAE

Fees: IAAO member \$650  
Non-IAAO member \$800

TDLR credit: 30 hours

**Recommended prerequisite:** Course 300

*NOTE: former 311 (Residential Modeling Concepts) and 312 (Commercial/Industrial Modeling Concepts) have been redesigned into this one 5-day course.*

#### Workshop 551: Valuation of Machinery and Equipment

September 8-10, 2021

Site: Harris CAD, 13013 Northwest Freeway, Houston

Instructor: Lisa Hobart, PPS

Fees: IAAO member \$500  
Non-IAAO member \$650

TDLR credit: 18.5 hours

IAAO recertification credit: 18.5 hours

**Recommended prerequisites:** Course 500

Exam included: Yes

#### Course 101: Fundamentals of Real Property Appraisal

September 27-October 1, 2021

Site: TAAD Office, 7700 Chevy Chase Drive, Bldg One, Suite 425, Austin

Instructor: Roland Altinger, CAE

Fees: IAAO member \$650  
Non-IAAO member \$800

TDLR credit: 30 hours

**AQB Approved:** 33.50 CE with exam / 30 CE no exam

» **Recommended text:** *Property Assessment Valuation, 3rd edition* (obtain from IAAO)

#### Course 201: Appraisal of Land

September 27-October 1, 2021

Site: Harris CAD, 13013 Northwest Freeway, Houston

Instructor: Marion Johnson, CAE

Fees: IAAO member \$650  
Non-IAAO member \$800

TDLR credit: 30 hours

**Recommended prerequisites:** Course 101, Course 102

**AQB Approved:** 33.50 hours CE with exam / 30 hours CE

» **Recommended text:** *Property Assessment Valuation, 3rd edition, ©2010* (obtain from IAAO)

#### Workshop 155: Depreciation Analysis

November 1-2, 2021

Site: Harris CAD, 13013 Northwest Freeway, Houston

Instructor: Marion Johnson, CAE

Fees: IAAO member \$480  
Non-IAAO member \$625

TDLR credit: 15 hours

**AQB Approved:** 14 hours CE/15 hours with exam

IAAO recertification credit: 15 hours

**Recommended prerequisites:** Course 101

Exam included: Yes

#### Workshop 158: Highest and Best Use

November 3-4, 2021

Site: Harris CAD, 13013 Northwest Freeway, Houston

Instructor: Marion Johnson, CAE

Fees: IAAO member \$480  
Non-IAAO member \$625

TDLR credit: 15 hours

**AQB Approved:** 14 hours/15.5 hours with exam

IAAO recertification credit: 15 hours

Exam included: Yes

#### Course 102: Income Approach to Valuation

December 6-10, 2021

Site: Harris CAD, 13013 Northwest Freeway, Houston

Instructor: Brad Eldridge, CAE, MAI

Fees: IAAO member \$650  
Non-IAAO member \$800

TDLR credit: 30 hours

**Recommended prerequisite:** Course 101, Course 102, Course 201, Course 300, Course 311

**AQB Approved:** 33.50 QE, 33.50 hours CE with exam / 30 hours CE no exam

» **Recommended text:** *Property Assessment Valuation, 3rd edition, ©2010* (obtain from IAAO)

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# TAAD 2021 IAAO Course/Workshop Registration Form

1. **Class Hours:** Unless otherwise specified, classes are face-to-face and course hours are 8:30am-5pm. Registration on class day 1 is 8-8:30 am.

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2. **Location/Hotel Accommodations:** check TAAD's IAAO schedule for announced location.
  - » **Harris County Appraisal District**  
13013 Northwest Freeway, Houston 77040
  - » **TAAD Headquarters**  
7700 Chevy Chase Drive, Bldg. One, Suite 425,  
Austin 78752
 For lodging information, please contact TAAD or refer to TAAD's website for suggestions.

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3. **Registration Deadline:** IAAO requires class material to be ordered *at least four weeks prior to the course*, therefore *TAAD must receive your registration at least four weeks prior to the course beginning*. If you wish to register after this deadline, contact TAAD first to confirm availability.

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4. **Cancellations:** A \$100 administrative charge is deducted for cancellations. This includes faxed registrations. Requests for partial refunds must be received by TAAD *in writing no later than one week prior to the first day of the course*. There are no refunds for cancellations received by TAAD less than one week prior to first day of class.

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5. **Cost for Courses:** Please refer to TAAD's IAAO Schedule for registration cost.  
**Change for 2021: IAAO mandates that registration cost is based on IAAO membership.**

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6. **Course Materials:** Students will pick up course materials at registration on the first day of class.

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7. **Additional Texts:** Please refer to the registration materials for possible additional IAAO texts needed for the class. *Each student is responsible for ordering and obtaining them from IAAO*. No texts will be available at the class.

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8. **TDLR Credit:** TAAD automatically reports CE credit for IAAO students who provide a TDLR number on this form. Some IAAO courses may count for TDLR Core Credit for RPA certification. **As of 2021, IAAO will no longer release grades to TAAD without a waiver from the student allowing it.**  
To request Core Credit, *please contact TAAD directly prior to the class and submit the IAAO waiver (below) for release of grades.*

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9. **Waiver for IAAO to release grade** (see above)  
 *"I give IAAO permission to release my grade/results to TAAD for state licensing purposes."*

IAAO Course/Workshop # \_\_\_\_\_ Course Dates \_\_\_\_\_ Course Location \_\_\_\_\_

Name \_\_\_\_\_ IAAO# \_\_\_\_\_ TDLR # \_\_\_\_\_

Jurisdiction/Firm \_\_\_\_\_ Title \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Email Address \_\_\_\_\_

Course Registration Fee .....\$ \_\_\_\_\_  
*(Fee is based on IAAO membership)*

**TOTAL AMOUNT ENCLOSED** .....\$ \_\_\_\_\_

Please complete the registration form and return it along with payment to:  
**TAAD | 7700 Chevy Chase Drive; Building One, Suite 425 | Austin, Texas 78752-1558**



**Office Use Only:**

Date \_\_\_\_\_ Check# \_\_\_\_\_ Paid \_\_\_\_\_ DB \_\_\_\_\_

## Real Estate Notes of Interest

Brad Eldridge, MAI, CAE

Brad is a Senior Consultant with TEAM Consulting, LLC and lives in Lawrence, Kansas.

**Editor's Note:** The first two articles address office management issues that some appraisal districts are facing as a result from remote workers and the changing expectations in the office environment.

### 8 Easy & Creative Ways to Keep Remote Employees Engaged

*www.connectteam.com*, by Rea Regan, April 12, 2020

Remote working was growing before the pandemic began. Now it has been ingrained in our work culture. Consider these tips to help manage your work-from-home employees. <https://bit.ly/3iLiMoB>

### 5 Tips To Optimize The Success Of Your Hybrid Return To Office Plan

*Forbes*, by Laurel Farrer, April 14, 2021

"As post-pandemic industry research continues to emerge, the data confirms that remote work is here to stay. But are all businesses becoming virtual organizations? Of course not. With a healing, but fragile, economy relying on the resilience of the real estate industry, it is critical that our offices and commercial zones revive. So, with office investments to maintain, but half of at-home employees saying they would prefer to continue working remotely, many employers are looking to physical-virtual hybrid workplaces as the best of both worlds." <https://bit.ly/3qoPkTe>

### Texas Real Estate Agents Are Just as Overwhelmed — and Astonished — as You Are

*Texas Monthly*, by Peter Holley, June 5

"Long hours, longer lines, nonstop bidding wars, and letters penned by pets. Stories from the real estate bonanza. *Texas Monthly* consulted the industry's experts, interviewing realtors in cities across the state about what they're witnessing on the front lines of the bidding wars. The anecdotes that emerged range from astonishing to absurd, with some of the state's most successful agents admitting that—despite immense resources and experience—the chaos of the housing market has stripped them of their predictive powers and turned their own lives upside down." <https://bit.ly/3j3U6y1>

### Texas Housing Insight

*Texas Real Estate Research Center, Texas A&M University*, by Luis B. Torres, Wesley Miller, Paige Silva, and Jacob Straus, June 14, 2021

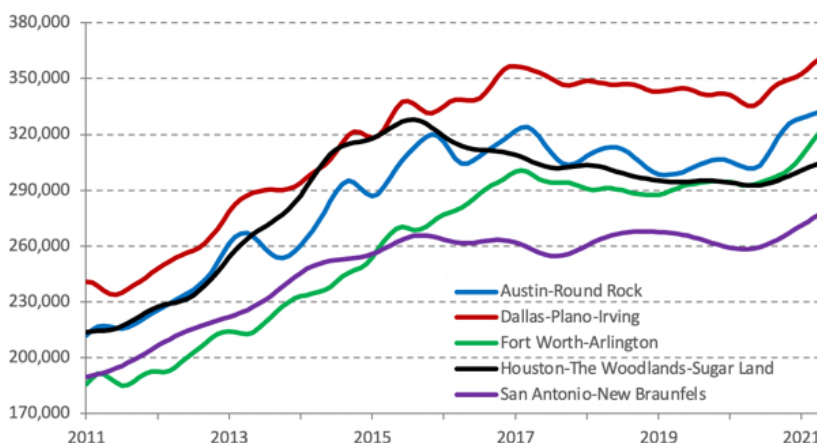
"Double-digit home-price appreciation and rising mortgage interest rates chipped away at housing affordability and may dampen housing demand moving forward. The unprecedented low level of inventory available for sale is the greatest challenge to Texas' housing market, assuming the pandemic remains contained. The Texas median home price rose for the fourth consecutive month, accelerating 17.3 percent YOY to a record-breaking \$289,700 in April. The Texas Repeat Sales Home Price Index (sale-resale) increased to 13.5 percent YOY." <https://bit.ly/35JSL07>

### Texas Quarterly Housing Report

The Texas REALTORS®, Q1-2021 Report

"The Texas Quarterly Housing Report uses statistics compiled from multiple listing services in 25 MSAs throughout Texas." <https://bit.ly/3zPifh0>

Major Metros New Home Median Sales Price (\$)



Note: Trend-cycle component. For single-family homes.  
Source: Texas Real Estate Research Center at Texas A&M University

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**Real Estate Notes** *continued*

**Texas jobs recovery accelerates in May**

*Texas Real Estate Research Center, Texas A&M University, June 22, 2021.*

“Since May 2020, the Texas economy has added a total of 804,200 jobs. To return to pre-pandemic levels, the economy needs to add 409,000 positions. May’s seasonally adjusted unemployment rate was 6.5 percent, down 0.2 percent from April 2021 and higher than the nation’s rate of 5.8 percent.” <https://bit.ly/3vQPNJo>

**Texas Quarterly Commercial Report**

*Texas Real Estate Research Center, Texas A&M University, by Luis B. Torres, Harold D. Hunt, Clare Losey, Garret Newman, Brynn Martin, and Brendan Harrison, May 27, 2021*

“Economic activity within Texas moderated during first quarter 2021 but remained on the path to recovery despite weather-related disruptions in February. Robust hiring in March resulted in solid first-quarter payroll growth, although joblessness in the Lone Star State was still higher than the national average. Moreover, inflation-adjusted headline wage numbers flattened compared with year-ago levels while initial unemployment claims surged unexpectedly. On the bright side, oil prices rebounded, contributing to increased export values.” <https://bit.ly/3wOJLdu>



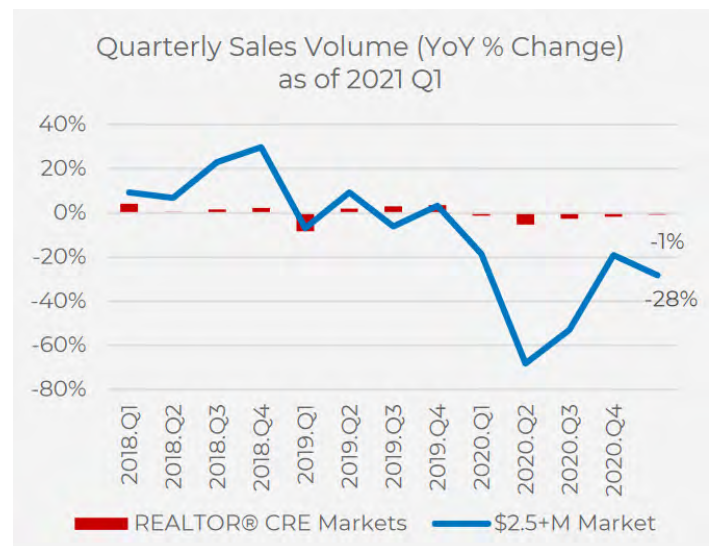
**April 2021 Commercial Real Estate Market Trends and Outlook**

*National Association of Realtors, May 2021*

“The commercial real estate market is recovering but remains weak compared to conditions before the COVID-19 pandemic, according to NAR commercial members who responded to the 2021 Q1 Commercial Real Estate Quarterly Market Survey and industry data.

Acquisitions for large commercial real estate — properties or portfolios of at least \$2.5 million — fell 28 percent year-over-year in the first quarter of 2021, with transactions declining across all property types, except for hotel acquisitions. Investors could be acquiring hotels to convert into other uses such as multifamily housing.

Among commercial members of NAR who participated in the quarterly market survey and whose acquisitions were typically properties or portfolios of less than \$2.5 million, transactions declined by an average of 1 percent. Respondents reported an increase in sales of land and industrial properties and a decline in sales of other types of commercial real estate.” Downloadable report available. <https://bit.ly/3iIFVhA>



**Editor’s Note:** *The graph at right is for commercial real estate (CRE) in the national market. The REALTOR® CRE markets are for prices less than \$2.5 million, which was not impacted as badly as the \$2.5M CRE market during the past year.*

*continued on next page*

**Real Estate Notes** *continued***What Will Happen to All the Empty Office Buildings and Hotels?***New York Times*, by C.J. Hughes, April 16, 2021

"Commercial real estate has been hit hard by the pandemic, but there are plans to convert some of the now-empty spaces into apartment buildings." <https://nyti.ms/2U9CFSI>

**U.S. Retail Recovery Indicators May 2021***CBRE*, May 7, 2021

"The retail market is also showing signs of recovery. Total retail sales increased 28 percent year-over-year in March 2021, driven by consumers spending government stimulus checks as well as retail stores continuing to re-open their doors. Every retail category tracked by the U.S. Census Bureau recorded positive sales growth on a monthly basis in March." <https://bit.ly/3iJA2kr>

**More Black Americans Call Out Housing Appraisal Process As Discriminatory***www.NPR.org*, by Jill Sheridan, May 19, 2021

"A Black woman in Indianapolis filed a complaint alleging housing discrimination after two low home appraisals spurred her to administer a fair housing test. She had a white friend stand in for her." <https://n.pr/3q5JIB6>

**Editor's Note:** *While this is an issue in the single-property appraisal sector, mass appraisers/county appraisers need to be aware of racial bias in the appraisal process and be prepared to address this issue with the public.*

**Latest Composite Price Index Showed Price Gains to Start Second Quarter***CoStar Group, Press Release*, May 27, 2021

"CoStar Commercial Repeat Sale Indices (CCRSI) provides the market's first look at commercial real estate pricing trends through April 2021. Price indices are now up by more than 7 percent over the 12-month period that ended in April 2021, as the market recovered from price decreases in the second quarter of 2020. <https://bit.ly/2SBYycy>

**U.S. Prices March Higher in April; CBD Offices Lag***www.rcanalytics.com*, by Wyatt Avery, May 27, 2021

"The headline rate of U.S. property price growth accelerated in April as the industrial, apartment, retail and office indices all posted positive annual returns for the first time since the pandemic began, the latest *RCA CPPI: US* summary report shows. The U.S. National All-Property Index grew 8.4 percent in April over the last year." <https://bit.ly/2RYIYZd>

**U.S. Economy at a Glance***Bureau of Economic Analysis, U.S. Department of Commerce*, May 27, 2021

"Real gross domestic product (GDP) increased at an annual rate of 6.4 percent in the first quarter of 2021, reflecting the continued economic recovery, reopening of establishments, and continued government response related to the COVID-19 pandemic. Personal income decreased \$3.21 trillion, or 13.1 percent at a monthly rate, while consumer spending increased \$80.3 billion, or 0.5 percent, in April. Economic impact payments established by the American Rescue Plan Act, declined sharply in April." <https://bit.ly/2SG88Lk>

**Record Numbers of Builders Report Material Shortages***National Association of Home Builders*, by Paul Emrath, May 27, 2021

"Shortages of materials are now more widespread than at any time since NAHB began tracking the issue on a regular basis in the 1990s in its survey for the NAHB/Wells Fargo Housing Market Index (HMI). In response to special questions on the May 2021 HMI survey, over 90 percent of builders who buy the product in question reported shortages of appliances, framing lumber and OSB. Exactly 90 percent said there was a shortage of plywood, and nearly that many (87 percent) said there was a shortage of windows and doors." <https://bit.ly/3wyjoYZ>

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## Real Estate Notes *continued*

### **FACT SHEET: Biden-Harris Administration Announces New Actions to Build Black Wealth and Narrow the Racial Wealth Gap**

*The White House, Statements and Releases, June 1, 2021*

"...the Administration is expanding access to two key wealth-creators — homeownership and small business ownership — in communities of color and disadvantaged communities. The Administration will take action to address racial discrimination in the housing market, including by launching a first-of-its-kind interagency effort to address inequity in home appraisals, and conducting rulemaking to aggressively combat housing discrimination; and use the federal government's purchasing power to grow federal contracting with small disadvantaged businesses by 50 percent, translating to an additional \$100 billion over five years, and helping more Americans realize their entrepreneurial dreams." <https://bit.ly/2Sv7FvJ>

**Editor's Note:** *While mass appraisal methodology is geared for addressing equity, mass appraisers/county appraisers need to be aware of racial bias in the private sector and be prepared to address this issue with the public.*

### **Sublease Space Weighing Office Market Down**

*MBA Newslink, by Michael Tucker, June 1, 2021*

"Office vacancy rates have risen significantly since the pandemic hit. Yardi Matrix, Santa Barbara, Calif., reported one big reason for the spike: nearly every market has seen sublease space available jump." <https://bit.ly/3iJfwjO>

### **Seniors Housing Sector Positioned for Growth**

*MBA Newslink, by Michael Tucker, June 1, 2021*

"The seniors housing sector should grow as long-term demand remains positive and an aging Baby Boomer population needs more care, reported JLL Valuation Advisory, Chicago." <https://bit.ly/3gEHOJK>

### **UCLA Anderson Forecast: Pent-up demand for leisure and hospitality, recreation, health care will fuel recovery**

*UCLA Anderson School of Management, June 2, 2021*

"In March, the UCLA Anderson Forecast's first economic outlook for 2021 touted 'robust growth for the U.S. and California' in anticipation of an abatement of the COVID-19 pandemic. The June 2021 forecast remains optimistic but also acknowledges the historical reality that economic recoveries are never smooth, and that ups and downs in the data that inform such predictions are to be expected." <https://bit.ly/3gv9nq6>

### **High-End Home Sales Surge Nearly Twice as Fast as Sales of Mid-Priced Homes**

*Redfin, Press Release, June 2, 2021*

"Purchases of high-end homes in the U.S. jumped 26 percent year over year during the three months ending April 30, according to a new report from Redfin ([www.redfin.com](http://www.redfin.com)), the technology-powered real estate brokerage. That's compared to the 17.8 percent gain in purchases of affordable homes and the 14.8 percent increase in purchases of mid-priced homes." <https://bit.ly/3zwYGe7>

### **Federal Beige Book Report**

*The Federal Reserve, June 2, 2021*

"The national economy expanded at a moderate pace from early April to late May, a somewhat faster rate than the prior reporting period. Several Districts cited the positive effects on the economy of increased vaccination rates and relaxed social distancing measures, while they also noted the adverse impacts of supply chain disruptions. Homebuilders often noted that strong demand, buoyed by low mortgage interest rates, outpaced their capacity to build, leading some to limit sales. Nonresidential construction increased at a moderate pace, on balance, even as contacts in several Districts said that supply chain disruptions pushed costs higher and, in some cases, delayed projects." <https://bit.ly/3wvOArj>

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**Real Estate Notes** *continued***Mortgage Rates Inch Up But Stay Below Three Percent****FreddieMac, Press Release, June 3, 2021**

"Home prices continue to accelerate while inventory remains low and new home construction cannot happen fast enough," said Sam Khater, Freddie Mac's Chief Economist. "There are many potential homebuyers who would like to take advantage of low mortgage rates, but competition is strong. For homeowners however, continued low rates make refinancing an option worth considering." <https://bit.ly/2Ubj2ob>

**Home Prices Reach New High at \$380,000 in May****Realtor.com, Press Release, June 3, 2021**

"The U.S. median home price continued its double-digit appreciation in May reaching a new all-time high of \$380,000, but in a good sign for home shoppers contending with a competitive housing market, the rate of price growth moderated for the second time in 13 months, according to the Realtor.com® Monthly Housing Trends Report." <https://bit.ly/2SG6l3s>

**FHFA Extends COVID-19 Multifamily Forbearance through September 30, 2021****Federal Housing Financing Agency, News Release, June 3, 2021**

"Fannie Mae and Freddie Mac (the Enterprises) will continue to offer COVID-19 forbearance to qualifying multifamily property owners through September 30, 2021, subject to the continued tenant protections FHFA has imposed during the pandemic. This is the third extension of the programs, which were set to expire June 30, 2021." <https://bit.ly/3gznrwRT>

**Stressed CBDs' Uncertain Comeback****Commercial Property Executive, by Greg Isaacson, June 3, 2021**

"The exodus of office workers from America's cities has had a huge ripple effect on the traditional downtown. In fact, the long-term future of the central business district hinges in large part on whether, or when, employees stage a full-scale return to their desks." <https://bit.ly/3wtGf87>

**U.S. Jobs Increase by 559,000 in May****National Investment Center, by Beth Mace, June 4, 2021**

"The Labor Department reported that nonfarm payrolls rose by 559,000 in May 2021. The consensus estimates for May had been for a gain of 675,000. Revisions did little to improve the disappointing April 2021 gain of 278,000. Recent monthly job increases have been disappointing for this point in the recovery. Indeed, despite the increase, job levels remain 7.6 million below the pre-pandemic levels of February 2020." <https://bit.ly/35paAsz>

**Competition for Hotel Deals Cuts Into Discounted Prices****Hotel News Now, by Bryan Wroten, June 4, 2021**

"Capital has been waiting on the sidelines during the COVID-19 pandemic to take advantage of distressed U.S. hotels and make deeply discounted deals." <https://bit.ly/3wvJQSW>

**Apartment Owners Attempt to Accommodate the WFH Lifestyle****WealthManagement.com, by Jenn Elliot, June 8, 2021**

"More outside space and on-site co-working amenities are now being incorporated into multifamily properties." <https://bit.ly/3pYrInP>

**Southern loggers are pushing wood production to a 13-year high. So why is the price of lumber up 288 percent?****www.Fortune.com, by Lance Lambert, June 10, 2021**

"This increase in wood production looks like simple economics at work: With lumber at historic prices, producers should be incentivized to boost supply while buyers presumably would rethink purchasing at those levels. Except this uptick in wood production hasn't coincided with a reversal to pre-pandemic lumber prices." <https://bit.ly/2TYFUf9>

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**Real Estate Notes** *continued*

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**Zillow Market Pulse**

*www.Zillow.com*, by Matthew Speakman, June 11, 2021

"Prices rose at their fastest pace in decades in May, but investors were largely unfazed. More people are quitting their jobs than ever before — a good sign for the labor market going forward. And consumer housing confidence continues to fall." <https://bit.ly/3xu3AXt>

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**How the Hotel Sector is Navigating the Economic Reopening**

*WealthManagement.com*, by Bendix Anderson, June 14, 2021

"Summer leisure bookings are skyrocketing as Americans emerge from the pandemic, but business travel is rebounding more slowly." <https://bit.ly/3zFd4ky>

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**Zillow May 2021-May 2022 Home Value & Sales Forecast**

*www.Zillow.com*, by Zillow Research, June 14, 2021

"Zillow economists expect home values to increase 6.1 percent over the next quarter (May-August), by 17.9 percent through the end of this year (December 2020-December 2021) and by 14.9 percent through the twelve months ending in May 2022." <https://bit.ly/3grHclv>

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