

2023 Capitalization Rate for Low Income Housing Development Properties

Pursuant to Section 11.1825(r), Texas Property Tax Code, the Falls County Appraisal District gives public notice of the capitalization rate utilized to value properties receiving exemptions under this section. Specifically, the chief appraiser must appraise the property using the income method, consider the restrictions on who may rent the property and the amount of rent to be charged. Rent restricted properties vary widely. These variations can have an effect on the valuation of the property. The Falls County Appraisal District intends to apply the same capitalization rate to community housing development organizations (CHDOs) as used for all other rent restricted properties in Falls County. The 2023 overall capitalization rate for Falls County Appraisal District that will be used to appraise these properties is between 8.5% and 9.5%; although adjustments may be made on the individual characteristics of each property and the information provided to the chief appraiser as required under Section 11.182(d) and (g), Texas Property Tax Code