SUMMARY REPORT
FOR
THE 2026 APPRAISAL YEAR

COTTLE COUNTY APPRAISAL DISTRICT

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INTRODUCTION

The purpose of this summary report is to aid the taxpaying public in better understanding the methods and techniques utilized by the Cottle County Appraisal District (CCAD) in the valuation and revaluation of taxable property within Cottle County. This report attempts to comply with Standard 6 of the Uniform Standards of Professional Appraisal Practice, effective January 1, 2026 through December 31, 2026. Cottle CAD maintains a more detailed operations manual for appraisal use.

Cottle CAD is a Central Appraisal District formed by the Texas Legislature in 1979 and is charged with the appraisal of all taxable property within the taxing entities within the District boundaries. Currently these taxing entities are as follows:

Cottle County
City of Paducah
Paducah Independent School District
Childress Independent School District
Quanah Independent School District
Gateway Groundwater Conservation District

Current state law, set out in Section 6.02 (a) of the Texas Property Tax Code, mandates that appraisal district boundaries are the same as the county's boundaries.

USPAP

The chief appraiser is the chief administrative and executive officer of the appraisal district. The chief appraiser employs and directs the district's staff, oversees all aspects of the appraisal district's operations and performs either directly or through the district staff a variety of operations.

The chief appraiser's responsibilities are as follows:

(1.) Discover, list and appraise
(2.) Determine exemptions and special use requests
(3.) Organize periodic reappraisals
(4.) Notify taxpayers, taxing units and the public about matters that affect property values

Cottle County Appraisal District is a small office consisting of the chief appraiser and one clerk. The clerk assists the chief appraiser in the day to day operations of the district office.

The District employs the services of Eagle Appraisal & Consulting, Inc., an appraisal firm, to appraise all real and personal properties. The District employs the services of Pritchard & Abbott, Inc. for the appraisal of minerals, industrial plants, pipelines, industrial personal property and utilities within the boundaries of the appraisal district. The District uses computer software provided by Pritchard & Abbott, Inc. for its data processing of all appraisal records and records management system. The District employs the services of Pritchard & Abbott, Inc. for maintenance of the digitized mapping system. Eagle Appraisal & Consulting appraisers also assist the chief appraiser in conducting ratio studies and building schedules for residential property.

As of July 21, 2026, the 2026 appraisal roll for Cottle County Appraisal District indicates a total of 5,762 parcels. The breakdown of these parcels is as follows:

(a.) Category A	(Residential) -	712
(b.) Category B	(Multi-Family Residential) -	1
(c.) Category C	(Vacant Lots) -	486
(d.) Category D	(Rural Farm) -	2,842
(e.) Category E	(Rural Improvements) -	407
(f.) Category F	(Commercial) -	128
(g.) Category G	(Minerals) -	711
(h.) Category H	(Personal Vehicles)-	0
(i.) Category J	(Industrial) -	60
(j.) Category L	(Personal Property) -	124
(k.) Category M	(Misc. Improvements) -	5
(l.) Category S	(Special Inventory)-	0
(m.) Category X	(Exempt Parcels) -	286
TOTAL PARCELS		5,762

VALUATION APPROACH

MARKET VALUE

The definition of market value as established by the State Property Tax Code differs from the definition established by USPAP; therefore, a JURISDICTIONAL EXCEPTION applies.

The following definition of market value, Section 1.04 of the Texas Property Tax Code, means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

(A.) exposed for sale in the open market with a reasonable time for the seller to find a purchaser

(B.) both the seller and the purchaser know all of the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use

(C.) both the seller and the purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

The effective date of appraisals is January 1 with the exception of inventory, which may be appraised at its market value as of September 1. To receive the September 1 appraisal date, a taxpayer must file an application by July 31.

The purpose of and intended use of the appraisals performed by the Cottle County Appraisal District is to estimate market value for ad valorem tax purposes for the taxing entities located within the boundaries of Cottle County Appraisal District. It is the goal of the staff of the Cottle County Appraisal District to provide the best possible service to the tax paying public and the taxing entities. The Cottle County Appraisal District staff promotes and adheres to the professional standards and ethics as set forth by the Texas Department of Licensing and Regulation, Texas Association of Appraisal Districts, the Texas Association of Assessing Officers, and the International Association of Assessing Officers.

AREA ANALYSIS

The universe of properties appraised by Cottle County Appraisal District falls within the physical boundaries of Cottle County.

Cottle County is located in the Rolling Plains Region of the State of Texas and covers approximately 902 square miles. The elevation of the county seat, Paducah, is 1,860 feet. It is bordered on the north by Childress County, on the south by King County, on the east by Foard County, and on the west by Motley County.

Cottle County's red-to-brown soils have loamy surface layers and clayey or loamy subsoils. The vegetation is the mid to tall grasses of the Rolling Plains with some mesquite and shinnery oak. The winter climate tends to be cool and dry, but is extremely hot and dry in the summer. Thunderstorms, duststorms, and high winds may be experienced in the spring. The average annual temperature is 61 degrees Fahrenheit. Temperatures in January range from an average low of 26 degrees to an average high of 52 degrees and in July range from 70 degrees to 96 degrees. The average annual precipitation is 19 inches, with an average relative humidity of 76% at 6:00 A.M. and 45% at 6:00 P.M. The average annual snowfall is 10 inches. The growing season averages 220 days per year, with the last freeze in late March and the early freeze in early November. The sun shines during the year on the average of 72% of the daylight hours.

Cottle County is a rural county with one town, Paducah, and several small communities. While minerals contribute a large portion of the economic wealth to the county, agriculture is the main economic livelihood of the residents in the county. Approximately 95% of the land is in farms and ranches, with approximately 36% of this in harvested cropland and 2% irrigated. Primary crops are wheat, upland cotton and hay. Primary livestock products are beef cattle. Current conservation concerns include overgrazing, undesirable brush and weeds, and water and wind erosion. Natural resources include oil and gas, gypsum, sand and gravel.

The closest city of any size from Cottle County is Wichita Falls, Texas, located 94 miles east of Cottle County. The closest larger urban area is the Dallas-Fort Worth area, located 200 miles east of the county. The location of Cottle County has an impact on the values of properties within the county.

Overview of Types of Properties Appraised

There are four major categories of property appraised by the Cottle County Appraisal District. These categories are:

(1.) Real Properties: Residential (both single family and multi-family)
Commercial
Vacant Lots (both residential and commercial)
Vacant rural land and improvements on rural land

(2.) Personal Properties: Income producing business personal property
Industrial personal properties

(3.) Utilities: Telephone companies
Cable companies
Electrical companies
Fiber Optics
Misc. Other Utilities

(4.) Minerals: Oil and Gas

The Property Tax Division of the State Comptroller's Office requires properties to be identified by type using a standard identification code. The codes currently used by the Cottle County Appraisal District are as follows:

A	Single Family Residential
B	Multi-family Residential
C1	Vacant Lots and Land Tracts
C2	Colonia Lots and Land Tracts
D1	Qualified Open-space Land
D2	Farm and Ranch Improvements on Qualified Open-Space Land
E	Rural Land, Not Qualified for Open-space Appraisal, and Improvements
F1	Real Commercial
F2	Real Industrial and Manufacturing
G1	Oil and Gas
G2	Minerals
G3	Other Sub-surface Interests in Land
H1	Personal Vehicles – not used for business purposes
H2	Goods in Transit
J	Utilities
L1	Commercial Personal Property
L2	Industrial and Manufacturing Personal Property
M1	Mobile homes
M2	Other Personal Property
O	Residential Property Held as Inventory
S	Special Inventory
X	Totally Exempt Properties

Highest and Best Use Analysis

The highest and best use of real estate is defined as the most reasonable and probable use of land that will generate the highest return to the property over a period of time. This use must be legal, physically possible, economically feasible and the most profitable of the potential uses. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact.

In order to complete the highest and best use analysis of a property, an appraiser must estimate the highest and best use as if the land were vacant. This estimate ignores the value of and the restrictions created by existing improvements. It is the highest value the land could have if it were available for any legal, physically possible and economically feasible kind of development.

In determining the highest and best use, preliminary judgments are made in the field by appraisers. The appraisers are normally aware of zoning regulations within physical boundaries of the city.

Cottle County Appraisal District property appraisal cards contain information regarding lot size and frontage; therefore, appraisers normally make judgments on physical possible use of sites in the field. Economically feasible and most profitable uses are determined by observing surrounding property. However, changes in property use require a more detailed and technical highest and best use analysis. These studies are performed in the office.

Market Analysis

National, regional, and local trends affect the universe of properties appraised in Cottle County. An awareness of social, economic, governmental and environmental conditions is essential in understanding, analyzing, and identifying local trends that affect the real estate market.

Market analysis is performed throughout the year. Both general and specific data is collected and analyzed. An in-house ratio study is conducted at least once a year.

Examples of sources of general data include "*Trends*" issued by The Real Estate Center at Texas A&M University, *"The Statement"* published by the State Comptroller's Office, *"The Appraiser"* published by The Texas Association of Appraisal Districts, and the *"Texas Assessor's News"* published by the Texas Association of Assessing Officers. When possible, local sources such as lending institutions, local realtors, the Chamber of Commerce, and articles published in the local and area newspapers are used to obtain financing information, market trends and information, demographics, and labor statistics.

Sales information is received from various sources. Asking prices can be gathered from the local paper and realtor listings. Information is also gathered from conversations with local real estate appraisers, agents and brokers. Sales confirmation letters are mailed to each new owner when a property changes hands.

Cottle County Appraisal District employees go to the Cottle County Clerk's office on a regular basis to track all deed transactions. From this information, sales confirmation letters are mailed to the buyer to obtain information on the sale. This information is not mandatory in the State of Texas and only a small percentage of letters are returned with useful information. This is a serious problem in that there is usually inadequate sales data to perform as thorough an analysis of sales data as USPAP would require. However, every effort is made to use what data is available. The Property Tax Division also sends out sales letters and that data is made available to the appraisal district at least once a year.

Cottle County Appraisal District currently does reappraisals on an annual basis. The reappraisal includes the cyclical inspection of properties and the updating of all information on the properties. Sales and market analysis are performed each year on residential properties, as information is available. Each year new properties are inspected, measured and added to the roll. In addition, building permits within the City of Paducah are obtained and changes to accounts are made as indicated. Individual properties are also reappraised with changes to the condition as the property warrants; for example, fire, remodeling, or an addition or demolition of a portion of the improvement. Appraisers will perform detailed field inspections of properties if requested by the owner. **PLEASE REFER TO THE COTTLE COUNTY APPRAISAL DISTRICT "WRITTEN PLAN FOR REAPPRAISAL" FOR MORE INFORMATION ON REAPPRAISAL, REQUIREMENTS FOR REAPPRAISAL, AND THE CYCLES OF REAPPRAISAL.**

The appraisers performing reappraisal in the field have property record cards that contain specific information regarding the property being appraised. These cards contain brief legal descriptions, ownership interests, property use codes, property addresses, land size, sketches of improvements as well as any available detailed information of the improvements. A copy of a property record card may be obtained at the appraisal office.

Field inspections require the appraisers to check all information on the property record cards and to update if necessary. If physical inspection of the property indicates changes to improvements, the appraiser notes these changes in the field. Examples of types of changes may be condition or effective age of the improvements as well as additions to the improvements. The classification of residential properties is also reviewed during the revaluation process. New improvements are also added at this time.

Data Collection and Validation

Cottle County Appraisal District cost and value schedules include land and residential improvements. Commercial schedules are comprised by using information from Marshall & Swift Valuation Services and local factor adjustments. Personal property schedules are obtained from the Eagle Appraisal & Consulting Appraisal Manual and from the Property Tax Division appraisal manual, or "*Field Appraiser's Guide*", and these guides are used in conjunction with personal property renditions and on-site inspections. (Marshall & Swift Valuation Service is a national based cost manual and is generally accepted throughout the nation by the real estate industry. The cost manual is based on cost per square foot and also the unit in place method. The unit in place method involves the estimated cost by using actual building components. This national based cost information service provides the base price of buildings as per classification with modifications for equipment and additional items. The schedule is then modified for time and location.) Renditions are confidential sources and cannot be used for specific information. However, data from renditions may be compared with data from cost manuals and used to test for accuracy.

Cottle County Appraisal District schedules are then formulated from a combination of each of these sources. Schedules may also be modified by use of local market data (sales information) to further insure the accuracy of the cost and valuation schedules.

Data on individual properties is also collected from the field, compiled and analyzed. Buildings and other improvements are inspected in the field, measured and classified. The appraiser estimates the age of improvements and determines the condition of the improvements. This data is used to compile depreciation (loss of value) tables, and any notes pertaining to the improvements are made at this time.

Currently, single family dwellings are classified for quality and type of construction, whether frame or brick veneer. The classifications range from a class + to a class 6. Class + is the most basic of structures using the poorest quality materials and lowest workmanship while a class-6 structure is of the highest possible quality using only the best of materials and the highest and best quality workmanship available. For any dwelling that exceeds the general description of the top-most classification, a special class is assigned.

Age of building is used to estimate depreciation and based on effective age of the improvements. Effective age is the age the property appears to be due to maintenance and upkeep. Effective age for a house that is properly maintained may be its actual or chronological age. However, if a structure suffers from deferred maintenance due to neglect, its effective age may be older than the actual age. In contrast, if a house is an older structure and has been remodeled or updated, its effective age may be less than its actual age.

Depreciation is also estimated by condition of the improvements. Condition ranges from unsound to excellent. Appraisers in the field usually inspect structures from exterior perspectives. The interior condition is assumed to be similar to the exterior. However, if the taxpayer requests, an interior inspection may be made.

Foundation failure may occur in varying degrees and may also result in loss of value. The appraiser makes allowances for foundation problems on a case by case basis.

Additional depreciation may be estimated for a variety of reasons including functional obsolescence resulting from bad floor plans or out of date construction methods. Economic obsolescence results from a loss of value to a property due to adverse influences from outside the physical boundaries of the property. Examples on economic obsolescence may be proximity to correctional facilities, location of residences outside city limits with no access to city amenities, residences located on farm and ranch land, etc.

Valuation Analysis

Cottle County Appraisal District valuation schedules are divided into three main classifications: residential, commercial, and personal property. These schedules are based on the most appropriate data available. Miscellaneous special categories such as mobile homes, special inventory, and agricultural land are appraised using different techniques, which are addressed later in this report. Depreciation tables/schedules are also included within these schedules. These tables are calibrated from costs as well as sales data and updated as needed. These tables and schedules are included in the *"Appraisal Manual"* maintained by the appraisal district.

Residential Schedules:

Residential valuation schedules are cost based tables modified by actual sales data from the county. That is, the cost reflects actual replacement cost new of the subject property. Market research indicates that the common unit of comparison for new residential construction as well as sales of existing housing is the price paid per square foot. The value of extra items is based on their contributory value to the property. This value may be estimated by the price per square foot or a value of the item as a whole. This data is extracted from the market by paired sales analysis and conversations with local appraisers and brokers.

The residential schedule is based on the size, age, and condition of structure, quality of construction, contributory value of extra items and land value. Each of these variables has a direct impact on the cost as well as the property. The following is an example of each of the variables and how they affect market value:

1. Quality of construction: Residential construction may vary greatly in quality of construction. The type of construction affects the quality and cost of material used, the quality of the workmanship as well as the attention paid to detail. The cost and value of residential property will vary greatly depending on the quality of the construction. As stated above, Cottle County Appraisal District's residential schedules currently class houses based on quality of construction from + to 6. This classification schedule is based on the Property Tax Division's definitions of residential classes of dwellings with modification for local market.
2. Size of structure: The size of a structure also has a direct impact on its cost as well as value. The larger the structure, the less the cost per square foot. Cottle County Appraisal District's schedules are graduated in size increments from 100 to 200 square feet, depending on market conditions.
3. Condition of improvements: Cottle County Appraisal District rates conditions from unsound or unusable to excellent. Properties that in the opinion of the appraiser are unlivable may be taken off the schedule and given a salvage value.
4. Age of structure: Cottle County Appraisal District's residential depreciation schedule groups depreciation factors or percentages together in approximately five-year clusters, until the maximum amount of depreciation is reached. As stated above, effective age and chronological age may be the same or different depending on the condition of the structure.
5. Extra items: As stated above, extra items are valued according to their contributory value to the whole. Examples of extra items include storage buildings, swimming pools, fireplaces, additional baths, etc.
6. Land value: Cottle County Appraisal District values land based on market transactions when possible. As there are not always market transactions available, other recognized methods of land valuation may be used. The two most common methods are the land residual method and the land ratio method. Land schedules are available at the appraisal district office.

Commercial Schedules

Commercial properties are valued using valid market transactions in the area, along with Marshall and Swift Valuation schedules for commercial property. Replacement cost new is determined and then adjusted for location. Depreciation is then applied using physical observation of the property.

Personal Property Schedules

The personal property schedules value business furniture, fixtures, and equipment as well as inventory that are taxable by law. Business vehicles located within the appraisal district boundaries are also appraised for ad valorem tax purposes.

Business personal property values are derived from several sources. Business owners are required by Texas Law to render their income producing personal property each year. It is the experience of the district that we receive approximately seventy percent (70%) of the business renditions each year. Rendered values are used on business personal property if the value is reasonable for the type of business and is within acceptable ranges when compared to the PTD personal property schedules for the type of business rendered. Should the rendered values not be acceptable, the PTD schedules are applied to establish values. Value on all business personal property not rendered is established using PTD schedules for the type of business being valued. Depreciation is determined by the age of the property and its expected life. Schedules are available in the appraisal district office.

Business vehicles are valued based on the NADA Used Car Guide trade-in value for the particular make, model, and age of the vehicle. The trade-in value may also be obtained from “Car-Point” or other web-sites available on the internet. When adverse factors such as high mileage are known, then the appropriate adjustments are made to the value.

Statistical Analysis

Statistics are a way to analyze data and study characteristics of a collection of properties. In general, it is not feasible to study the entire population. Therefore, statistics are introduced into the process.

Cottle County Appraisal District's statistical analysis for real estate is based on measures of central tendency and measures of dispersion. The measure of central tendency determines the center of a distribution. The measures of central tendency utilized with the aid of computer based programs are the mean, median, mode, and the weighted mean.

The measure of dispersion calculated is the co-efficient of dispersion. This analysis is used to indicate the spread from the measure of central tendency. Statistical bias is measured by the price related differential (PRD). The PRD indicates how high price properties are appraised in relation to low price properties.

These statistics are included in the district's ratio study and may be obtained from the appraisal office.

Individual Value Review Procedures

In order for comparable sales data to be considered reliable it must contain a sales date, sales price, financing information, tract size and details of the improvements. Sales data is gathered by sending sales letters to the buyer of properties that the district knows changed ownership. Commercial sales are confirmed from the direct parties involved whenever possible. Confirmation of sales from local real estate appraisers is also considered a reliable source.

Sales data is compiled and the improved properties are physically inspected (and most are photographed). All data listed on the property record card is verified and updated as needed including building classification, building size, additions or new out buildings, condition of structures and any type of change in data or characteristics that would affect the value of the property.

Individual sales are analyzed to meet the test of market value. Only arms length transactions are considered. Examples of reasons why sales may be deleted or not considered are:

1. Properties are acquired through foreclosures or auction.
2. Properties are sold between relatives.
3. The buyer or the seller is under duress and may be compelled to sell or purchase.
4. Financing may be non-typical or below or above prevailing market rates.
5. Considerable improvements or remodeling have been done since the date of the sale and the appraiser is unable to make judgments on the property's condition at the time of the transaction.
6. Sales may be unusually high or low when compared with typical sales located in the market area. Some sales may be due to relocation or through divorce proceedings.
7. The property is purchased through an estate sale.
8. The sale involves personal property that is difficult to value.
9. There are value-related data problems associated with the sale. For example: incorrect land size or square footage of the living area.
10. Property use changes occur after the sale.

Due to the population size and nature of Cottle County, it is very difficult to obtain sufficient sales data to meet USPAP standards for analysis of sales and exception is taken to USPAP Standard Six in this area.

Performance Tests

Sales ratio studies are used to evaluate the district's mass appraisal performance. These studies not only provide a measure of performance but also are an excellent means of improving mass appraisal performance. Cottle County Appraisal District uses ratio studies not only to aid in the revaluation of properties, but also to test the Comptroller's Property Tax Division annual value study results.

Sales ratio studies are usually performed in the spring of the year to test cost schedules. They may also be performed at any other time deemed appropriate by the chief appraiser. At this time, individual properties which have sold are reviewed for accuracy in their data. Property record cards indicating the results of the field inspections are used to further aid in the analysis and decision making.

Ratio studies are usually done on a countywide base of all residential sales in the county and then by residential classification. The median ratio within each classification is then compared to the desired ratio to determine if schedule adjustments should be made. The coefficient of dispersion is also studied to indicate how tight the ratios are in relation to measures of central tendency ("goodness of fit" statistic). The median and coefficient of dispersion are good indicators of the types of changes, if any, that need to be made. If properties that fall outside of the common parameters (referred to as out-lyers) are held out or not included in the study, these properties shall be identified and explanations given for their exclusion from the ratio study. It may be necessary to depart from USPAP Standard Six in this area.

Certification Statement

I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct;
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the properties that are subject of this report, and I have no personal interest or bias with respect to the parties involved;
- my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the taxing jurisdiction, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event;
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, the Board of Tax Professional Examiners, and the International Association of Assessing Officers;
- I have made, or caused to be made, a personal inspection of the properties that are the subject of this report;
- assistance was provided to me, chief appraiser of the appraisal district, by various representatives of Eagle Appraisal & Consulting.

Kayla Box

Kayla Box, Chief Appraiser
Cottle County Appraisal District

THIS DOCUMENT IS ATTACHED, BY REFERENCE, TO THE COTTLE COUNTY APPRAISAL DISTRICT WRITTEN PLAN FOR REAPPRAISAL.