



MARKET TRENDS

A discussion on 2021
values in Fort Bend County



OVERVIEW

Residential Real Estate Market Overview

New Construction Map

Commercial Real Estate Market Overview

Market Value Summary

New FBCAD Programs

Questions

KEY MARKET DRIVERS - RESIDENTIAL

Low interest rates

Economic stimulus from federal government

Demand for better work-from-home amenities

Low supply

Out of Area Relocations

NATIONAL NEWS

[Mortgage rates move sharply higher, but homebuyer competition fiercer than ever \(cnbc.com\) \(3/2021\)](#)

- “Mortgage rates bounced higher again this week, making homebuying even more expensive at the start of the all-important spring market.”
- “With home prices skyrocketing, any rise in rates knocks even more potential buyers out of the running, and yet somehow the housing market is more competitive than ever.”

[The Impact of COVID-19 on the Residential Real Estate Market | St. Louis Fed \(10/2020\)](#)

- “Despite the large drops in home sales due to the pandemic, real estate activity began to improve in the late spring, approaching pre-pandemic levels by the summer.”

[Experts predict what the 2021 housing market will bring - The Washington Post \(1/2021\)](#)

- “Home sales set a number of records last year despite — and in some cases, because of — the coronavirus pandemic.”
- “...2021 will be a robust sellers’ market as home prices hit new highs and buyer competition remains strong.”

TEXAS REAL ESTATE RESEARCH CENTER

[Retreat or Resurgence: Which Direction is Texas Housing Headed? - Texas Real Estate Research Center \(tamu.edu\) \(12/2020\)](#)

- “Despite the toll the pandemic took on the Texas economy, the state's housing market is faring well overall. Sales continue to rise, and new construction is up. While homeowners are confident about being able to pay their mortgages, renters, who generally have fewer financial resources, are less certain.”

[How Long Can It Last?: Strong 2020 Housing Market Moves into Uncertain 2021 - Texas Real Estate Research Center \(tamu.edu\) \(2/2021\)](#)

- “The pandemic didn't slow Texas home sales in 2020. However, despite strong demographics, low housing supply could hamper growth in 2021.”

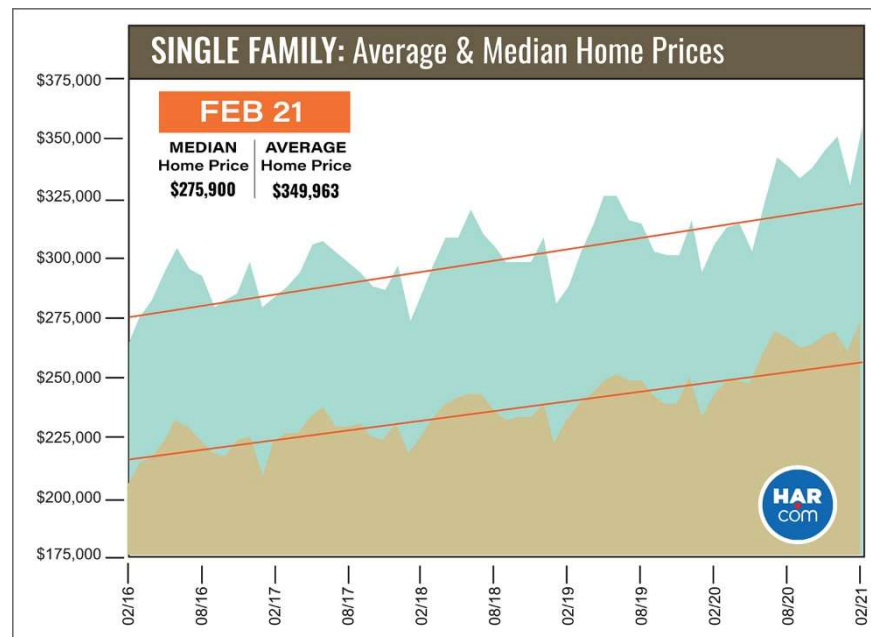
LOCAL NEWS

[MLS Press Releases and Archive - HAR members - HAR.com \(1/2021\)](#)

“Not even a devastating global pandemic could stop the Houston real estate market from shattering records as it crossed the finish line for the 2020 calendar year. Single-family home sales surpassed 2019’s record volume by more than 10 percent, even as the supply of homes withered to the lowest levels of all time.”

CATEGORIES	FEB 2020	FEB 2021	CHANGE
TOTAL PROPERTY SALES	7,327	7,464	1.9%
TOTAL DOLLAR VOLUME	\$2,085,793,177	\$2,446,513,486	17.3%
TOTAL ACTIVE LISTINGS	38,517	23,933	-37.9%
SINGLE-FAMILY HOME SALES	5,979	6,049	1.2%
SINGLE-FAMILY AVERAGE SALES PRICE	\$301,301	\$349,963	16.2%
SINGLE-FAMILY MEDIAN SALES PRICE	\$245,000	\$275,900	12.6%
SINGLE-FAMILY MONTHS INVENTORY*	3.3	1.6	-1.7 mos.
SINGLE-FAMILY PENDING SALES	7,428	8,288	11.6%

* Months inventory estimates the number of months it will take to deplete current active inventory based on the prior 12 months sales activity. This figure is representative of the single-family homes market.



LOCAL NEWS

[RE/MAX sets new home sales record - Houston Agent Magazine \(12/2020\)](#)

“The housing market showed little sign of slowing in November, with sales up 20% over last year for RE/MAX brokers, according to the company’s National Housing Report.

While there was a seasonal decline, the sales volume is a new record high in the 13-year history of the report. Sales were down 14.5% from the previous month, which closely follows the average decline of 12% over the past five years.

Inventory also reached its lowest point in the report’s history, down 31.8% from the same time last year and down 13.3% from October.”

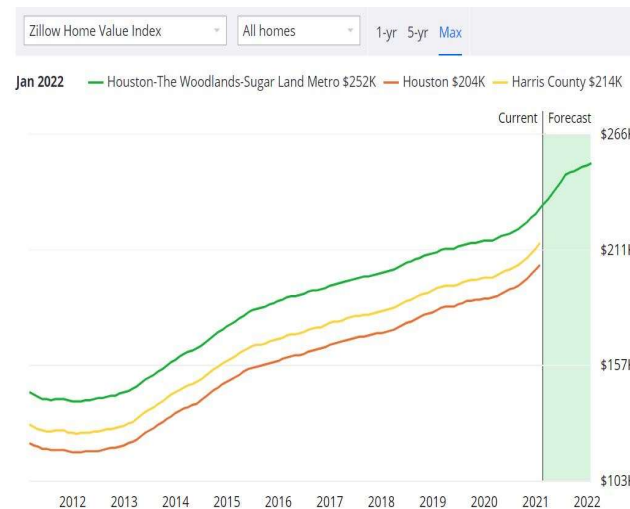
LOCAL NEWS

Houston-The Woodlands-Sugar Land Metro Market Overview

Data through Jan 31, 2021

\$231,195 ZHVI

↑ 9.2% 1-yr forecast (Jan 31, 2022)



[Houston Housing Market: Prices | Trends | Forecast 2021 \(noradarealestate.com\) \(2/2021\)](#)

“Houston-The Woodlands-Sugar Land Metro home values have gone up 7% over the past year and the latest forecast is that they will rise 9.2% in the next twelve months.”

LOCAL NEWS

Home sales, home prices increase throughout much of Sugar Land, Missouri City area | Community Impact Newspaper (12/2021)

Home prices

This graph shows the median price of homes sold in five Sugar Land and Missouri City ZIP codes in October 2020 compared to October 2019.



Source: Neighborhood data provided by Jenny Welch, Better Homes and Gardens Gary Greene

This chart shows the number of homes sold in five Sugar Land and Missouri City ZIP codes in October 2020 compared to October 2019.

Search...

ZIP codes	October 2019	October 2020
77459	124	140
77478	23	28
77479	86	129
77489	38	25
77498	42	34

Neighborhood data provided by Jenny Welch, Better Homes and Gardens Gary Greene

RESIDENTIAL NEW CONSTRUCTION

ISD	2020	2021	% Dif.
Lamar	3207	4841	50.95%
Brazos	15	9	-40.00%
Needville	35	185	428.57
Ft. Bend	3722	3707	-0.40%
Stafford	2	10	400.00%
Katy	748	627	-16.18%
Total	7729	9379	21.35%

- The 2021 tax year saw a 21.35% increase in new construction, with a drastic increase in Lamar ISD.
- On the year, Fort Bend County added 9,379 new construction properties.
- Builder cost has increased dramatically, while resales are experiencing lower inventory levels and remarkably fewer days on the market.
- These factors are contributing greatly to an increasing market value for many of the homes in Fort Bend County.

RESIDENTIAL PROPERTY OVERVIEW

2020 Notice Value and 2021 Notice Value by School District

2020

School District	Lamar	Brazos	Needville	Ft. Bend	Stafford	Katy
Improvement Value	\$12,503,302,969	\$97,296,890	\$875,728,018	\$30,934,844,496	\$625,039,493	\$12,306,400,099
Land Value	\$3,081,164,824	\$41,123,620	\$256,621,940	\$7,166,595,570	\$113,602,697	\$2,654,979,622
Total Mkt Value	\$15,584,467,793	\$138,420,510	\$1,132,349,958	\$38,101,440,066	\$738,642,190	\$14,961,379,721

2021

School District	Lamar	Brazos	Needville	Ft. Bend	Stafford	Katy
Improvement Value	\$13,876,535,412	\$97,115,370	\$903,995,785	\$32,736,060,850	\$635,248,279	\$12,761,093,925
Land Value	\$3,413,838,413	\$40,263,630	\$267,462,180	\$7,434,466,893	\$118,355,398	\$2,846,497,194
Total Mkt Value	\$17,290,373,825	\$137,379,000	\$1,171,457,965	\$40,170,527,743	\$753,603,677	\$15,607,591,119

RESIDENTIAL PROPERTY OVERVIEW

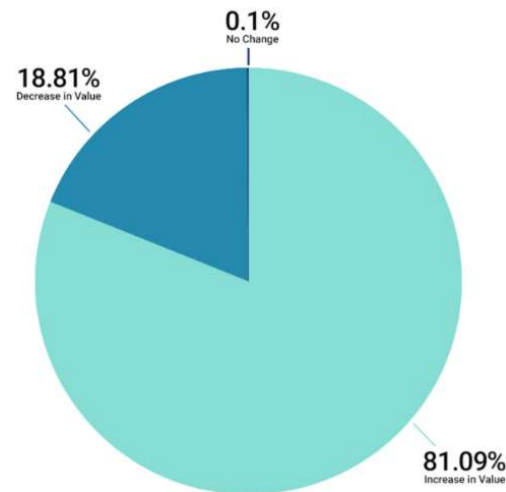
2020 Notice Value: \$70,656,700,238

2021 Total Proposed Notice Value: \$75,130,933,329

There is a +6.33% difference in last year to this year's value.

RESIDENTIAL PROPERTY OVERVIEW

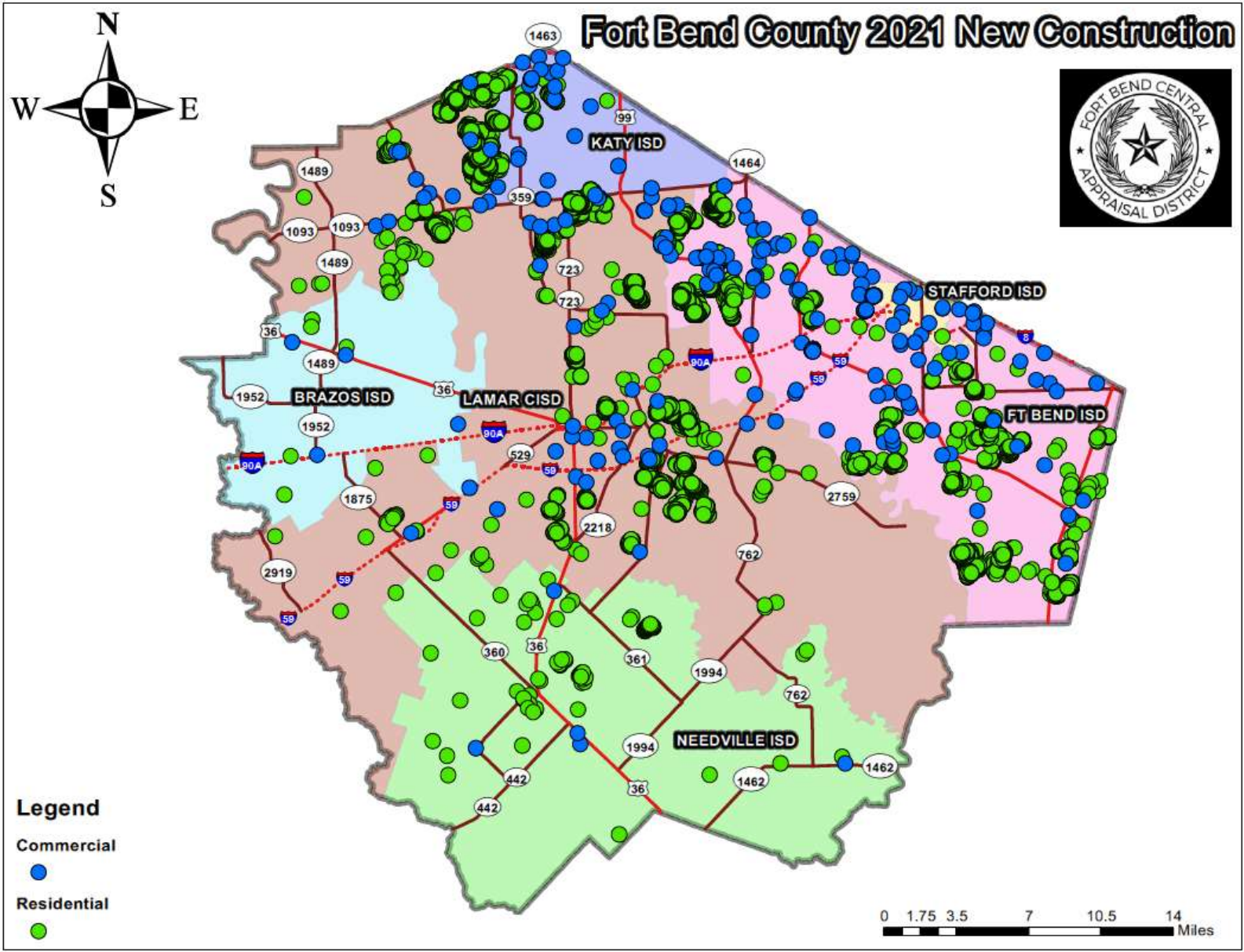
<u>FBCAD Residential Market Values 2020 vs</u> <u>2021</u>			
	2020	2021	% Diff
Real Residential	\$284,872	\$303,317	6.47%
w/ Homestead	\$313,170	\$327,591	4.60%



81.09% of residential properties will see an increase in value.

18.81% of residential properties will see a decrease in value.

0.1% will see no change.



KEY MARKET DRIVERS - COMMERCIAL

Increased construction costs (materials and labor)

Increase in land values (scarcity, demand, etc.)

Impact of federal economic stimulus

Business segments adjusting to COVID-19

Continued development due to interest and recent trends in Fort Bend

FORT BEND COMMERCIAL REAL ESTATE TRENDS — COLLIERS INTERNATIONAL

Market Indicators	Q1 2020	Q2 2020	
OFFICE			
VACANCY	10.3%	11.8%	↑
NET ABSORPTION	24,416	-31,309	↓
RENTAL RATE	\$30.97	\$30.39	↓
MEDICAL OFFICE			
VACANCY	14.6%	15.3%	↑
NET ABSORPTION	34,065	-1,939	↓
RENTAL RATE	\$27.63	\$28.02	↑
INDUSTRIAL			
VACANCY	9.4%	9.4%	▬
NET ABSORPTION	431,386	61,451	↓
RENTAL RATE	\$8.11	\$8.20	↑
RETAIL			
VACANCY	6.4%	6.9%	↑
NET ABSORPTION	-15,303	-15,699	↓
RENTAL RATE	\$23.06	\$23.23	↑

Data Source: CoStar Property

Market Indicators	Q3 2020	Q4 2020	
OFFICE			
VACANCY	13.4%	14.5%	↑
NET ABSORPTION	60,338	-17,898	↓
RENTAL RATE	\$28.44	\$31.32	↑
MEDICAL OFFICE			
VACANCY	16.4%	15.8%	↓
NET ABSORPTION	-1,060	11,752	↑
RENTAL RATE	\$27.82	\$27.88	↑
INDUSTRIAL			
VACANCY	9.8%	8.4%	↓
NET ABSORPTION	196,380	441,660	↑
RENTAL RATE	\$8.21	\$8.34	↑
RETAIL			
VACANCY	7.6%	7.6%	▬
NET ABSORPTION	-58,791	19,281	↑
RENTAL RATE	\$24.08	\$24.23	↑

Data Source: CoStar Property

WAREHOUSES

Significant growth is being seen in the following property types:

Property type
Distribution Warehouses
Mini Warehouses
High-Rise Mini Warehouses

Recent sales activity is reflecting increasing construction costs.

Market forces are trending toward higher-end, tech heavy warehouses and mega warehouses.

Total 2021 notice value \$3,187,594,327

AMAZON FULFILLMENT CENTERS

Richmond

3,341,602 SF – largest in the state

407 Distribution Warehouse Class C
Quality 2.5

Value Method- Cost(50% complete)



Missouri City

1,075,938 SF



NOTABLE NEW INDUSTRIAL TO FORT BEND

Dollar Tree 999K SF Distribution Center

100% complete for the 2021 tax year-
Lamar ISD



American Furniture Warehouse 523,206 SF
100% complete for 2021– Katy ISD



Industrial Flex 325,275 SF
30% complete for 2021-Stafford MSD



BIG BOX

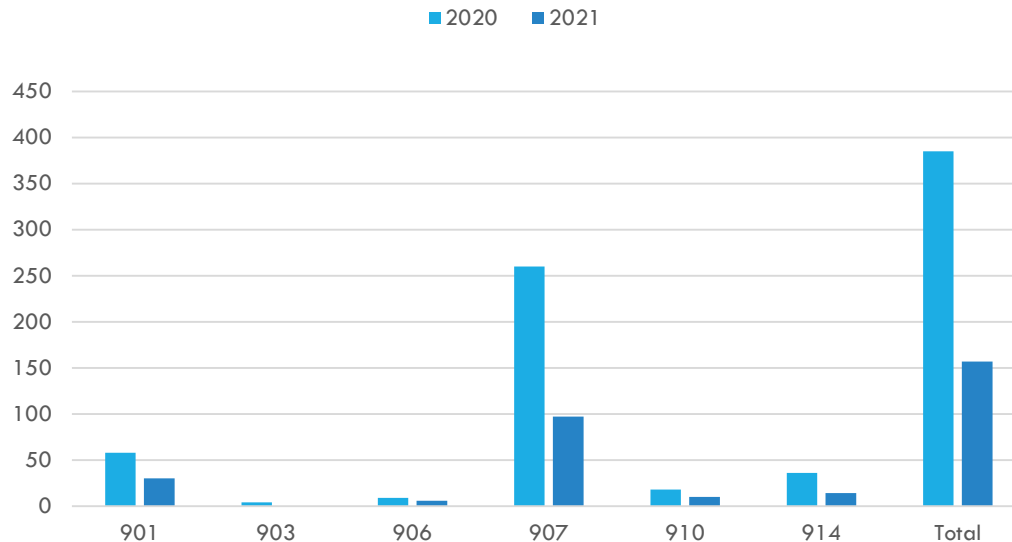
Big box were reviewed to ensure they were still listed uniformly from prior year. They are all valued on cost for 2021.

FBCAD utilized a third-party firm for an independent big box study for the development of 2021 values.

2020 TO 2021 NEW CONSTRUCTION COMPARISON

Tax Year-SD	Lamar ISD	Brazos ISD	Needville ISD	Fort Bend ISD	Stafford MSD	Katy ISD	Total
2020	58	4	9	260	18	36	385
2021	30	0	6	97	10	14	157

Commercial New Construction



The commercial division added new construction value to 157 new properties for 2021.

The commercial proposed improvement value \$563,587,374 for the 2020 tax year. This only accounts for properties built-in 2020.

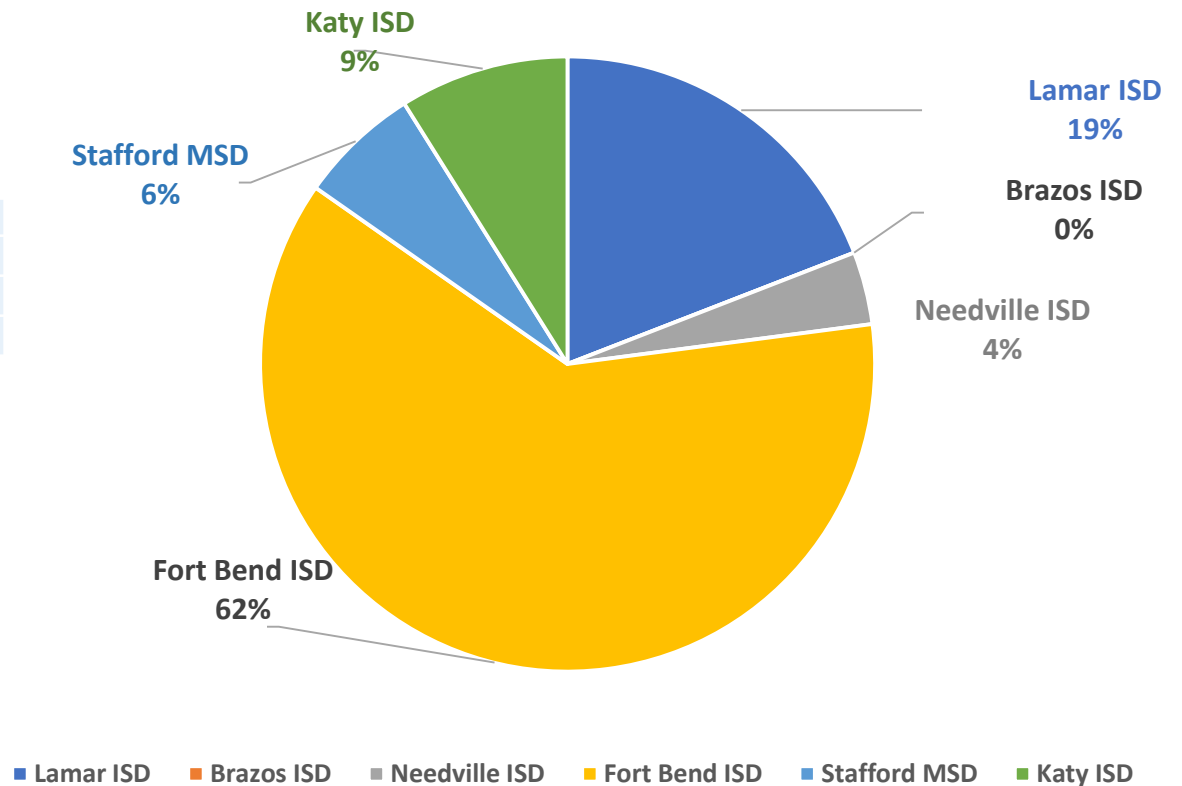
There were 542 commercial properties built and or started for 2020 and 2021—the combined proposed improvement value for this noticing period of \$1,600,307,555.

2021 NEW CONSTRUCTION BY SCHOOL DISTRICT

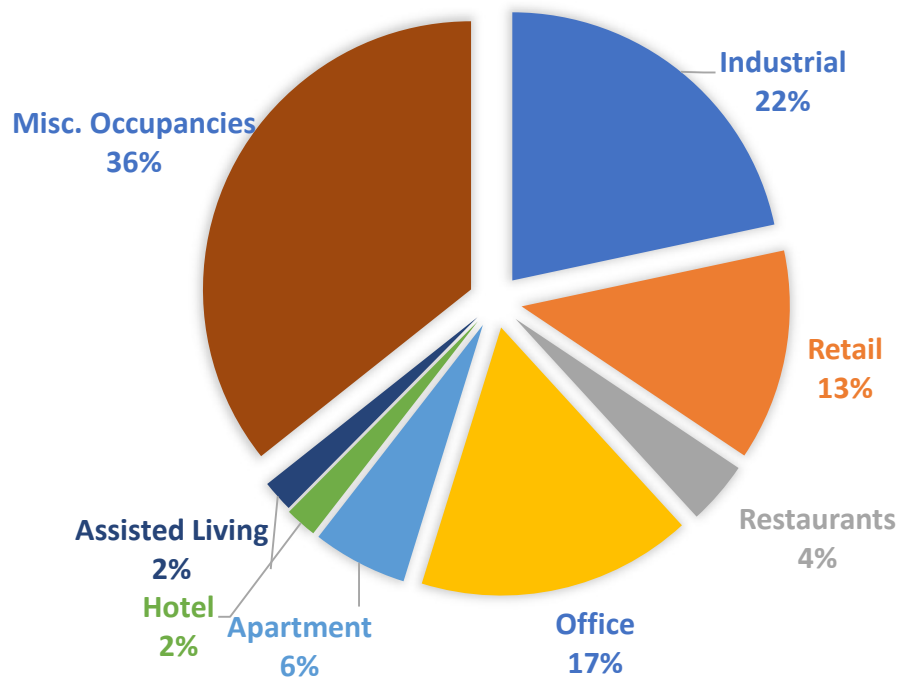
2021 Commercial New Construction by School District

Total number of accounts

Lamar ISD	Brazos ISD	Needville ISD
30	0	6
Fort Bend ISD	Stafford MSD	Katy ISD
97	10	14



2021 COMMERCIAL NEW CONSTRUCTION BY OCCUPANCY TYPE



- Industrial properties had the most significant growth to the county.
- The office section increase due to office condos added throughout Fort Bend ISD.
- The new hotels are in early construction with delivery to market for 2021.

Occupancy	Industrial	Retail	Restaurants	Office	Apartment	Hotel	Assisted Living	Misc. Occupancies	Total
Number of Accounts	34	20	6	26	9	3	3	56	157
Percentage of Accounts	22%	13%	4%	17%	6%	2%	2%	36%	100%

COMMERCIAL PROPERTY OVERVIEW

2020 Notice Value and 2021 Notice Value by School District

2020

School District	Lamar	Brazos	Needville	Ft. Bend	Stafford	Katy
Improvement Value	\$2,327,207,558	\$33,235,375	\$50,027,782	\$7,525,902,277	\$1,546,340,477	\$2,553,621,538
Land Value	\$678,266,380	\$10,425,580	\$14,196,360	\$1,493,377,595	\$267,472,975	\$696,774,654
Total Mkt Value	\$3,005,473,938	\$43,660,955	\$64,224,142	\$9,019,279,872	\$1,813,813,452	\$3,250,396,192

2021

School District	Lamar	Brazos	Needville	Ft. Bend	Stafford	Katy
Improvement Value	\$3,004,261,258	\$44,734,128	\$55,887,771	\$8,035,933,432	\$1,719,652,750	\$2,602,044,623
Land Value	\$713,965,420	\$10,454,320	\$17,313,540	\$1,617,384,464	\$274,054,415	\$716,548,009
Total Mkt Value	\$3,718,226,678	\$55,188,448	\$73,201,311	\$9,653,317,896	\$1,993,707,165	\$3,318,592,632

COMMERCIAL PROPERTY OVERVIEW

2020 Notice Value: \$17,196,848,551

2021 Total Proposed Notice Value: \$18,812,234,130

There is a +9.39% difference in last year to this year's value.



SUMMARY

The 2020 residential market was among the strongest in recent years despite the uncertainty around COVID-19

The commercial market was stronger than anticipated when compared to expectations a year ago. Growth was segment specific.

Fort Bend County continues to be among the fastest growing counties in the state.

NEW FBCAD PROGRAMS

The screenshot displays the FBCAD website's '2021 Values' page. The header features the FBCAD logo and navigation links: HOME, PROPERTY SEARCH, ABOUT, E-SERVICES, FAQs, FORMS, ORGANIZATION, and ARB. A secondary navigation bar includes icons for Property Search, Interactive Map, Online Appeal, and Survey. The main content area is titled '2021 Values' and contains a 'Table of Contents' with a 'Jump to a section →' link. The table of contents lists: Role of the Appraisal District, Impact of COVID-19 on Appraisal Values, 2021 Market Overview, Residential Property, Commercial Property, Reducing Your Property Tax Burden, and Property Tax Transparency. Below this is a large illustration titled 'Role of the Appraisal District' showing three people in a meeting. At the bottom, there is a photograph of the Texas State Capitol and a text block explaining the role of appraisal districts, created by the Texas Legislature in 1979, governed by a board of directors, and responsible for annual property valuation.

FORT BEND
CENTRAL APPRAISAL DISTRICT

Property Search Interactive Map Online Appeal Survey

HOME PROPERTY SEARCH ABOUT E-SERVICES FAQs FORMS ORGANIZATION ARB

2021 Values

Table of Contents
Jump to a section →

- Role of the Appraisal District
- Impact of COVID-19 on Appraisal Values
- 2021 Market Overview
- Residential Property
- Commercial Property
- Reducing Your Property Tax Burden
- Property Tax Transparency

Role of the Appraisal District

Appraisal districts were created by the Texas Legislature in 1979. Each appraisal district is governed by a board of directors elected by the local taxing units. The duties and obligations of appraisal districts are set by the Texas Property Tax Code.

Under the law, the Fort Bend Central Appraisal District (FBCAD) is responsible for a number of activities in the Texas property tax system. The activity most associated with the appraisal district is the annual valuation of properties throughout the county. FBCAD is required to accurately and equitably appraise the market value of all residential, commercial, industrial,

<https://www.fbcad.org/2021values/>

NEW FBCAD PROGRAMS

Homestead Exemptions

The recent session of the Texas Legislature passed [House Bill 1287 effective September 1, 2013](#) amending [Section 11.43 of the Texas Tax Code](#) with new requirements for The Residential Homestead Exemption, Over 65 Exemption, Disabled Person's Exemption and the 100% Disabled Veterans Exemption that must provide proof of the home they live in is their principal residence.

[FAQs](#)[Form 50-114](#)[Exemptions Portal →](#)

Listed below are the exemptions affected by [House Bill 1287](#) and the required documents needed for each exemption.

Exemption Types (4)

Additional Info:

Mobile Homeowners Only

Attach a copy of the mobile title issued by the Texas Department of Housing and Community Affairs, or a notarized copy of the bill of sale. If you do not have either one you may fill out the attached [manufactured home affidavit](#) in its place and have it notarized.

Married Couples With Different Last Names

Attach a copy of your marriage license.

Multiple Owners Who Are Not Married

Download the form [Request for Separate Taxation of Undivided Interest](#) all owner's must fill it out, sign and attach copies of their current Driver's Licenses.

Surviving Spouses

Reapply for your exemptions for next January following your spouse's passing.

<https://www.fbcad.org/exemption-application/>

NEW FBCAD PROGRAMS

Appeals

📅 2021 Deadline → May 17th, 2021

Online Appeals

An Online Appeal is the fastest and most efficient way to submit your Notice of Protest.

A FBCAD appraiser will review your protest and offer to settle the matter through the online portal.

If a settlement is not reached, then you will have an option to schedule a hearing with the Appraisal Review Board.

An Online Appeal is considered an Informal Meeting.

Delivering your Notice of Protest by US mail, email, or in-person forfeits your ability to file an Online Appeal.

Below you will find some additional information about the protest process and a step-by-step guide to setting up your Online Appeal.

Who Is Eligible For Online Appeal?

[Read Online Appeal FAQs →](#)

[Step-by-Step Filing Guide →](#)

<https://www.fbcad.org/appeals/>

<https://webappeals.fbcad.org/User/Login?ReturnUrl=%2f>

NEW FBCAD PROGRAMS

Ftband Taxes | Truth-in-Taxation

Truth-in-Taxation is a concept embodied in the Texas Constitution that requires local taxing units to make taxpayers aware of tax rate proposals and to afford taxpayers the opportunity to roll back or limit tax increases.

Creating a budget and adopting a property tax rate to support that budget are major functions of a taxing unit's governing body. This is accomplished by following Truth-in-Taxation requirements to ensure the public is informed of any increases. The type of taxing unit determines its applicable [Truth-in-Taxation requirements](#).

This website provides information concerning the property taxes that may be imposed on your property by local taxing units, the dates and locations of any public hearings on the tax rates of the taxing units, and the dates and locations of meetings of the governing bodies of the taxing units to vote on the tax rates, together with other important property tax information.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

Please note: The Texas Legislature does not set the tax amount of your local taxes. Your property tax burden is decided by your locally elected officials (school trustees, city council, county commissioners, et al) and all inquiries concerning your taxes should be directed to those officials.



🔍 Search for any name or address, for example "William B Travis on 1100 Congress Ave"



SEARCH

No Rows To Show

www.fortbendtax.org



QUESTIONS?

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