

# TRAVIS CENTRAL APPRAISAL DISTRICT

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TO: Travis Central Appraisal District  
Board of Directors

FROM: Leana H. Mann  
Director of Operations

DATE: October 14, 2020

RE: Item No. 5A- Data Purchase Request

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The District requests the Board of Directors approve a not to exceed purchase amount of \$250,000 to purchase proprietary data from Carahsoft Technology Corp. The District will purchase the data off of the Department of Information Resources (DIR) state purchasing contract DIR-TSO-4288.

Description	Amount
Enhanced Real Estate Report	\$ 250,000
<b><i>TOTAL COST</i></b>	<b><i>\$ 250,000</i></b>

Respectfully submitted,

A handwritten signature in black ink that reads "Leana H. Mann".

Leana H. Mann, CGFO  
Director of Operations

# 2021 VALUATIONS

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**NEW SOLUTIONS FOR MARKET DATA ACQUISITION**



**TRAVIS CENTRAL**  
APPRAISAL DISTRICT

# ACCESS TO SALES DATA IN TE

- Texas is a nondisclosure state; however, Texas does not prevent appraisal districts from acquiring sales data.
- State law requires and anticipates that appraisal districts use sales data.
- Access to sales data is a challenge for appraisal districts across the state.
- Appraisal districts use a variety of sources to compile data including sales questionnaires, protests, deeds, and third party vendors.



# HOW WE GOT HERE

**February 2018**

Travis CAD signs an agreement with CoreLogic

**May 2019**

Austin Board of Realtors sends Travis CAD a cease and desist letter

**December 2019**

ABoR announces a settlement with CoreLogic

**February 2020**

Travis CAD informs taxing entities we are unable to recalibrate our models



# HOW WE GOT HERE

ABoR's actions had an impact on Travis CAD's ability to acquire data from other sources, including sources used by other appraisal districts:

- Multiple Listing Services
- Sales Questionnaires
- Title Companies
- Financial Institutions
- Leasing Agencies
- Property Managers
- Real Estate Brokers and Agencies



# 2020 MARKET DATA DEFICIENCY

Tax Year	Real Estate Center Sales	TCAD Sale	
2012	12,086	12,260	101%
2013	14,415	13,963	97%
2014	16,521	14,461	88%
2015	16,199	15,132	93%
2016	16,782	17,460	104%
2017	17,444	17,830	102%
2018	17,954	17,411	97%
2019	18,501	17,709	96%
2020	19,163	2,929	15%
Avg % of sales 2012 thru 2019 -- <b>98%</b>			
% of sales for 2020 -- <b>15%</b>			



# AGGREGATE DATA

ABoR offered Travis CAD aggregate data by zip code.

It is **illegal** for Travis CAD to change market values without having the data to support those changes.

Using aggregate data to do across-the-board increases would violate:

- Texas Property Tax Code
- International Association of Assessing Officers Mass Appraisal Standards
- Uniform Standards of Professional Appraisal Practices



# 2020 APPRAISALS

Travis CAD analyzed the available data and concluded that it was insufficient to recalibrate existing residential appraisal models for tax year 2020.

- New construction, changes to commercial, and changes to other non-residential properties were added to the appraisal roll.
- Some properties below the homestead limitation saw an increase in assessed value as values continue to catch up to their cap.
- Property owners and tax agents were able to protest property value regardless of whether or not the parcel was reappraised.





# MARKET DATA SOURCES

Travis CAD is required to follow International Association of Assessing Officers (IAAO) Standard on Sales Verification.

## Market Data Sources:

- Real Estate Transfer Documents
- Sales Verification Questionnaires
- Buyers and Sellers
- Third Party Sources



# THIRD PARTY SOURCES

- Multiple Listing Services
- Title Companies
- Financial Institutions
- Leasing Agencies/Property Managers
- Real Estate Brokers and Agencies
- Government and Private Fee Appraisers
- Attorneys
- Appraisal Organizations
- **\*Data Vendors\***



# THIRD PARTY SOURCES

Since May 2019, Travis CAD has inquired of appraisal districts and assessing offices on resources they use to acquire market data.

- United States
- Canada
- European Union
- Asia



# THIRD PARTY SOURCES

In 2020, Travis CAD received a lead about the assessor's office in Cook County, Illinois on a potential new product offering from Carahsoft Technology Corporation.

*Carahsoft Technology Corp specializes in technology and data solutions for federal, state and local government agencies and is an aggregator of big data from multiple proprietary sources.*



# THIRD PARTY SOURCES

## Carahsoft's TransUnion Enhanced Real Estate Report

“Providing property appraisers with instant access to current data so they can properly report changes that impact property values and owner’s tax obligations”.

- Features up-to-date reports on property characteristics, including square footage, structural changes, number of bedrooms and bathrooms, sales price, historical sales price and sale date.



# THIRD PARTY SOURCES

## Carahsoft's TransUnion Enhanced Real Estate Report

- New product added to State of Texas Department of Information Resources contract DIR-TSO-4288 in summer of 2020.
- Pilot test of sample data verified the accuracy of market data information included in report.



# THIRD PARTY SOURCES

This contract does NOT violate the ABoR cease and desist letter.

- Carahsoft's TransUnion Enhanced Real Estate Report is a proprietary product **owned** and offered by Carahsoft/ TransUnion.
- TransUnion is a company with 90,000 data sources, including financial institutions, private databases and public records repositories, and aggregated by 200+ data scientists, 25 data centers distributed globally.



# RECOMMENDATION

Travis CAD should use State of Texas DIR contract DIRTSO-4288 to purchase Carahsoft's TransUnion Enhanced Real Estate Report for all parcels in Travis County and purchase periodic (quarterly) update reports.

- Initial Enhanced Real Estate Report cost \$201,788
- Estimated cost per periodic quarterly report \$25,000





# 2021 APPRAISALS

**We are very optimistic that the Enhanced Real Estate Report data will enable Travis CAD to calibrate 2021 appraisal models.**

Travis CAD will continue to seek additional market data from alternative sources, including deeds, land contracts, and sales questionnaires.

