



# Morrison & Head

PROPERTY TAX CONSULTANTS OF TEXAS  
AUSTIN | HOUSTON | DALLAS

# Property Tax Benchmark Report

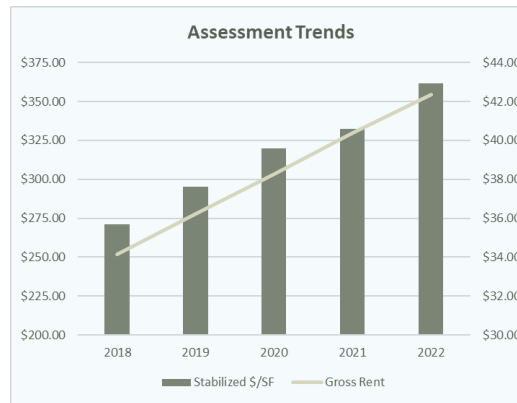
Austin - Office

# 2022

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## Assessment Trends

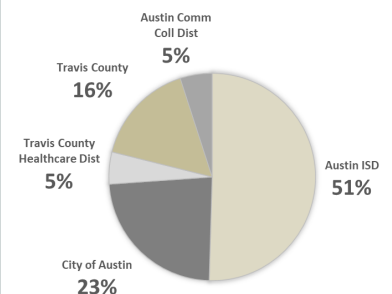
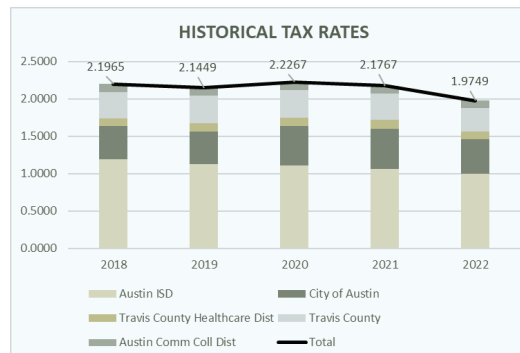


Office values have continued to rise throughout the pandemic, driven by increasing rental rates and a steady influx of tech tenants and corporate headquarter relocations. Assessments on stabilized properties have increased over 33% in the past five years.

Year	Total Properties	Total NRA	Gross Rent	Stabilized \$/SF	YOY Change (%)
2022	380	57,279,688	\$42.34	\$361.54	8.7%
2021	361	53,790,432	\$40.39	\$332.55	4.0%
2020	355	51,785,590	\$38.28	\$319.84	8.3%
2019	349	50,307,558	\$36.21	\$295.43	9.0%
2018	335	47,827,151	\$34.14	\$271.03	6.6%
5-Yr Change	45	9,452,537	\$8.20	\$90.51	Avg
	13.4%	19.8%	24.0%	33.4%	7.3%

## Property Tax Rates

Each year local taxing entities set tax rates and levy taxes on real property and business personal property. Texas has no state property tax. The total tax rate is the sum of the rates of all applicable taxing units including cities, counties, schools and special districts.

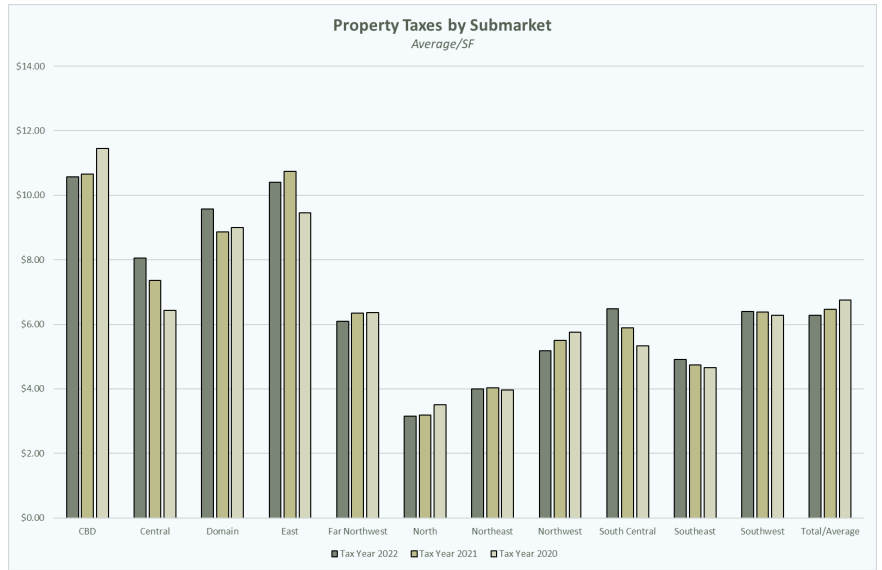


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# 2022 Office Property Tax Benchmark

Despite Texas being a non-disclosure state, county appraisers have access to numerous data sources which are used to build valuation models. Annual assessments have followed closely to market trends regarding market rates and pricing.

As expected, the age and location of an office building has a significant effect on the amount of property taxes levied. Though large office assessed values rose nearly 9% YOY, roughly two-thirds of the data set saw a decrease in tax bill due to the compression in tax rates. The overall tax rate fell to below 2% for most properties located in the City of Austin.



## Submarket

Submarket	Property Count	Total NRA	Total Taxes	Average Property Tax	Tax \$/SF	YOY % Diff
CBD	65	12,861,867	\$153,210,866	\$2,357,090	\$11.91	-2.0%
EAS	17	2,197,022	\$22,772,384	\$1,339,552	\$10.37	-3.2%
DOM*	19	5,443,023	\$49,822,034	\$2,622,212	\$9.15	9.5%
CEN	5	662,273	\$5,840,107	\$1,168,021	\$8.82	9.0%
SCN	20	1,933,836	\$15,419,815	\$770,991	\$7.97	18.0%
FNW	36	6,191,527	\$41,568,549	\$1,154,682	\$6.71	-4.8%
SWE	83	10,801,946	\$73,256,304	\$882,606	\$6.78	-1.2%
NWE	75	8,669,853	\$49,417,325	\$658,898	\$5.70	-6.0%
SEA	15	2,963,438	\$17,151,309	\$1,143,421	\$5.79	-2.6%
NEA	26	3,897,043	\$17,924,331	\$689,397	\$4.60	-0.6%
NOR	19	1,733,986	\$5,545,151	\$291,850	\$3.20	-0.3%
<b>ALL</b>	<b>380</b>	<b>57,355,814</b>	<b>\$451,928,174</b>	<b>\$1,189,285</b>	<b>\$7.88</b>	<b>1.0%</b>

\*Domain micromarket is identified as NWE by TCAD

## Vintage

Submarket	Property Count	Total NRA	Total Taxes	Average Property Tax	Tax \$/SF	YOY % Diff
>2009	19	4,052,426	\$57,017,863	\$3,000,940	\$14.07	-3.1%
2000-2009	10	2,114,317	\$24,794,356	\$2,479,436	\$11.73	-4.8%
1990-1999	4	425,299	\$4,783,806	\$1,195,951	\$11.25	8.6%
1980-1989	16	4,305,066	\$48,190,306	\$3,011,894	\$11.19	-6.1%
1970-1979	9	1,494,033	\$14,932,116	\$1,659,124	\$9.99	-5.4%
<1970	7	470,726	\$3,492,419	\$498,917	\$7.42	-0.8%
<b>ALL</b>	<b>65</b>	<b>12,861,867</b>	<b>\$153,210,866</b>	<b>\$2,357,090</b>	<b>\$11.91</b>	<b>-2.0%</b>

Suburban	Property Count	Total NRA	Total Taxes	Average Property Tax	Tax \$/SF	YOY % Diff
>2009	73	13,626,050	\$124,074,899	\$1,699,656	\$9.11	3.9%
2000-2009	67	11,686,858	\$77,366,007	\$1,154,717	\$6.62	-0.9%
1990-1999	43	7,161,829	\$43,782,702	\$1,018,202	\$6.11	-3.4%
1980-1989	105	10,012,801	\$46,932,463	\$446,976	\$4.69	-5.2%
1970-1979	23	1,719,721	\$5,468,921	\$237,779	\$3.18	-5.6%
<1970	4	286,688	\$1,092,315	\$273,079	\$3.81	11.2%
<b>ALL</b>	<b>315</b>	<b>44,493,947</b>	<b>\$298,717,308</b>	<b>\$948,309</b>	<b>\$6.71</b>	<b>0.8%</b>

## Local Market Expertise

Morrison & Head represents more than \$15 billion (65.5%) of the office property valuations in Travis County. In today's office market, it is more important than ever to have knowledgeable and experienced representation.

With 400+ years of cumulative commercial valuation and property tax experience, and multiple MAI and CCIM designated consultants on staff, no other local, regional or national firm matches the level of experience and expertise of Morrison & Head. With offices in Austin, Dallas and Houston, Morrison & Head's focus lies exclusively in the state of Texas. Morrison & Head's team is proficient in a full range of property tax services including budgeting, due diligence reports, valuation analysis, property tax appeal representation and litigation support.

*Disclaimer: The information contained herein has been obtained from a variety of sources, including public records furnished by the Travis Central Appraisal District and the Travis County Tax Office. Although believed to be reliable, Morrison & Head, LP and their affiliated entities make no representation or warranty, either expressed or implied, as to the completeness or accuracy of the information herein. Data set includes office properties over 40,000 square feet as identified by TCAD data. Properties are listed by TCAD submarket unless otherwise noted.*

### Contact Us

Please contact one of Morrison & Head's office property tax experts for a complimentary discussion of your property tax issues.

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