

Staff Report for 2024 State Board of Equalization

File No.: 2024-REPORT-CASS-FARGO-STERLING PROPERTIES, LLLP-COUNTRY CLUB

Prepared By: PROPERTY TAX DIVISION

County or City: CITY OF FARGO

Appellant: STERLING PROPERTIES, LLLP

Type of Appeal: COMMERCIAL VALUE

Appeal Issue: Sterling Properties, LLLP, represented by Sam Jelleberg, is appealing the total property value of \$2,393,400 on parcel numbers 01-0501-00190-000 & 01-0501-00220-000, located at 2443 W County Club Dr, Fargo, ND.

Analysis: The Cass County Board of Equalization approved a 2024 true and full value of \$2,393,400, of which \$2,093,400 is attributable to the improvements and \$300,000 is attributable to the land.

Property Tax Division staff completed an onsite inspection on Wednesday, August 21, 2024, with representative Sam Jelleberg present. Staff also visited with Cass County Director of Tax Equalization, Paul Fracassi, and City of Fargo Assessor, Michael Splonskowski.

Country Club Apartments, owned by Sterling Properties, LLLP, is a 1966 5-building, 2-story, 40-unit complex with detached garage space. Country Club is made up of 1-bedroom, 2-bedroom, and 3-bedroom units.

The income approach to value was considered for this appeal. The calculated value per unit is \$47,100, resulting in an estimated value of \$1,885,500, which is lower than the county approved true and full value.

The cost approach to value was considered for this appeal. The calculated value per unit is \$57,100, resulting in an estimated value of \$2,284,200, which is lower than the county approved true and full value.

The sales approach to value was considered for this appeal. The calculated value per unit is \$58,893, resulting in an estimated value of \$2,355,714, which is lower than the county approved true and full value.

Upon review of all information submitted by Sterling Properties, LLLP, the City of Fargo, and Cass County, the three approaches to value were weighted. The per unit value reached is \$55,391 for the 40-unit complex which indicates a value of \$2,215,632 which is lower than the county approved true and full value of \$2,393,400. The difference is an opinion of assessment and could fluctuate depending on how the market is viewed and does not warrant a change.

Summary: The Cass County Board of Equalization approved a 2024 true and full value of \$2,393,400 on this 1966 5-building, 2-story, 40-unit complex. The three approaches to value indicate a value of \$55,391 per unit, which comes to a total value of approximately \$2,215,632, which is lower than the county approved value of \$2,393,400. The difference is an opinion of assessment and could fluctuate depending on how the market is viewed and does not warrant a change.

Proposal for Review: No action required.
