

## Staff Report for 2024 State Board of Equalization

**File No.:** 2024-REPORT-CASS-FARGO-STERLING PROPERTIES, LLLP-GEMSTONE

**Prepared By:** PROPERTY TAX DIVISION

**County or City:** CITY OF FARGO

**Appellant:** STERLING PROPERTIES, LLLP

**Type of Appeal:** COMMERCIAL VALUE

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**Appeal Issue:** Sterling Properties, LLLP, represented by Sam Jelleberg, is appealing the total property value of \$960,300 on parcel numbers 01-0100-01310-000, 01-0100-01320-000, & 01-0100-01330-000, located at 1037 16<sup>th</sup> Street N, Fargo, ND.

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**Analysis:** The Cass County Board of Equalization approved a 2024 true and full value of \$960,300, of which \$855,300 is attributable to the improvements and \$105,000 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.

Gemstone Apartments, owned by Gemstone Apartments, LLP, is a 1984 3-building, 2-story, 12-unit complex. Gemstone is made up of 2-bedroom units.

The income approach to value was considered for this appeal. The calculated value per unit is \$39,500, resulting in an estimated value of \$473,900, 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 \$72,900, resulting in an estimated value of \$874,700, 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 \$68,750, resulting in an estimated value of \$825,000, 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 \$67,094 for the 12-unit complex which indicates a value of \$805,130 which is lower than the county approved true and full value of \$960,300.

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**Summary:** The Cass County Board of Equalization approved a 2024 true and full value of \$960,300 on this 1984 3-building, 2-story, 12-unit complex. The three approaches to value indicate a value of \$67,094 per unit, which comes to a total value of approximately \$805,130, which is lower than the county approved value of \$960,300.

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**Proposal for Review:** Direct Cass County to decrease parcel 01-0100-01310-000 by 16% to an approximate value of \$268,337, of which \$233,377 is attributable to the improvements and \$35,000 is attributable to the land. Direct Cass County to decrease parcel 01-0100-01320-000 by 16% to an approximate value of \$268,337, of which \$233,377 is attributable to the improvements and \$35,000 is attributable to the land. Direct Cass County to decrease parcel 01-0100-01330-000 by 16% to an approximate value of \$268,337, of which \$233,377 is attributable to the improvements and \$35,000 is attributable to the land.

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