

Staff Report for 2024 State Board of Equalization

File No.: 2024-REPORT-CASS-WEST FARGO-STERLING PROPERTIES, LLLP-WEST LAKE

Prepared By: PROPERTY TAX DIVISION

County or City: CITY OF WEST FARGO

Appellant: STERLING PROPERTIES, LLLP

Type of Appeal: COMMERCIAL VALUE

Appeal Issue: Sterling Properties, LLLP, represented by Sam Jelleberg, is appealing the property value of \$7,343,100 on parcel number 02-3325-00030-000, located at 639 33rd Ave W, West Fargo, ND.

Analysis: The Cass County Board of Equalization approved a 2024 true and full value of \$7,343,100, of which \$6,647,800 is attributable to the improvements and \$695,300 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 West Fargo Assessor, Nick Lee.

West Lake Apartments, owned by West Lake Apartments LLP, is a 2004 1-building, 3-story, 78-unit complex with detached garage space. West Lake 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 \$82,600, resulting in an estimated value of \$6,442,200, 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 \$156,900, resulting in an estimated value of \$12,234,700, which is higher than the county approved true and full value.

The sales approach to value was considered for this appeal. The calculated value per unit is \$84,418, resulting in an estimated value of \$6,584,568, which is lower than the county approved true and full value.

Upon review of all information submitted by Sterling Properties, LLLP, the City of West Fargo, and Cass County, the three approaches to value were weighted. The per unit value reached is \$100,296 for the 78-unit complex which indicates a value of \$7,823,059 which is higher than the county approved true and full value of \$7,343,100. 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 \$7,343,100 on this 2004 1-building, 3-story, 78-unit complex. The three approaches to value indicate a value of \$100,296 per unit, which comes to a total value of approximately \$7,823,059, which is higher than the county approved value of \$7,343,100. 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.
