



## **Property values down - real estate taxes up: What you can do now**

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Times are changing. Property values change too.

Vacancies have risen in Manhattan from about 7% in 2008 to 11% in 2010.<sup>1</sup>

Rents for commercial office space fell faster in 2008 and 2009 than in any such period in the last century.<sup>2</sup>

Rents fell an astounding 43% from the first quarter of 2008 to the first quarter of 2010.<sup>3</sup>

Manhattan rents are only 76% of what they were in 2010 as compared to 2008.<sup>4</sup>

According to one industry expert, the value of New York metropolitan area office buildings will fall by 58% from its highs in 2007 to 2011.<sup>5</sup>

Which direction is your property tax bill headed?

Despite the decline in real estate values and rents, New York City property assessments continue to increase. The tentative tax assessments for 2012/13 for properties located in New York City will be released on January 15th, and if the past is any indication of what to expect, your real taxes are likely to go up yet again.

The good news is that New York City property owners can contest their property assessments by filing a protest by March 1st. With the help of an experienced and creative tax certiorari attorney, you may be able to save thousands of dollars in property taxes. What's more, most certiorari lawyers will handle your case on a contingency fee basis, so you will only incur a legal fee if your taxes are reduced.

The following is a sample of the tax savings enjoyed by our clients:

- \* Cooperative - \$37.5 million aggregate assessment reduction for large cooperative, resulting in tax benefits of nearly \$4 million.
- \* Condominium - \$13 million assessment reduction for condominium, resulting in tax benefits of over \$1.6 million.
- \* Office - \$40 million assessment reduction for national bank, resulting in tax benefits of over \$4 million.
- \* Retail - \$1 million tax refund for major retailer due to erroneous calculation of ICIP exemption.
- \* Academic Facility - \$7 million assessment reduction for university, resulting in tax refund of over \$750,000.

Don't miss the March protest filing deadline.

Our website contains a brochure which includes a summary of the various filing deadlines you will need to familiarize yourself with to successfully challenge your real estate taxes. Of course, the most pressing deadline which will soon be upon you is the March 1st deadline to file a protest.

Property owners are encouraged not to wait until the new assessments come out to begin the process. Call or email us to set up a free consultation. We will perform a preliminary analysis on

your property and discuss strategies with you on how to lower your taxes.

1. Cushman & Wakefield as reported on [crainsnewyork.com](http://crainsnewyork.com)
2. New York Times, January 8, 2010
3. Cushman & Wakefield as reported on [crainsnewyork.com](http://crainsnewyork.com)
4. Cushman & Wakefield as reported on [crainsnewyork.com](http://crainsnewyork.com)
5. New York Times, January 8, 2010

Charles Damato is a partner and Katharine Finch is an associate at Windels Marx Lane & Mittendorf, LLP, New York, N.Y.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540