



## Have you verified the accuracy of your real property assessment card?

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Between the time Vinnie and Johniek stop ice fishing on the lake and before the crocuses pop thru the permafrost, the phone rings. This is the time of year I start getting calls about protesting the real property assessments. The following is a common scenario:

It usually starts out with, the comment: we are paying too much in real estate taxes can you reduce the taxes on our multifamily.

No, I cannot reduce your taxes but I can review your assessment to determine if it is fair.

I ask how many units?

They reply eight over the stores.

Where is the property located?

They reply in Chili-Pepper on Main St.

I then ask have you spoken to the assessor?

Their response is no. We just know our taxes are too high.

Ok, can you give me an address?

They do.

I go into one of my research databases and find the subject. It shows up as a 20/100 building with a full basement and 10 stories. My first thought is where in Chili-Pepper is a 10-story building when commercial property on the main strip is 40' tall or four stories. The assessor's data indicates this is a 20,000 s/f building with a store and eight apartments. I ask the client, still, on the phone how large is your building?

They reply: the hardware store on the left and the liquor store is on the right and four apartments on each floor above or three stories.

When was the last time you spoke to the assessor?

Their response, oh, dad did in 1960.

In looking at the Equalization Rate for the town, it is 5%. The town of Chili-Pepper last had a revaluation in 1957 and property cards have not been updated since the MASS appraisal firm came thru in 1956. I tell them, I'll fax over an engagement letter, my fee is payable at time of inspection, the appraisal will take four weeks and when I am done we will talk about the appraisal report and what I feel the correct assessment should be.

The next day I go to the town hall to collect the property card and request a copy of it from the assessment clerk.

Since the assessor handles four other municipalities she won't be available till next week as she was in yesterday. She does not take phone calls on a specific town till she is in that town. I said fine. The property card which was not updated since the revaluation in 1956. Furthermore, has not been updated by the next six assessors between 1959 and 2005 and this is 2008.

I drive by the subject, since it is on the Main St. opposite the closed movie theatre, which last showed Easy Rider. The subject is as the client stated a liquor store and hardware store with two floors above. I measure the front and walk down the alley and it's 100 ft. deep. The subject is 6,000 s/f over a 2,000 s/f basement. I look at the property card and it shows a drawing of a 20 ft. wide building with 100 ft. deep. Subject was frame and built in 1899. Subject has two stores and eight one-bedroom apartments. Subject has 10 units. At the bottom of the card it is transposed that subject has two units, 10 stories and 20,000 s/f. The property owner who has died in 2005 was assessed on a 10-story building or 20,000 s/f when he should only have assessed for a three-story building with 6,000 s/f.

Luckily, I find recent sales of other 10-unit buildings with 6,000 s/f and arrive at a reasonable value bracketed by the four sales. When I take the equalization rate of 5% divided by the current appraised value the subject assessment should be \$5,000. The subject current assessment is \$16,667. I then look at the assessments on the other four buildings and they are bracketing the subject between \$4,500 and \$5,650.

The subject's assessment is excessive for three reasons.

1. It is not equitable as similar buildings have sold recently for less and indicate a value of \$100,000 and not \$333,000.
2. Secondly the subject is over assessed at \$16,667; when divided by the equalization rate it yields a value of \$333,000 when actually it should be \$100,000 value.
3. The subject is a 6,000 s/f building and not 20,000 s/f; this is an error in fact.

I discuss my findings with the client and they are livid. They have a right to be but they also have a responsibility to verify their property record card before the Taxable Status Date. The assessor under RPL is right: until demonstrated there is an error in fact. In this case the subject was deemed larger than it actually was and no one caught this for 51 years.

I then go and meet with the assessor and she corrects the property record card in time for the school tax bills to go out in the fall. The assessment is reduced from \$333,000 to \$100,000. The above scenario is not uncommon in rural NYS. When you have a part-time lay person assessor who handles more than one town or that assessor handles more than three jobs in the same municipality. Mistakes like this happen at the cost of the property owner. The way to correct this dilemma is easy. Verify your assessment and property card data annually and before March 30.

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