RETC
PROPERTY TAX CONSULTANTS

TAX REDUCTION CASE STUDY: RETAIL

Property Type:	Shopping Center
Setting:	Suburban
Proposed Value:	$20,602,722
Certified Value:	$16,853,067
Tax Savings:	$88,086
Reduction(%):	18.20%

Client Issue:

The county appraisal district decided to increase the appraised value of the client's shopping center from $14,918,239 to $20,602,722. The appraisal district used recent transactions and rents from what they deemed comparable properties to justify the increase.

Approach and Solution:

Because the property's occupancy and rental rates were lower than properties deemed comparable by the appraisal district, coupled with the planned capital expenditures desperately needed to drive occupancy and rents, RETC based its analysis on an income and market approach to value. By using financials provided by the client and applicable market data, RETC was successfully able to defend our stance that the property had been grossly over-assessed.

Results:

The value was lowered by approximately $3,749,655, which decreased the client's tax exposure by $88,086.

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