

Application For Abatement Or Refund Of Taxes

North Dakota Century Code § 57-23-04

File with the County Auditor on or before November 1 of the year following the year in which the tax becomes delinquent

State of North Dakota Assessment District Minot
County of Ward Property I.D. No. MI01D450100010
Name STONEBRIDGE VILLAS II, LLC Telephone No. (612) 492-7426
Address 3241 NE 8TH ST, MINOT ND

Legal description of the property involved in this application:

STONEBRIDGE FARMS 6TH ADDN LOT 1 BLOCK 1

Total true and full value of the property described above for the year 2016 is:

Land \$ 632,000
Improvements \$ 4,333,000
Total \$ 4,965,000
(1)

Total true and full value of the property described above for the year 2016 should be:

Land \$ 125,000
Improvements \$ 2,575,000
Total \$ 2,700,000
(2)

The difference of \$ 2,265,000.00 true and full value between (1) and (2) above is due to the following reason(s):

- 1 Agricultural property true and full value exceeds its agricultural value defined in N.D.C.C. § 57-02-27.2
- 2 Residential or commercial property's true and full value exceeds the market value
- 3 Error in property description, entering the description, or extending the tax
- 4 Nonexisting improvement assessed
- 5 Complainant or property is exempt from taxation Attach a copy of Application for Property Tax Exemption
- 6 Duplicate assessment
- 7 Property improvement was destroyed or damaged by fire, flood, tornado, or other natural disaster (see N.D.C.C. § 57-23-04(1)(g))
- 8 Error in noting payment of taxes, taxes erroneously paid
- 9 Property qualifies for Homestead Credit (N.D.C.C. § 57-02-08.1) or Disabled Veterans Credit (N.D.C.C. § 57-02-08.8) Attach a copy of the application.
- 10 Other (explain) _____

The following facts relate to the market value of the residential or commercial property described above. For agricultural property, go directly to question #5

1 Purchase price of property: \$ _____ Date of purchase: _____
Terms: Cash _____ Contract _____ Trade _____ Other (explain) _____
Was there personal property involved in the purchase price? _____ Estimated value: \$ _____
yes/no

2 Has the property been offered for sale on the open market? _____ If yes, how long? _____
yes/no
Asking price: \$ _____ Terms of sale: _____

3 The property was independently appraised: _____ Purpose of appraisal _____
yes/no
Market value estimate: \$ _____
Appraisal was made by whom? _____

4 The applicant's estimate of market value of the property involved in this application is \$ 2,700,000

5 The estimated agricultural productive value of this property is excessive because of the following condition(s): _____

Applicant asks that the assessment, which presently exceeds the true and full value of the subject property, be
reduced to \$2700000, the actual true and full market value of the property as estimated by the taxpayer.

By filing this application, I consent to an inspection of the above-described property by an authorized assessment official for the purpose of making an appraisal of the property. I understand the official will give me reasonable notification of the inspection. See N D C C § 57-23-05.1

I declare under the penalties of N.D.C.C. § 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that this application is, to the best of my knowledge and belief, a true and correct application.

Signature of Property Owner (if other than applicant) _____ Date 11/1/17 Signature of Applicant _____ Date _____

Recommendation of the Governing Body of the City or Township

Recommendation of the governing board of _____

On _____, _____, the governing board of this municipality, after examination of this application and the facts, passed a resolution recommending to the Board of County Commissioners that the application be _____

Dated this _____ day of _____, _____

 City Auditor or Township Clerk

Action by the Board of County Commissioners

Application was _____ by action of _____ County Board of Commissioners

 Approved/Rejected

Based upon an examination of the facts and the provisions of North Dakota Century Code § 57-23-04, we approve this application. The taxable valuation is reduced from \$ _____ to \$ _____ and the taxes are reduced accordingly. The taxes, if paid, will be refunded to the extent of \$ _____. The Board accepts \$ _____ in full settlement of taxes for the tax year _____.

We reject this application in whole or in part for the following reason(s) _____

 Written explanation of the rationale for the decision must be attached _____

Dated _____

 County Auditor _____ Chairperson

Certification of County Auditor

I certify that the Board of County Commissioners took the action stated above and the records of my office and the office of the County Treasurer show the following facts as to the assessment and the payment of taxes on the property described in this application.

Year	Taxable Value	Tax	Date Paid (if paid)	Payment Made Under Written Protest? yes/no

I further certify that the taxable valuation and the taxes ordered abated or refunded by the Board of County Commissioner are as follows:

Year	Reduction in Taxable Valuation	Reduction in Taxes

County Auditor _____ Date _____

**Application For Abatement
 Or Refund Of Taxes**

Name of Applicant Storobridge Villages LLC

County Auditor's File No. 4531

Date Application Was Filed With The County Auditor 11-1-18

Date County Auditor Mailed Application to Township Clerk or City Auditor 11-2-18
(must be within five business days of filing date)

City of Minot

Assessor's Office

11/6/2018

Owners:

Stonebridge Villas, LLC
4650 38th Ave S, Ste 110
Fargo, ND 58104-0000

Legal Representatives:

Michael Raum, Esq. & Christopher A. Stafford, Esq
Fredrikson & Byron, PA
51 Broadway, Suite 400
Fargo, ND 58102

Attention: Michael Raum & Christopher A. Stafford

Hello, this is a follow up notice to you for notification of your hearing date regarding the following properties you are filing a 2016 abatement for.

I have received your application for the 2016 abatement or refund of taxes for the properties attached to this notice located in Minot ND. Specifically:

1. Stonebridge Villas, LLC-3342 8th St NE Minot (1 parcel)
2. Stonebridge Villas II, LLC 3215, 3241 8th St NE, Minot (2 parcels)
3. Townhomes at Stonebridge, LLC- Townhomes located on 7th St NE, Minot (46 parcels)
4. Stonebridge Development Company, LLC- Vacant lots on NE Mulberry Loop, Olive Tree Circle and 34th Ave (58 parcels)

The Assessor's Parcel number at the time of the 2016 assessment is also attached to this notice. Pursuant to NDCC Chapter 57-23-06, I am notifying you of a hearing date to be held by the Minot City Council Committee of the Whole to consider your request. That date will be **November 27th, 2018 at 4:15 PM** in the City Hall Council Chambers located at 515 2nd Ave SW, Minot ND. This committee will make a recommendation to the full city council to either recommend approval, partial denial, or denial in full at the regular Minot City Council meeting on Monday, **December 3rd, 2018, at 6:30 PM** in the same location as listed above. During both meetings, you will have an opportunity to give public testimony on the merits of your request. The assessor will also be there to explain the assessment and answer any questions and make a recommendation to the committee or council. The Minot City Council's recommendation to approve or deny will then go forward to the Ward County Commission for final disposition.

The Ward County Commission will approve or deny your request partially or in total which will meet at a time designated by the Ward County Tax Director at the Ward County Courthouse

★ The Magic City ★

Mailing Address: PO Box 434 • Office Address: 1025 31st SE • Minot, North Dakota 58702
(701) 857-4160 • Fax (701) 857-4165

sometime **after** December 3rd, 2018 at a meeting designated by the Ward County Tax Director. You will be allowed to give public testimony on the merits of your request at this county meeting.

By filing an application for this abatement, NDCC 57-23-05.1 states you are consenting to an inspection of the property listed in the abatement application by an authorized assessment official.

Please be advised we would like any documents, income and expense documents certified by the owner's accountant, any appraisals, comparable sales you would like us to consider from the region and any additional information you would like considered prior to November 17th so our office would be able to review and make comment on this information and also so the information you submit can be placed in the council member's packet of information.


Also please note all information should be retrospective and prior to February 1st, 2016.

In addition, you will want to provide us with a time and date when one of our appraisers can walk through at least 2 apartments per building to include one unit on separate floors. We would also expect to inspect at least 1 townhome in each building. The vacant lots we can look at from the street certainly and wouldn't require an appointment. We would expect to do all of the buildings on one specific day. We will await your response on the date and time of the appointment to do the inspection.

If you have any questions, please contact me at 701-857-4160 or email at kevin.ternes@minotnd.org

David Lakefield, Minot Finance Director
515 2nd Ave SW
Minot, ND 58702

Kevin Ternes, CAE
City Assessor
Minot ND
kevin.ternes@minotnd.org



Mail To: 4650 38TH AVE S STE 110 Map Area: Multi Family
 Route: 000-000-000
 FARGO, ND 58104-0000 Tax Dist: Minnot Public

Urban/Commercial DBA:
 Legal: STONEBRIDGE FARMS 6TH ADDITION M.I.S.:
 LOT 1 BLOCK 1 Subdiv: 01-D45 STONEBRIDGE FARMS 6TH

Entry Status: Permit Estimate
 Review/Date: KT, 10/17/2013
 Checks/Tags:
 Lister/Date:
 Entry Status: Permit Estimate

Land Basis	Front	Rear	Side 1	Side 2	R. Lot	SF	Acres	Land		Unit Price	Total	Topo	Econ	Other	\$Adj	Land Total (Rod)
								Depth/Unit	EFF/Type							
SqFt X Rate						126,324.00	2.900			\$5.00	\$631,620	0%	0%	0%	\$0	\$632,000
Grand Total						126,324.00	2.900				\$631,620					\$632,000

SqFt X Rate	Street	Paved	City	Utilities		Zoning	R3/Multi-Residential	Building Permits	Not Applicable	Land Use Values						
				City	City					Reason	Type	Appraised	B of R	St. Equalized	P-Yr: 2015	

Date	\$ Amount	NUTC	Recording	Date	Number	Reg	\$ Amount	Reason	Type	Appraised	B of R	St. Equalized	P-Yr: 2015
				12/20/2012	12-14253	Y	\$1,900,000	Commercial	Land	\$632,000		\$0	
				12/20/2012	12-14252	Y	\$1,900,000	Commercial	LandC	\$632,000		\$0	
									Dwlg	\$4,333,000		\$0	
									Impr	\$4,965,000		\$0	
									Total	\$4,965,000		\$0	

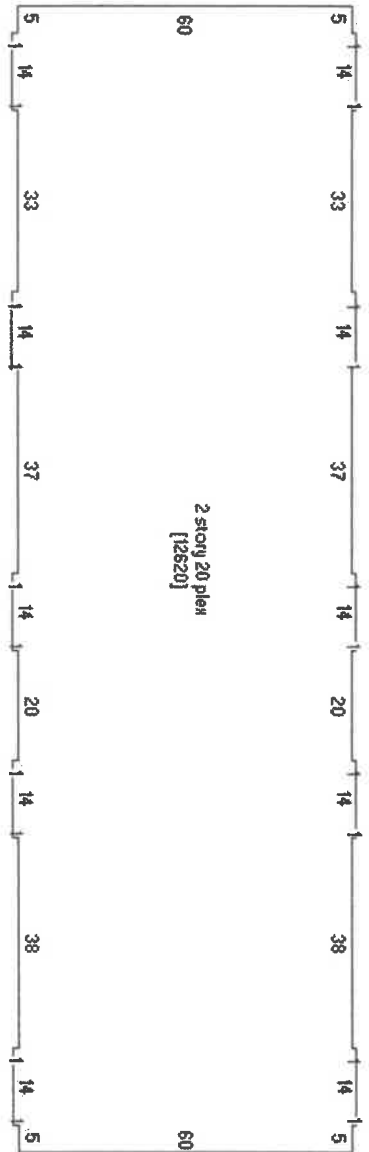
Precomputed Structure			Verticals					Plumbing																	
Occ. Code	Occ. Descr.	Price Code	Year Built	EFF Age/Yr	Depr. Table	Condition	Grade Mult	Phy-Depr.	Description	Style	Stories	Units	Grade	Basee	Basement	1st Flr Inset Adj	Calc Ave. SF/Unit	GBA	Functional:	Economic:	Other:	Obsoliscence	Adjustments	B	Ext
702	Apartment	702	2013	3/	2013	NMIL	1.370	16	2 story 20 plex	Brick Veneer - Wood	2	20	4+5	12,620	0		1,262	25240							
			Verticals																						
			Horizontal																						
			Obsoliscence																						
			Adjustments																						
			Balcony 500 AVG																						
			Concrete patio 500 AVG																						

Bldg / Addn	Description (RCN \$2,298,400)	Units	Price	Base Value	Grade Mult	Year	Ply%	Fcst%	Edbs%	Other%	Depreciated Total (Rnd nearest dollar)	Map	Appraised Value (Rnd nearest \$1,000)
1 of 2	O 702 -- Apartment												
	Pre P 702 -- Apartment	12,620	\$69.61	\$878,478									
	Uppers Adjustment	12,620	\$62.38	\$787,236									
	Adj Balcony - AVG	500	\$20.00	\$10,000									
	Adj Concrete patio - AVG	500	\$3.90	\$1,950									
	Adjustments Sub Total			\$11,950									
	Building Sub Total			\$1,577,664	1.370	2013	16	0	0	0	\$1,930,656	0.920	\$1,776,000
	Commercial Building TOTAL Value												\$1,776,000

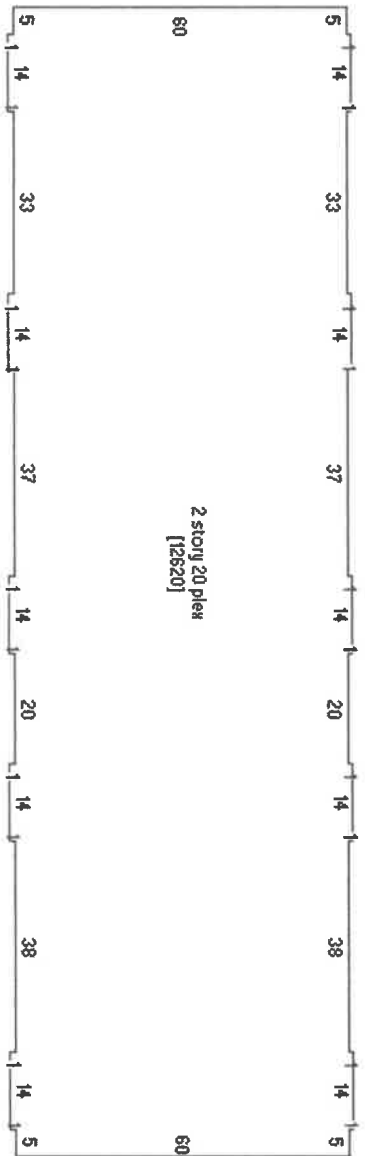
Bldg / Addn	Description (RCN \$2,298,400)	Units	Price	Base Value	Grade Multi	Year	Plyes%	Fobs%	Edbys%	Other%	Depreciated Total (FNU reserf dollar)	Map	Appraised Value (FNU reserf \$1000)
2 of 2	O 702 -- Apartment												
Pre	P 702 -- Apartment	12,620	\$69.61	\$878,478									
	Uppers Adjustment	12,620	\$62.38	\$787,236									
Adj	Balcony - AVG	500	\$20.00	\$10,000									
Adj	Concrete patio - AVG	500	\$3.90	\$1,950									
	Adjustments Sub Total			\$11,950									
	Building Sub Total			\$1,677,664	1.370	2013	16	0	0	0	\$1,930,656	0.920	\$1,776,000
	Commercial Building TOTAL Value												\$1,776,000

Yr	Description	Units	Price	Base Value	Cond	Year	Phys%	Fobs%	Eobs%	Other%	Depreciated Total (Rtd nearest dollar)	Map	Appraised Value (Rtd nearest \$1,000)
Yrd	1 - Paving - Concrete		\$3.00	\$234,000	NM/L	2013	4.00	0	0	0	\$224,640	0.920	\$207,000
	60,000 SF, Conc Parking, Avg Pricing												
Yrd	1 - Garage		\$23.58	\$650,355	NM/L	2013	4.00	0	0	0	\$624,341	0.920	\$574,000
	21,216 SF, Frame, Avg Pricing												
Yard Extras TOTAL Value													\$781,000

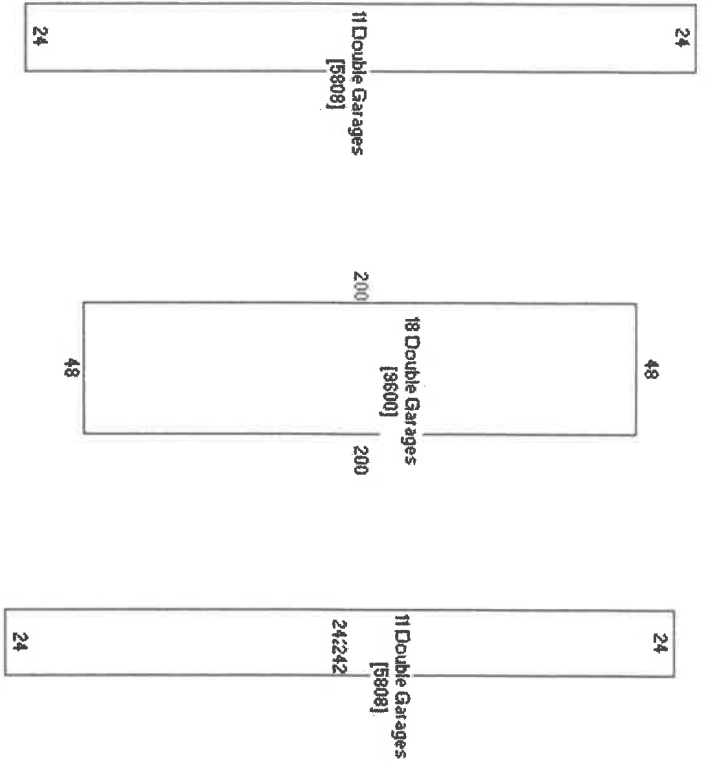
Prior Year	Comment	Value Type	Location	Class	Land Value	Dwelling Value	Improvement Value	M & E Value	Total Value
2015		Appr	Urban	Comm	\$632,000	\$0	\$5,079,000	\$0	\$5,711,000
2014		Appr	Urban	Comm	\$632,000	\$0	\$5,166,000	\$0	\$5,798,000
2013		Appr	Urban	Comm	\$284,200	\$0	\$0	\$0	\$284,200



Sketch 1 of 3



Sketch 2 of 3



Sketch 3 of 3



Photo 1 of 2 02/24/2014



Photo 2 of 2 02/24/2014

Notes:

replatted for 2013 from MI 01 D14 060 0010

Permit Details:

Permit Date Tagged	Reason	Number	Date To Check	Amount	Comments
12/20/2012 Yes	Commercial	12-14253	1/1/2012	\$1,900,000	20-PLEX APARTMENT BUILDING #1 kt finalized 10/17/2013
12/20/2012 Yes	Commercial	12-14252	1/1/2012	\$1,900,000	20-PLEX APARTMENT BUILDING #2 kt finalized 10/17/2013

Consideration of Income

Market Rents on 2 BR apartments on or about 2015

Comparable 1, Chateau 2nd Ave SW, Valley- \$1100 and \$1200

Comparable 2, Wyatt, 1410 30th Ave NW- 1125

Comparable 3, Southwest Crossing, 3801 Crossing St, \$1295

Comparable 4, 2208 33rd St NW, \$1025

Assessments of comparable properties:

See Assessment per Unit Spread Sheet Attached

Information provided by Applicant:

No information was provided to support the request at time of application for a reduction

Summary

In 2016, multi-family apartments of greater than 4 units were reduced approximately 16% depending on the land to building ratio. This parcel went down about 13%. The same model including cost tables and depreciation tables that were used on all the apartment buildings in Minot was used on this parcel.

There was no appeal of the 2016 assessment during the informal period for the city, county or state boards of equalization.

There was no appeal of this property until the final day of the deadline on November 1st, 2018 which now requires all information to be retrospective back to February 1st, 2016.

The 2016 assessment was \$124,125 per unit and this indicates it was in the range of \$88,188 to \$139,396 assessments per unit of other newer apartments. The owner is requesting a per unit assessment of about \$67,500 per unit which is well below any other comparable property's assessment. There were two older but much smaller apartment buildings that sold for about \$69,000 and \$73,000 per unit but they were over 50 years older than the subject. The abatement requests \$67,500 per unit for these apartment units.

Listings or offers to sell comparable apartment buildings prior to 2016 were \$112,000 to \$135,000. These apartments did not sell at that price and were then removed from the market.

The owner's representative is asking for a land value of \$125,000 which is about \$1.00 per square foot. The land was assessed at \$5.00 per square foot in 2016. The assessor is unaware of any multi-family zoned land with site improvements that was purchased or sold for \$1.00 per square foot prior to the assessment date of 2016 and the applicant did not provide support for this request.

The assessor's commercial assessment model was calibrated at an estimated 93% for 2016 assessments based on 2015 sales data of all commercial occupancies. The owner's request appears to assert that the assessor's model for multi-family is off by approximately 50% but based on older and smaller apartment sales that did occur in 2015 there is no evidence of that.

Response to 2016 Abatement for 3241 8th ST SE, 40 unit apartment complex

Abatement Description/Legal/Address:

Lot 2, Block 1 Stonebridge Farms 6th Addition

Stonebridge Villas II, LLC. 3241 8th St NE, consists of 2 - 20 plex apartment buildings in addition to garage buildings for a total of 40 apartment units

Owner/Applicant for Abatement:

Stonebridge Villas, LLC

Fargo, ND

Date of City Hearing: 11/27/2018

Recent Sales History of the Subject according to Assessor Records:

None of the apartment buildings have been listed for sale or sold. The units were built in 2013.

Apartments were assessed for 2016 at approximately:

40 unit complex was reduced from \$142,775 per unit for 2015 to \$124,125 per unit for 2016.

Sales of Comparable Properties:

There hadn't been any sales of newer apartment complexes in the period from 2014 and 2015 in Minot.

Minot

1. 325 11th Ave AVE SW, 1963 year built 12 plex, sold for \$72,900 per unit 3/30/2015
2. 1000 Valley View Dr, 1955 year built 4 plex, sold for \$69,500 per unit 6/29/2015

Stanley

1. 629 9th Ave SE, 2010 year built 15 plex, sold for \$131,666 per unit 12/16/2014

The subject units appear to be larger than average at about 1,200 square feet, the buildings were only about 2.5 years old at the time of the assessment.

Listings of Comparable Properties

1. 3-36th Ave NE, 2012 year built, 76 units at March of 2015 for \$112,000, then January of 2016, \$94,700 per unit, and then withdrawn
2. 3200 20th Ave NW, 18 plex, March 2015 listing for \$135,000 per unit, expired September 2015

Gross Income Multiplier:

1. 325 11th Ave SW, Minot, 1963 year built 12 plex, 2 BR, \$775, \$875,000/ 110,400= 7.9 GIM 2015 sale

The application for a reduction in the 2016 assessment did not include any information for the assessor to consider.

Pictures of subject and area





Parcel_Number	House_Num	Address	Land_Value	Impr_Value	Total_Value	Apartment_Count	Commercial_Yea	Comme_Prior_Year
MI01.D45.010.0010	3241	8TH ST NE	\$125,000	\$2,575,000	\$2,700,000	40 \$	67,500	2013 31
MI09.E43.000.0010	2031	33RD ST NW	\$591,000	\$3,642,000	\$4,233,000	48 \$	88,188	2015 31
MI01.C67.000.0010	3	36TH AVE NE	\$1,297,000	\$5,937,000	\$7,234,000	76 \$	95,184	2012 31
MI01.B36.030.0150	505	36TH AVE NE	\$1,854,000	\$12,126,000	\$13,980,000	144 \$	97,083	2012 31
MI03.C87.010.0020	3801	CROSSING ST SW	\$1,221,000	\$4,961,000	\$6,182,000	60 \$	103,033	2014 31
MI11.D46.000.0020	2821	5TH ST NW	\$616,000	\$4,605,000	\$5,221,000	50 \$	104,420	2014 31
MI34.D34.000.0020	1910	35TH AVE SW	\$1,781,000	\$9,511,000	\$11,292,000	108 \$	104,556	2013 31
MI11.D95.000.0010	1250	27TH AVE NW	\$2,711,000	\$22,298,000	\$25,009,000	239 \$	104,640	2014 31
MI09.D29.140.0000	2032	33RD ST NW	\$479,000	\$4,062,000	\$4,541,000	42 \$	108,119	2013 31
MI09.D29.090.0000	3414	21ST AVE NW	\$1,585,000	\$14,759,000	\$16,344,000	150 \$	108,960	2013 31
MI01.C80.020.0030	3343	8TH ST NE	\$1,036,000	\$6,688,000	\$7,724,000	68 \$	113,588	2012 31
MI01.C95.010.0040	3321	7TH ST NE	\$758,000	\$4,044,000	\$4,802,000	42 \$	114,333	2012 31
MI34.D34.000.0010	1909	31ST AVE SW	\$2,441,000	\$24,393,000	\$26,834,000	233 \$	115,167	2013 28
MI22.291.086.0000	1805	2ND AVE SW	\$965,000	\$11,396,000	\$12,361,000	104 \$	118,856	2014 28
MI01.D45.010.0010	3241	8TH ST NE	\$632,000	\$4,333,000	\$4,965,000	40 \$	124,125	2013 31
MI25.E42.030.0010	1635	11TH ST SE	\$765,000	\$5,714,000	\$6,479,000	52 \$	124,596	2014 31
MI01.D45.010.0020	3215	8TH ST NE	\$1,150,000	\$5,541,000	\$6,691,000	48 \$	139,396	2013 31

State of North Dakota
Office of State Tax Commissioner
2015 - 2016 Ratio Adjustment Worksheet

City: Minot
state calculated

	Commercial		Residential		
	2015	2016	2015	2016	
True and Full Value	\$ 2,245,939,400	\$ 2,210,159,100	\$2,601,625,800	2,658,687,900	\$ 4,868,847,000
Supplementary Abstract:					
Increases		\$2,135,000		\$6,712,000	
Decreases	15,363,000		4,252,000		
Adjusted True and Full Value	2,230,576,400	2,158,024,100	2,597,373,800	2,599,975,900	
2015 T & F/Sales Ratio	96.60%		92.68%		
Indicated Market Value	2,309,085,300		2,802,518,127		
<u>2015 T&F/Mkt Value Ratio</u>		93.46%		92.77%	
Mkt Value Minus 2015		151,061,200		202,542,227	
Indicated Changes Needed to Reach 100% Value		7.00%		7.79%	

Requires input

Commercial Vacant Land

