Staff Report for 2017 State Board of Equalization

September 27, 2017

File No.: 2017-CASS-WEST-005

Prepared By: Property Tax Division – MG, ST

County or City: City of West Fargo

Appellant: 32 Holdings, LLC c/o Coborn’s, Inc., represented by J.W. Chatum & Associates

Issue: Protests the assessment parcel 02-5005-00010-000 located in the City of West Fargo

Summary: 32 Holdings, LLC c/o Coborn’s, Inc., represented by J.W. Chatum & Associates, disputes the assessment placed on Cash Wise Foods 3045 & Little Dukes Gas/Wash located in the City of West Fargo.

Analysis: The City of West Fargo Board of Equalization and the Cass County Board of Equalization approved an assessment of $8,076,200.00 ($2,666,600 for the land and $5,409,600 for the improvements). 32 Holdings, LLC c/o Coborn’s, Inc., represented by J.W. Chatum & Associates, disputes the assessment placed on Cash Wise Foods 3045 and Little Dukes Gas/Wash located in the City of West Fargo. An onsite inspection was completed on September 8, 2017.

Limited income information was provided. The lease information submitted by the appellant was not within the same market area and did not identify actual sales to compare to the subject property. A sale must be complete to be considered when utilizing the sales comparison approach. Therefore, the cost approach was used to arrive at an opinion of assessment.

Replacement cost new of Cash Wise Foods 3045 & Little Dukes Gas/Wash was completed using the Marshall & Swift manual, applying regional and local multipliers as well as a depreciation factor. The construction costs were not reviewed to verify the validity of the reported cost.

The assessment reached is $9,050,393.00. The difference is an opinion of assessment and could fluctuate depending on how the market is viewed and does not warrant a change.

Recommendation: Recommend no change in assessment at this time.