

# Summarization Briefing

Owner: Tzadik Blue Hawk, LLC  
Address: 1022 W. Villard  
Property Type: Apartment Building

## **Briefing Statement:**

Christopher J. Nyhus, council for the ownership has brought forth an Application for Abatement of Taxes for the years 2021, 2022 and 2023. As State law does not allow for relief beyond two years, only 2023 is eligible to be heard.

Within Mr. Nyhus's letter, he states that the property sold in an arm's length transaction from Dacotah Bank in March of 2021. However, the fact that they purchased it from Dacotah Bank means it is a Real Estate Owned (REO) bank owned sale and a distressed sale transaction, not a market price transaction.

Furthermore, when considering income for Ad Valorem Taxation, management is not a consideration, and actual rents are not as important as market rents and little consideration should be given to the value developed within the Applicants own appraisal.

However, with a recent Vanguard Appraisals completed for 2024, with income considered, despite the current market indicating that the reappraisal values were on the conservative side for apartments, consideration could be given that the 2024 assessed value is reflective of the prior period, 2023.

## **Staff Recommendation:**

Staff recognizes that the current value for 2023 was based on data available at that time and is consistent with how all apartments are valued, resulting in a Fair and Equitable value. Staff also recognize that subject property could be considered an outlier and as such do not disagree with the value set by Vanguard for the following year, recognized in Possible Motion 3.

## **Possible Motions:**

- 1) Make no change (\$4,210,800) to True and Full Valuation.**
- 2) Change value to owner request \$1,517,500 for 2023**
- 3) Change value to some other amount (\$2,840,600):**