



Equalization Department

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Curtis Hemm

Parcel: 02-1460-00060-000
Address: 2118 Main Ave E.

Synopsis:

Mr. Hemm is appealing the value of his property, located at 2118 Main Ave E in West Fargo. The current use of the property is a residential dwelling for Curtis and Paul Hemm, brothers. However, the property is zoned as Heavy Commercial. There are multiple structures on the property but the majority are vacant or contain substantial functional obsolescence. The City of West Fargo certified a 2018 value of \$591,100 or \$2.97 per square foot.

Review:

I met with Mr. Hemm on the property on Wednesday, June 6th to review the property. He is aware that his property is zoned Heavy Commercial, and is not eligible to be sold for residential purposes. The property is 4.57 acres with railroad tracks running along the north half and direct access to Main Avenue on the South Half. The properties adjacent to the subject are commercial.

Although the current use of the property is as a residence, its highest and best use is commercial land. The demand for commercial land in West Fargo has increased dramatically and the value of commercial land supersedes the current use of the property. Furthermore, the Heavy Commercial zoning dictates the future use of the property. The West Fargo Assessment Office has submitted vacant land sales along Main Avenue, which range from \$3.45 - \$5.97 per square foot. A property similar to the subject (ID 1 on West Fargo's Sales) recently subdivided and sold the rear lot at a rate of \$2.72 per square foot. A phone conversation with the West Fargo Planning Office confirmed that the subject property would be able to subdivide with a 30' access & utility easement along the front of the property.

Conclusion:

The West Fargo Assessment Office has provided sufficient information to support their 2018 certified valuation. Highest and best use, demolition costs, size, and similar sales were interpreted when valuing this property, which resulted in a uniform assessment equity amongst neighboring properties.

Original Value: \$591,100 Adjusted Value: \$591,100 (No Change)



PIN: 02-1460-00060-000
Address: 2118 Main Ave E
Zoning: Heavy Commercial
Size (sf): 199,075
Value: \$591,100
\$/sf: \$2.97

2017
 Land \$87,300
 Bldg \$348,800
 Overall \$436,100

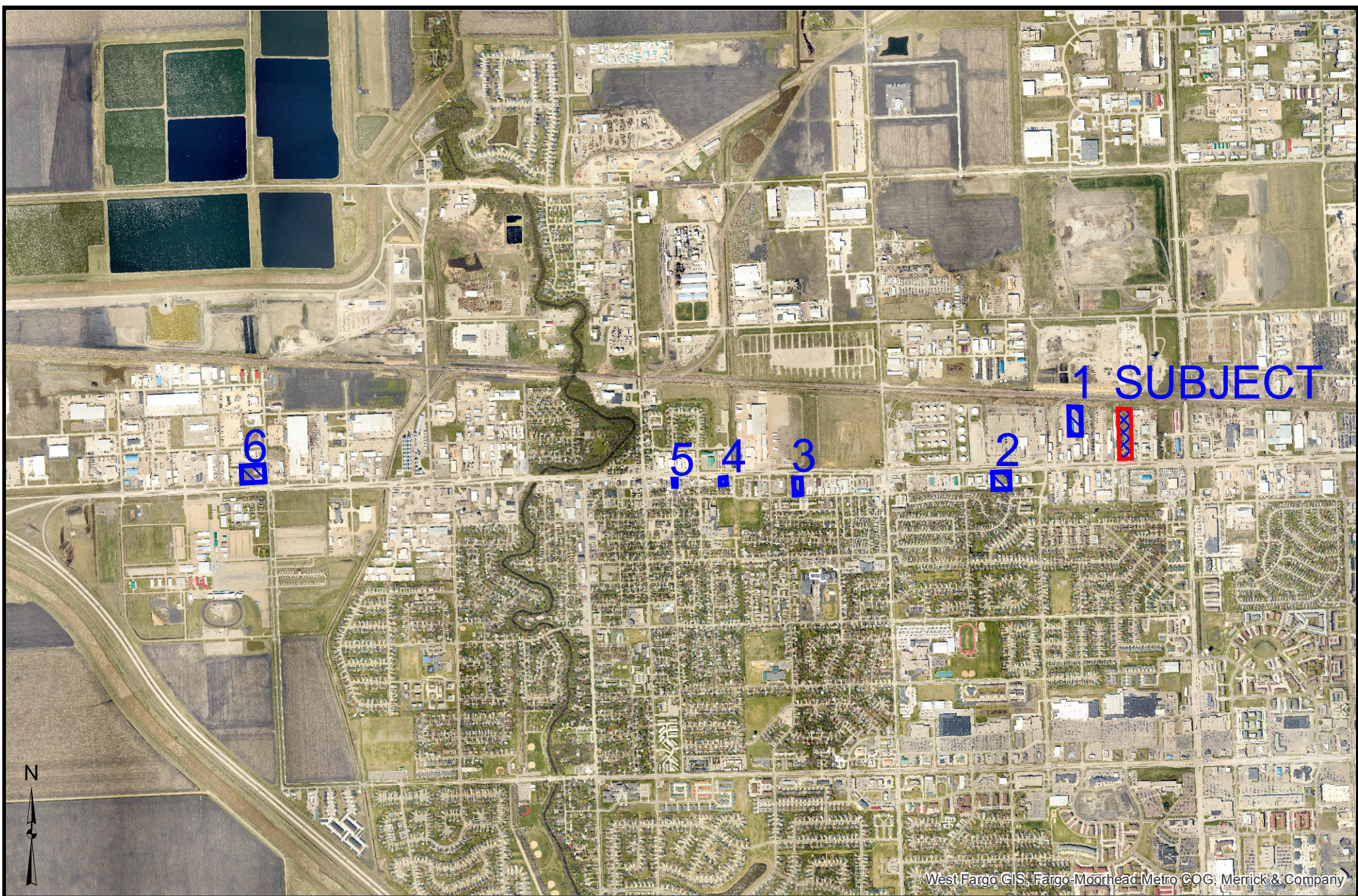
2018
 Land \$591,100
 Bldg \$0
 Overall \$591,100

*All commercial properties in town have been revalued over the last three assessment years.

This property is 4.57 Acres, zoned Heavy Commercial, sitting along the north side of Main Ave in West Fargo, ND. The property consists of a few houses and multiple out buildings, including some old green houses. Structures on this parcel are very old and have abundant functional obsolescence. Due to the high demand for bare land of similar zoning along this corridor, the highest and best use of the property was determined to be bare commercial land. No structure value was attributed to this property. However since the current use of the property is Residential, the property will be taxed at a Residential rate.

Since this property is valued as bare commercial land, I have included the most comparable recent sales of bare commercial land with similar zoning. As you can see, there is a variety of sizes and prices per square foot. Fortunately we have a rear lot land sale at \$2.72/sf near the subject that validates the rear land value of the property. As for the part of the property that fronts Main Ave, we have sales ranging from \$3.45/sf to \$5.78/sf. At \$2.97/sf this property is slightly under that range, which we feel is still equitable since this parcel is larger than any one comparable sale, there is some cost involved to remove buildings in order to build, and it has been assessed uniformly to all the other land on Main Ave. With these facts considered, it is our recommendation that the Board of Equalization make no adjustment to the 2018 value of \$591,100.

Recommendation: Make No Adjustment for A2018



West Fargo GIS, Fargo-Moorhead Metro COG, Merrick & Company

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COMPS for 2118 Main Ave E

Date: 6/5/2018

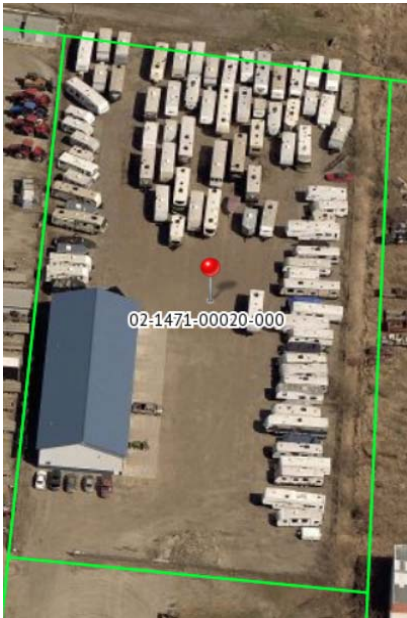
Nick Lee



This map is not a substitute for accurate field surveys or for locating actual property lines and any adjacent features.

<u>ID</u>	<u>DASHPIN</u>	<u>LGDESC</u>	<u>PropertyAddress</u>	<u>Name</u>	<u>CLASS</u>	<u>ZONENAME</u>	<u>SQFEET</u>	<u>ACRES</u>	<u>\$/sf</u>	
Subj. 02-1460-00060-000		LOT 5 OF SE 1/4 LESS R/W 4-139-49 MIDWAY SUB	2118 MAIN AVE E	CURTIS & DAVID HEMM	Commercial	Heavy Commercial	199,075	4.57	2.97	
1	02-1471-00020-000	LOT 2 BLK 1 MIDWAY 3RD	1804 MAIN AVE E	LAG RENTALS, INC	Commercial	Heavy Commercial	105,750	2.43	2.72	REAR LOT
2	02-0704-00040-000	LOT 4 BLK 1 GELLERS 2ND	1433 MAIN AVE E	HENCO PROPERTY LEASING	Commercial	PUD in General Com	90,010	2.07	3.45	
3	02-1300-00215-000	LOT 9 BLK 2 MCDERMOTTS 2ND AND ADJACENT VAC 6TH	533 MAIN AVE E	RSND LLC	Commercial	Heavy Commercial	39,000	0.90	4.28	
4	02-2200-00080-000	LOTS 8 & 9 BLK 10 SUKUTS 2ND	329 MAIN AVE E	TRINA KALM	Commercial	Light Commercial	12,300	0.28	3.73	
5	02-2100-00450-000	S 123' OF LOT 1 BLK 4 SUKUTS ESTATES AKA LOT 1 LESS N 201	201 MAIN AVE E	MASTEL INVESTMENTS	Commercial	Light Commercial	6,150	0.14	5.28	
6	02-0825-00010/20-000	LOT 2 BLOCK 1 HELFRICH	1518 MAIN AVE W	TWIN CITY HOISTING & PORTABLE E	Commercial	Light Industrial	122,318	2.81	5.78	

High	\$5.78
Low	\$2.72
Median	\$4.01



ID 1
PIN 02-1471-00020-000
Address 1804 Main Ave E
Zoning Heavy Commercial
Size (sf) 105,750
Sale Date 7/20/2016
Adj Sale \$287,429
Ind \$/sf \$2.72
*Built on since purchased



ID 2
PIN 02-0704-00040-000
Address 1433 MAIN AVE E
Zoning PUD in General Commercial
Size (sf) 90,010
Sale Date 8/30/2012
Adj Sale \$310,216
Ind \$/sf \$3.45



ID 3
PIN 02-1300-00215-000
Address 533 MAIN AVE E
Zoning Heavy Commercial
Size (sf) 39,000
Sale Date 1/6/2012
Adj Sale \$166,999
Ind \$/sf \$4.28



ID 4
PIN 02-2200-00080-000
Address 329 MAIN AVE E
Zoning Light Commercial
Size (sf) 12,300
Sale Date 1/25/2016
Adj Sale \$45,818
Ind \$/sf \$3.73



ID 5
PIN 02-2100-00450-000
Address 201 MAIN AVE E
Zoning Light Commercial
Size (sf) 6,150
Sale Date 6/19/2013
Adj Sale \$32,500
Ind \$/sf \$5.28



ID 6
PIN 02-0825-00010/20-000
Address 1518 MAIN AVE W
Zoning Light Industrial
Size (sf) 122,318
Sale Date 8/11/2016
Adj Sale \$706,857
Ind \$/sf \$5.78
*Built on since purchased