

**Assessment Appeal
914 South Lake Avenue
2024 Assessment for Taxes Payable 2025
Property ID: 010-4045-00030**

I do not agree with this assessment as I do not believe 914 S Lake Ave. would sell for \$979,100. My belief is \$900,000 is the right number and supporting evidence follows.

Secondly, this assessment fails on two fronts. Land value is understated and building value is materially overstated. For almost all other Park Point properties, land value is materially understated.

Thirdly, this assessment is not fair relative to much more favorable and lenient assessments given to nearby and neighboring properties.

Finally, the St. Louis County Assessor's Office is required to assess properties at market value, what real property has sold for or would sell for, but it consistently fails to mark properties to market even after arms-length transactions have been executed.

914 S Lake Avenue is one of eight units comprising South Piers Shores (SPS) Condominium Association. It is one of the first units built out in 2007. We purchased the unit in August 2018 fully furnished and appointed except for the previous owners' personal items like clothing, photos, personal computers, and other very personal items. Our gross purchase price was \$900,000 and included personal property like sofas, chairs, tables, rugs, artwork, televisions, audio video equipment, mattresses, and more.

In the recording of our purchase price, the Property Detail Report **incorrectly and falsely reports** the gross sale price, **not the net real property value**. The value of the personal property component should be deducted but it is not. Sale price should reflect real property value only!

Since our purchase in 2018, 914 S Lake Avenue has been **assessed at greater than its Gross Purchase price** since day one and this contrasts with other properties both at SPS and elsewhere on Park Point that have never even been assessed at their purchase price and that continue to receive favorable treatment.

There are many examples of such unfair treatment. This is but one and it is NOT an outlier. 4202 Minnesota Avenue **was listed at and sold for** \$2,500,000. It sold at list / market value in September 2021.

		Assessed Value as % of Mkt Value
4202 Minnesota Ave Market Value	\$ 2,500,000	
Assessed Value Pay 2022	\$ 1,148,400	46%
Assessed Value Pay 2023	\$ 1,380,500	55%
Assessed Value Pay 2024	\$ 1,671,300	67%
Assessed Value Pay 2025	\$ 1,727,900	69%

Why was this property so undervalued (it was previously owned by a prominent Duluth resident) and why hasn't it even yet been marked to the market? And, in addition, apparently, since purchase, a number of

improvements and updates have occurred as well that aren't reflected in value. This just isn't fair and is clear evidence other Park Point properties aren't being assessed at true market value.

Land value is understated and building value is materially overstated. This has an enormous impact on the fairness of taxation with respect to other Park Point properties. Park Point land is relatively more valuable and should represent a larger percentage of total value. This is a given, known fact and the Assessor totally fails to recognize it to benefit certain owners. Land is materially undervalued for the majority of Park Point properties.

Consider the following example. It illustrates two points. First, without adjusting to real world land values, it clearly demonstrates unfairness and preferential dealing. Second, if adjusting to real world land values, the magnitude, and therefore the material nature, of the unfairness is multiplied, enhanced appreciably, and is clearly evident.

	Pay 2025		Per One
Property	Value	Lots	Lot Value
SPS all 8	\$ 1,377,100	6	\$229,516.67
914 S Lake*	\$ 177,900	0.75	\$237,200.00
828 S Lake	\$ 256,200	3	\$ 85,400.00
*eight units on six lots is roughly .75 lots per unit			

South Pier Shores consists of eight units on six lots. The land is high bank and does not offer easy, direct access to the beach. In contrast, 828 S Lake consists of three lots with easy and direct beach access. It is absolutely irreconcilable and inexplicable that our land value per lot is 2.69 times the assessed value of land at 828 S Lake Ave. Building Values might vary some but neighboring land values should be nearly identical. This is so far off it defies explanation.

But it gets worse. I said land values are materially undervalued elsewhere on Park Point. SPS Land Value represents just under 18% of total assessed value. That figure should probably be closer to 30% or 35%. It's location, location, location that drives all Park Point land values. At 914 S Lake Avenue, if total value is \$900,000, then land value is likely \$275,000 to \$300,000 and building value is likely \$600,000 to \$625,000. This is important because that is between \$227 and \$237 per square foot for building purposes only which is very reasonable as can be seen here:

	Building Value	Building	Price Per
Property	Pay 2025	Square Feet	Squar Foot
914 S Lake	\$ 801,200	2640	\$ 303.48
828 S Lake*	\$ 1,084,100	5534	\$ 195.90
2833 S Lake*	\$ 550,400	2785	\$ 197.63
3332 MN Ave*	\$ 587,200	3008	\$ 195.21
3125 S Lake*	\$ 631,700	2897	\$ 218.05
2700 MN Ave*	\$ 451,200	2260	\$ 199.65
*main residence only. Other Improvements would lower SqFt further			

Now carry this a step further. It shows just how ridiculously unfair land assessments are on Park Point. SPS land is likely understated. Still, our assessment is already 2.69 times higher than nicer, neighboring land.

Here are other examples and there are many. I challenge you to randomly select any lakeside property and do the analysis yourselves.

	A	B	C
Land	Lot Size	Assessed Land Value	Per Sq. Foot (B/A)
SPS Complex 240 X 100	24000	\$ 1,377,100.00	\$ 57.38
914 S Lake 30 X 100	3000	\$ 177,900.00	\$ 59.30
828 S Lake Ave 120 by 100	12000	\$ 256,200.00	\$ 21.35
4202 MN Ave. 110 by 200	22000	\$ 507,500.00	\$ 23.07
2400 MN Ave. 360 by 100	36000	\$ 673,600.00	\$ 18.71
2833 S Lake Ave. 240 by 100	24000	\$ 589,700.00	\$ 24.57

And remember South Pier Shores land is community property. Owners do not have the same rights as an individual property owner who can use, develop, and enjoy their property as they see fit. Outright ownership of property is much more desirable and should be worth more; not less!

I believe a fair assessment is \$900,000 but that just doesn't make things right! The proof is in front of you that land is a materially undervalued component of properties on Park Point. It is not right, it is unfair to tax some owners at full or in excess of market value and then give other owners a break. Assess and tax the land for what it is worth and treat everyone equally.

	Existing Pay 2025				Adusted Pay 2025		
Property	Land Value	Building Value	Total	Land Value	Building Value	Total	
914 S Lake	\$ 177,900	\$ 801,200	\$ 979,100	\$ 312,500.00	\$ 587,500.00	\$ 900,000	
Value by Square Foot	\$ 59.30	\$ 303.48		\$ 104.17	\$ 222.54		
The following uses the adjusted Square Foot values of 914 S Lake and applies same to 828 S Lake							
828 S Lake	\$ 256,200.00	\$ 1,084,100.00	\$ 1,340,300	\$ 1,250,000	\$ 1,231,525	\$ 2,481,525	
Value by Square Foot	\$ 21.35	\$ 195.90		\$ 104.17	\$ 222.54		
Here's what it looks like when current proposed values for 914 S Lake are applied to 828 S Lake Ave.							
828 S Lake	\$ 256,200.00	\$ 1,084,100.00	\$ 1,340,300	\$ 711,600.00	\$ 1,679,485.15	\$ 2,391,085	
	\$ 21.35	\$ 195.90		\$ 59.30	\$ 303.48		

These numbers bear truth. Just consider other sales on Park Point and also the fact that 828 S Lake is both a residence and an incoming producing property (but valued and assessed as just one property). You have to ask yourself why the assessor's office is so far off on almost all properties but for the South Piers Shores units. It isn't right. It isn't fair. It is unjust.

The next buyer of 914 S Lake Avenue will be purchasing it primarily for its location, the land value. As it hasn't been updated since 2007, new buyers might remodel and enhance building value. The bottom line: comparisons against other properties, square footage analysis of both land and building values, and fair and equal treatment relative to other properties more than support a valuation of not more than \$900,000.

Thomas C. Gavin, Trustee
The Sara H. Gavin Revocable Trust