

# Bettencourt Case Studies: Achieving Outstanding Results for Our Clients Across a Broad Spectrum of Business Models

## **BTA Mission Statement**

Bettencourt Tax Advisors strives to provide our clients with an effective, efficient, and ethical team who will apply proprietary technology, knowledge of the Property Tax Code, and industry experience, in order to develop strategically compelling cases, on our client's behalf. BTA will uncover all options available to our clients, within the compliance of the law, to gain the maximum reduction possible on their tax liabilities. BTA is committed to providing excellent service and outstanding results to our clients.



## Case Study: Apartment

**APPROXIMATE VALUE REDUCTION: \$2,010,530 OR 50%**

**PROPERTY TAX SAVING: \$50,263**

Subject: This apartment location had been part of another customer's portfolio when it was sold shortly before its hearing. Having already done preliminary research on the property, BTA approached the new owner with recommendations for a reduction. The new owner agreed with BTA's approach and signed up to have us represent this property all over the Memorial Day weekend!

Action: We were working on a short turnaround to prepare for the hearing, but our dedicated team was willing to work over Memorial Day weekend to prepare the evidence packages necessary to get the reduction warranted. By following our standard procedures during the preliminary study phase, as well as, conducting an in depth study of current rent and vacancy rates in the area compared to the subject properties our analysis determined the strongest argument to be the income approach.

Savings: Using the evidence of photographs of the property as well as rent roll reflecting the properties' tenant occupancy, we successfully proved the appraisal district's overvaluation; reducing the market value from \$3,993,469 to \$1,982,939.



## Case Study: Airport Garage

**APPROXIMATE VALUE REDUCTION: \$2,100,000, OR 22%**

**TAX SAVINGS: \$53,000**

The data the Appraisal District had available when determining the construction type and costs did not accurately represent this garage.

**Subject:** A 530 stall concrete and steel constructed parking garage with four decks built in 1992. It had been valued by the appraisal district utilizing a cost analysis instead of income analysis.

**Action:** During the hearings BTA presented the strongest argument first, using an income analysis. The tenant, a rental car company, had vacated the property over a year ago, and no other tenants had been secured to date. This analysis indicated a value of \$3 million. However, the Appraisal District and the Appraisal Review Board chose to stay with the cost analysis to determine the value. We quickly transitioned into presenting the cost analysis we had prepared. In our analysis we had identified that the appraisal district had utilized an incorrect construction type for the garage, which we were able to evidence with our photos. We had prepared our cost analysis utilizing a comparable garage, approximately 30 miles away that was under construction at the time of the hearing. Utilizing the newest construction methods and being comparable in size, the new garage had a construction cost of approximately \$3 million.

**Savings:** The subject property was assessed at \$9.4 million. The Appraisal Review Board granted a reduction of the assessed value to \$7.3 million.





## Case Study: Business Personal Property

**APPROXIMATE VALUE REDUCTION: \$900,000, OR 27%**

**TAX SAVINGS: \$20,000**

Understanding how your county depreciation schedules are applied to different types of equipment and inventory can have a large impact on your bottom line. BTA's experts have experience working with these depreciation schedules and know how to interpret them and reclassify items, as necessary, to correctly report our client's Business Personal Property (BPP).

Subject: Industrial Manufacturer with \$3.3 million in Business Personal Property. Their BPP list included a variety of assets such as manufacturing equipment, office equipment, manufactured products for sale, etc.

Action: When our BTA representative approached this account, a complete assessment was done of all of the client's BPP. Using the comprehensive inventory of all applicable property, our representative was able to work from the county's depreciation schedule to divide the client's BPP into the appropriate equipment classifications and reduce the value of the depreciated assets.

Savings: As a result of the agent's experienced and educated assessment of this client's property, BTA was able to reduce the BPP valuation from \$3.3 million to \$2.4 million.

## Case Study: Hotel/Motel

**APPROXIMATE VALUE REDUCTION: \$1,519,143, OR 42.26%%**

**TAX SAVINGS: \$30,728**

A thorough assessment of all aspects of a client's property is always the first step in preparing a case to protest the County Appraisal District's valuation of the property. In this case the evidence showed that the Income and Expenses and Rent Rolls did not support the appraised value on the property. This evidence indicated a variance was necessary in the valuation; the existing tax appraisal did not reflect the current market.

**Subject:** A hotel constructed in 2008 offering moderately priced rooms to meet their market demands.

**Action:** When Bettencourt Tax Advisors was hired to represent the owner of this property, an assessment was done to determine the best approach to take. After doing an analysis of comparables, costs, and income streams, we determined the best approach to be income stream. As a result of our initial site visit and in depth study of the property's income and expenses; BTA was successful in working with the County Appraisal District to reduce the property valuation for this building.

**Savings:** The county agreed to an adjustment based on income, lowering the appraised amount from \$3,594,872 to \$2,075,729



## Case Study: Industrial

**APPROXIMATE VALUE REDUCTION: \$1 MILLION, OR 27.8%**

**TAX SAVINGS: \$23,500**

A thorough assessment of all aspects of a property is always the first step in preparing a case to protest your property tax appraisal. During the lifetime of a property, there are often building modifications done to accommodate new owners. These modifications can lead to a variance in valuation that is not always reflected in the existing tax appraisal.

Subject: A 44,000 square foot building constructed in 1992. The property had changed ownership since being built and modifications were made.

Action: When Bettencourt Tax Advisors first approached the property, a thorough assessment was done of the property's condition, updates, comparables, etc. As a result of our initial site visit and in depth study of the property and comparables, BTA was successful in working with the County Appraisal District to reduce the property valuation for this building.

Savings: The county agreed to an adjustment based on building design and construction, lowering the appraised amount from \$3.6 million to \$2.6 million.







## Case Study: Office Building 1

**APPROXIMATE VALUE REDUCTION OF \$13,432,053, OR 44.32%**

**TAX SAVINGS: \$387,859**

Subject: This office building had recently been completed in the quarter prior to the appraised value being established. The CAD set the appraised amount based on the building being fully leased, even though the building owner was still in the process of leasing all the spaces.

Action: When Bettencourt Tax Advisors was hired to represent the owner of this property, an assessment was done to determine the best approach to take. After doing an analysis of comparables, costs, and income streams, we determined the best approach to be income stream. As a result of our initial site visit and in depth study of the property's income and expenses; BTA was successful in working with the County Appraisal District to reduce the property valuation for this building.

Savings: The county agreed to an adjustment based on income, lowering the appraised amount from \$30,308,884 to \$16,876,831



## Case Study: Office Building 2

**APPROXIMATE VALUE REDUCTION OF \$1.7 MILLION, OR 37%**

**TAX SAVINGS: \$41,500**

Subject: Although this office building had been previously represented by a reputable property tax firm for years, we made no assumptions and did a thorough analysis; every detail was verified. In this case evidence showed that the square footage of the property was listed incorrectly by the appraisal district for the past 31 years.

Action: When Bettencourt Tax Advisors first approached the property, a thorough assessment was done of the property's location, classification, comparables, square footage, income stream, etc. As a result of our initial site visit and in depth study of the property and comparables, BTA was successful in working with the County Appraisal District to reduce the property valuation for this building. BTA's analysis indicated that there were three approaches that could successfully be used to gain a reduction in the appraised property value. First, the square footage shown on the building's blue prints were 10,000 less than was stated in the county records. Second, we found that the building's amenities qualified it for a Class "B" rating not the Class "A" rating it was being assessed at. Finally, an Income Analysis reflecting current economic conditions greatly contributed to the client's case for a reduction.

Savings: All three approaches were used successfully to reduce the appraised amount from \$4.6 million to \$2.9 million.





## Case Study: Restaurant

**APPROXIMATE VALUE REDUCTION OF \$400,000, OR 16%**

**TAX SAVINGS: \$13,000**

A thorough assessment of all aspects of a client's property is always the first step in preparing a case to protest the County Appraisal District's valuation of said property. In this case the evidence showed that comparable properties had been overlooked when the client's property was appraised. These oversights indicated a variance was necessary in the valuation; the existing tax appraisal did not reflect the current market.

**Subject:** A 10,700 square foot restaurant constructed in 2005. When Bettencourt Tax Advisors first approached the property, an assessment of the property was done to determine the best approach to take.

**Action:** After doing an analysis of comparables, costs, and income streams, we determined the best approach to be comparables. As a result of our initial site visit and in depth study of the property and comparables; BTA was successful in working with the County Appraisal District to reduce the property valuation for this building.

**Savings:** The county agreed to an adjustment based on comparables, lowering the appraised amount from \$2.5 million to \$2.1 million.

## Case Study: Shopping Center

**APPROXIMATE VALUE REDUCTION OF \$347,036, OR 35.53%**

**TAX SAVINGS: \$9,279**

The Appraisal District's classification of the property's grade was based on incorrect information. Bettencourt Tax Advisors scrutinizes every component of an appraisal district's analysis to find the most compelling argument to use in the client's appeals.

**Subject:** An 18,720 SF Strip Shopping Center constructed in 2006, and classified by the appraisal district as a Class "A" grade property. The appraisal district had assessed the property based in an Income Analysis. However, we had determined it was a Class "B" property based on our initial site visit, as well as, an in depth study of current rent, vacancy rates, and tenant mix in the area as compared to the subject property.

**Action:** Our analysis determined the strongest argument to be the income approach. We were successful in proving the classification discrepancy with our evidence of photos of the property as well as the rent roll reflecting the tenants of the property.

**Savings:** We were able to utilize a more favorable cap rate and stabilization rate; therefore, achieving a reduction from \$976,795 down to \$629,759.







## Case Study: Warehouse

**APPROXIMATE VALUE REDUCTION OF \$841,740, OR 22 %**

**TAX SAVINGS: \$22,000**

A thorough assessment of all aspects of a client's property is always the first step in preparing a case to protest the County Appraisal District's valuation of said property. In this case the evidence showed that relevant issues had been overlooked when the client's property was appraised. These oversights indicated a variance was necessary in the valuation; the existing tax appraisal did not reflect current conditions.

**Subject:** A 39,000 square foot warehouse constructed in 2003. When Bettencourt Tax Advisors first approached the property, a thorough assessment was done of the property's location, construction, condition, updates, comparables, etc.

**Action:** As a result of our initial site visit and in depth study of the property and comparables, BTA was successful in working with the County Appraisal District to reduce the property valuation for this building. The county agreed to an adjustment based on the building frontage and construction.

**Savings:** BTA was successful in lowering the appraised amount from \$3,851,810 to \$3,010,070.