



December 16, 2024

VIA EMAIL

Value Adjustment Board (VAB@occompt.com)

Aaron Thalwitzer, Esq., VAB Attorney (aaron@brevardlegal.com)

RE: Reconsideration Request - Petition #2024-958

Dear Mr. Thalwitzer:

Our office respectfully requests a reconsideration of the Special Magistrate's recommendation for petition #2024-958. This request is submitted in compliance with the time requirements set forth in the Value Adjustment Board's Procedures for Requests for Reconsideration.

The subject property is a freestanding one-story medical office building consisting of approximately 11,242± SF of net rentable area that was built in 2019. Special Magistrate's Rec. at p. 2. The 2024 market and assessed values of the subject property are both \$5,130,479. Id. at p. 1. The Special Magistrate reduced the subject property's market and assessed values to \$4,970,000. Id.

In his recommendation, the Special Magistrate made inconsistent statements regarding the indicated value for the subject property. After conducting his own analysis, the Special Magistrate concluded to a "Weighted Value Indication" of \$5,166,443. Id. at p. 4. Additionally, in the "Final Recommendation" section the Special Magistrate recommended a revised value of \$5,165,000." Id. Below is an excerpt of page 4 of the Special Magistrate's Recommendation:

Weighted Value Indication:
 $\$3,142,883 + \$2,035,560 = \$5,166,443$

Recent Sale Evidence

The subject property sold in September 2023 for \$5,500,000. Applying a 10% cost of sale adjustment results in an adjusted sale price of:

$$\$5,500,000 \times 90\% = \$4,950,000$$

This adjusted sale price further supports a value conclusion below the current assessed market value.

Final Recommendation

Based on the most reliable evidence presented, including the reconciled cost and sales comparison approaches, and consideration of the recent sale, the magistrate recommends revising the just value opinion of the subject property to \$5,165,000. This conclusion aligns with the most relevant market evidence while addressing potential overstatements in the PAO's sales analysis and ensuring appropriate weighting of the cost approach.

AMY MERCADO

ORANGE COUNTY PROPERTY APPRAISER



Notwithstanding the above, the Special Magistrate recommended an “After Board Value” for the subject property of \$4,970,000. This recommendation is inconsistent with his own analysis and indication of value stated therein.

The Special Magistrate seemingly arrived at the \$4,970,000 value by deducting 10% for “cost of sale” from the subject property’s sale. However, the subject property’s own sale is not a recognized approach to value and certainly does not comply with the requirements of professionally accepted appraisal practices under section 194.301, Fla. Stat. (2024), or section 193.011, Fla. Stat. (2024). These facts were recognized by the Special Magistrate when he conducted his own analysis and weighted the approaches to value, ultimately arriving at a conclusion of \$5,165,000.

Accordingly, our office requests that this Reconsideration Request be granted and a revised Recommendation issued that is consistent with the opinions set forth therein. Because the Special Magistrate’s indicated value for the subject property is \$5,165,000, which exceeds our office’s market and assessed values, the petition should be denied.

Sincerely,

/s/Ana C. Torres

Ana C. Torres, Esq.
General Counsel & Chief Deputy Property Appraiser

cc: PROPERTYTAX@SLATEPTS.COM (*Petitioner’s Representative*)



December 20th, 2024

VIA EMAIL

Value Adjustment Board (VAB@occompt.com)

Property Appraiser (msaya@ocpafl.org) & (atorres@ocpafl.org)

VAB Attorney (aaron@brevardlegal.com)

RE: Petitioner's Response to Reconsideration Request – Petition #2024-958

Dear Mr. Thalwitzer,

We, Slate Property Tax Solutions, are responding to Orange County's reconsideration request for petition 2024-958 as we are the authorized agent for the taxpayer and the petitioner in this case. We kindly request that the reconsideration request be reviewed, and the **just value opinion be revised from \$4,970,000 to \$4,380,383.**

On page four of the Special Magistrate's recommendation, Mr. Lopez states, "This adjusted sale price [\$5,500,000 x 90% = \$4,950,000] further supports a value conclusion below the current assessed market value"¹. The sale that Mr. Lopez is referencing is the sale of the subject property in September of 2023. Not only does the Special Magistrate opine that the sale supports a reduced value, but he also states that it is further evidence supporting a reduced value. The Special Magistrate also concluded that the appropriate value via the cost approach (using the PAO's replacement cost new less depreciation and the petitioner's land value) would be \$4,656,123. After consideration for the cost of sale, the Special Magistrate's just value conclusion via the cost approach was \$4,190,511.

The Special Magistrate applied seventy-five percent (75%) weight to his cost approach conclusion and twenty-five percent (25%) weight to the PAO's sales comparison approach. However, the Special Magistrate writes, "the PAO's sales comparison approach, while informative, reflects smaller properties and likely overstates the subject's probable value due to economies of scale"². The Special Magistrate gives 25% weight to the sales that "likely overstate" the market value, yet he ascribes no weight to the subject property sale in September of 2023 that he states, "further supports a value conclusion below the current assessed market value"³. It is our opinion that based on the Special Magistrate's conclusion on the cost approach, opinion regarding the comparability of the PAO's sales, and incorrectly applying no weight to the sale of the subject property, the Special Magistrate's recommendation of \$4,970,000, if anything, is overstated.

¹ Findings of Fact for Petition 2024-00958, Page 4

² Findings of Fact for Petition 2024-00958, Page 3

³ Findings of Fact for Petition 2024-00958, Page 4



Seventy-five percent (75%) weight should have been applied to the Special Magistrate's cost approach conclusion and twenty-five percent (25%) weight should have been applied to the sale of the subject property, as it is far more reliable than the Property Appraiser Office's sale comparables in both our opinion and the Special Magistrate's opinion. **Accordingly, we request that the just value opinion be revised from \$4,970,000 to \$4,380,383.** We have included a chart below titled Exhibit A detailing our requested revised value.

Sincerely,

A handwritten signature in black ink, appearing to read "Charlie Young".

Charlie Young, CMI
Principal, Slate Property Tax Solutions
(D) 817-985-7782 | (C) 817-269-2069
546 Silicon Drive, Suite 100
Southlake, Texas 76092

Exhibit A

Revised Just Value Calculation - Petition #2024-00958					
	Market Value	Cost of Sale	Just Value	Weight	Indicated Value
Cost Approach	\$4,656,123	10.00%	\$4,190,511	75.00%	\$3,142,883
Subject Sale	\$5,500,000	10.00%	\$4,950,000	25.00%	\$1,237,500
Total Just Value					\$4,380,383



GORDON & THALWITZER
ATTORNEYS AT LAW

299 North Orlando Avenue • Cocoa Beach, Florida 32931
Phone 321.799.4777 • Fax 321.735.0711

JASON M GORDON
Admitted in FL, NY & CT
jgordon@brevardlegal.com

AARON THALWITZER
Admitted in FL, D.C.
aaron@brevardlegal.com

January 3, 2025

VIA E-MAIL TO: ANISSA.MERCADO@OCCOMPT.COM

Orange County Value Adjustment Board
c/o Ms. Anissa Mercado, VAB Supervisor

Re: VAB Counsel's Opinion on PAO and Petitioner's Requests for Reconsideration
Pet. No(s): 2024-00958

Ms. Mercado:

I have reviewed the request for reconsideration submitted by the Orange County Property Appraiser ("PAO"), the petitioner's response and request for reconsideration, the recommended decision, and the pertinent portions of the record. In this just value petition, the special magistrate ("SM") granted the petition, reducing just (and assessed) values from \$5,130,479 to \$4,970,000.

The PAO asserts that the SM's "weighted value indication" of \$5,166,443 should control over the \$5,500,000 sale of the subject property in September 2023 minus 10% for cost of sale ("COS"), which results in a value of \$4,950,000. The PAO argues that merely deducting cost of sale from the sale price of a property is not a "professionally accepted appraisal practice" and inconsistent with the SM's analysis.

The petitioner responded that the SM found that the sale of the subject property "supports a reduced value" and that the sale is "further evidence supporting a reduced value". The petitioner also asserts that the SM concluded that the cost approach was the appropriate approach for the subject property and used the PAO's replacement cost (after deducting depreciation, the petitioner's land value, and cost of sale) would be \$4,190,511. The petitioner argues that the SM's value of \$4,970,000 "if anything, is overstated", that the SM should have applied 25% weight to the subject's sale instead of the PAO's comparable sales, and based upon the foregoing, requests a revised just value of \$4,380,383.

The petitioner is correct that the sale of the subject property (minus 10% for COS) was not used in isolation, but rather to temper the conclusions derived from the parties' other evidence and approaches to value, which the ROD discusses in sufficient detail. There is no prohibition on using the sale of the subject property as evidence of value. By the same token, the SM has authority to determine the weight to apply to the sale, and the undersigned cannot say that the SM's approach is erroneous.

Specifically, the SM concluded that "[b]ased on ... the reconciled cost and sales comparison approaches, and consideration of the recent sale, the magistrate recommends revising the just value opinion of the subject property to \$5,165,000. This conclusion aligns with the most relevant market evidence while addressing potential overstatements in the PAO's sales analysis and ensuring appropriate weighting of the cost approach." The SM may properly determine just value based on all the admitted evidence, and is not restricted to using only one approach to value or only one party's evidence. Here, the SM analyzed the parties' evidence, identified the evidence which the SM found to be most probative, and determined a revised just value based on that evidence. Therefore, contrary to the PAO's assertion, the ROD is not inconsistent and the revised just value is supported by evidence and applicable law.

Based upon the foregoing, VAB counsel recommends that both parties' requests for reconsideration be DENIED.

Sincerely,

GORDON & THALWITZER

A handwritten signature in blue ink, appearing to read "Aaron Thalwitzer", with a stylized flourish extending from the end.

Aaron Thalwitzer, Esq.