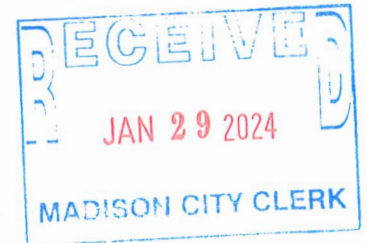


**CLAIM FOR EXCESSIVE ASSESSMENT**

Maribeth Witzel-Behl  
Clerk, City of Madison  
210 Martin Luther King Jr. Blvd.  
Room 103, City-County Building  
Madison, WI 5303



Pursuant to Wis. Stat. § 74.37, 1000 Mifflin Street, LLC (the "Claimant"), whose address is 1010 East Washington Ave., Suite 101, Madison, Wisconsin, hereby files a 2023 claim for excessive assessment regarding the property located in the City of Madison ("City") at 1003 E. Mifflin Street, Parcel No. 0709-131-3103-6 ("Subject Property").

1. For the year 2023, the City originally assessed the Subject Property at a total assessment of \$4,913,000.
2. After the Claimant filed an objection contesting the assessed value, the City's Board of Assessors increased the assessment to \$5,534,000.
3. Claimant attend a Board of Review hearing and the Board reduced the assessment to the original \$4,913,000 assessed value.
4. The excessive assessment resulted in a 2023 net property tax amount of \$89,713.93.
5. The Subject Property is federally regulated housing pursuant to I.R.C. § 42 and subject to a Land Use Restriction Agreement which limits the amount of rents Claimant can charge its tenants.
6. The City's assessment of the Subject Property was based on the income approach, which converts the future benefits likely to be derived from the property into an estimate of present value. Under the income approach, the property's annual net operating income (income less expenses or NOI) is divided by a capitalization rate. The capitalization rate is an estimate of the rate of return an investor would expect in order to invest in the Subject Property. When assessing subsidized housing, assessors are required to consider the effects the property's restrictions have on value. In addition, Wisconsin law requires the City to use the actual income and expense performance of the Subject Property when determining the assessed value of the property.
7. The City did not follow this required methodology when determining the assessed value of the Subject Property. For example, the City did not use the actual expenses of the Subject Property. In addition, the City derived the capitalization rate from financing appraisals completed during construction for other low-income housing tax credit properties in Madison. Deriving a capitalization rate in this manner does not account for the restrictions placed on the properties during its compliance period, and therefore, the City's chosen capitalization rate fails to consider the effect the restrictions have on the value of the property to a potential buyer.
8. The actual assessed value of the Subject Property is no greater than \$4,014,943.

9. Claimant has satisfied all conditions precedent to filing this claim including full payment of its property taxes.

10. Claimant hereby requests a refund of 2023 taxes in the minimum amount of at least \$16,415.29, plus statutory interest.

11. The undersigned is authorized to file this Claim on claimant's behalf based on authorization previously provided to the City.

Dated this 29th day of January 2024.

FOLEY & LARDNER LLP

By   
Eric J. Hatchell

Claimant's Authorized Agent