

MEMO RE: Lease Assessment for 500 Rose Street, Old Voting Booth

I reviewed the property located at 500 Rose Street, tax key number 17-10040-040. This parcel is currently zoned R-5, Multiple Dwelling, 4,225 square feet of land and a 340 square foot old voting booth improvement. The current land rate in this area is \$4.30/SF and the structure has a rate of \$5.20/SF. If placed on the assessment roll this property would be assessed for both land and improvements in the range of \$16,000-\$25,000. If this property was rented in its current condition the old voting booth structure primary use would be as a storage building or a 1-car garage and properties such as this rent between \$50.00-\$75.00 monthly.

I took 30% into account for the maintenance and expenses. For this type of property, I used a 10.5% capitalization rate that hasn't really varied over the past few years.

$\$5.20 \times 340\text{sf (bldg.)} = \$1,768$
 $\$1,768 \times 30\% \text{ for expenses} = \530
 $\$1,768 - \$530 \text{ (less expenses)} = \$1,238 \text{ net income}$
 $\$1,238 / .105 = \$11,800 \text{ (rounded) Market Value}$

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