



The Brennan Group | *Strategic Tax & Cost Management*

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A BRENNAN GROUP CASE STUDY

A National Real Estate Trust

TBG has had a great relationship with a national real estate trust for seven years. They have continued to renew their agreement with TBG because TBG continues to effectively save them money at tax time. On one particular property, which they had constructed in 2001, we were able to **reduce their 2002 fair market value from \$9.1 million down to \$3,411,000.** We reduced the value on this property again in 2003, and in 2005 we reduced the fair market value **from \$6.5 million down to \$5.8 million.** The interesting fact about this property is that it cost the client roughly \$13.5 million to build. Cost does not always equate to value and counties use methodologies for valuing property that are different from those you might expect. Although the county had placed a value on the property below the cost of the project, TBG was still able to achieve a reduction on the property.

As a side note, **the property was sold later that year for \$15.9 million.** Lower expenses helped the client obtain higher rents, which in turn obtained a higher purchase price.