CASE STUDY

The most expensive assumption is a satisfied one.

Most decision-makers who are underperforming on property tax are not ignoring the problem. They are protesting annually. They have representation. Suits are being filed.

The process is functioning exactly as it was designed to.

In institutional real estate, a result modestly better than the ARB looks like progress. Any movement in litigation can look like success. What is harder to see is whether the number you settled at was the lowest number you could have achieved.

The process looks the same from the outside regardless of which firm you hire. The results do not.

A perfect example: The Gabriella, Berkshire's 378-unit luxury multifamily asset in Dallas. DCAD's initial notice set the value 41.76% higher than the prior year. The ARB delivered a reduction. It was not remotely close to the lowest defensible value. **We filed suit.**

From that point, the question was never whether the number would move. It was a matter of closing the gap between the ARB value and the number our data demanded.

ARB VALUE CUT:	$148.9M » $105.0M
LITIGATED VALUE CUT:	$105.0M » $80.0M
LITIGATED TAX SAVINGS:	$588.8K
TOTAL TAX SAVINGS:	$1.6M
FINAL INCREASE:	-46.25%
NOI IMPACT:	$4,289/UNIT

We prepare every case with a clear view of where the defensible floor is and what it takes to get there.

How do you determine the settlement authority on a contested property?

Do you have a Texas asset where the final number still leaves doubt?

Key Takeaways

- You cannot reach the lowest defensible value if you have not defined it.
- The gap between the ARB result and the floor doesn't close on its own.
- Every dollar above that floor is NOI you surrendered.

PPG TAX™