

Greenwich Time

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Real estate value rises to \$33.1B

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Greenwich has retained its perch at No. 1 in the state in assessed value of all real estate with a Grand List of \$33.1 billion -- triple that of Stamford, the next highest.

Assessor Ted Gwartney signed the Grand List yesterday, a postscript to a year-and-a-half-long revaluation of all 21,160 real estate parcels in town that saw the sum of all taxable property jump from its previous high of \$20.4 billion.

Stamford's \$11 billion Grand List is expected to see significant gains after the city completes its first revaluation since 1999 this fall.

In Greenwich, commercial property assessments doubled from \$2 billion to \$4.2 billion following the 2005 revaluation, the first in five years. Assessments equal 70 percent of a property's fair market value.

Residential property assessments increased 59 percent from \$16.6 billion to \$26.4 billion, which Gwartney said helped to make the town the envy of assessors from other communities.

"They're astounded with the high price of housing and the high total of the Grand List for the number of parcels we have," Gwartney said.

The town is expected to collect about \$231 million in property taxes this fiscal year, which officials said accounts for about 78 percent of municipal revenues.

Greenwich Plaza swapped places with Greenwich American Inc. as the most valuable commercial property in town and the most valuable property overall. The two-tiered, four-story office complex sits on 2.79 acres on Steamboat Road and is adjacent to the train station. Its assessed value increased from about \$72.3 million in 2004 before the revaluation to \$155.4 million. A tax bill of about \$1.2 million will be sent to the property's owner.

"It's a better location," Gwartney said of Greenwich Plaza when comparing the top two commercial properties.

Greenwich American Inc., a massive 154-acre office complex in the northwest corner of town, went from \$73.3 million to \$140.4 million. A tax bill of about \$1.1 million will be sent to the property's owner.

Gwartney attributed the sharp spike in commercial assessments to a commercial real estate boom.

Ironically, the willingness of businesses to pay high rents to locate in upscale Greenwich -- even if it means a lower return on their investment -- contributed to the spike in taxes, he said. "People are willing to accept a lower return on the invested capital, which means they are willing to pay a higher price to get the same amount of money as they did before," Gwartney said.

Commercial broker Marshall Heaven bemoaned the situation, saying that building owners should not be penalized with higher taxes because they are willing to accept lower net rates of return from their properties than in the past.

"It has an impact on rents. All of that gets passed on to the tenant," said Heaven, whose Greenwich-based firm, MH Heaven Real Estate LLC, manages several downtown buildings and has served as broker in hundreds of other commercial transactions.

Gwartney said his office carefully considered the typical expenses and income from rent to develop fair benchmarks.

"They're not something that are arbitrary," Gwartney said.

On the residential side, waterfront properties dominated the top of the list. The 9.87-acre Byram Shore Road estate of Marilyn Tsai claimed the top spot as the most valuable residential property at \$26.5 million. A tax bill of about \$205,900 will be sent to the property's owner.

An 80-acre backcountry horse farm that sold for a record-setting \$45 million in 2004 failed to crack the top 20 most expensive residential properties, however. The property did not make the list because it is compromised of five contiguous parcels.

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