

Francis Hitschmann
Managing Member-Superior Self Storage of Wichita, LLC
For HB 2714

I, along with the other members of our company, recommend the bill change to support tax rates based on fair market values, not solely mass appraisal systems.

We purchased a piece of property in North West Wichita, KS. The property was listed for several years at a price of \$329,000 and never sold. The owner then put the property up to be sold "AS-IS" at a public, well-advertised absolute auction. The subject property was purchased on September 3rd, 2014 for \$165,000 between a willing buyer and seller in an open and competitive market, thus establishing the market value of \$165,000 for the land and improvements. This market value was below the then appraised value of \$224,600 allocated to the land and \$37,400 being improvements. Therefore, we made payment of the property taxes under protest and requested an adjustment to the appraised value to make it commensurate to the actual market value.

At a meeting with the appraiser's office I displayed numerous items regarding the condition of the property to demonstrate the fair market value, including pictures of the land and liabilities with cleaning it up, dilapidated buildings, purchase price at auction, approximate number of attendees at auction, as well as bids from various contractors for various types of work to get the property in a usable condition.

During a follow up conversation I was told that "we are going to reduce the value of the buildings, but land is land and it is valued by surrounding land." There was complete disregard to the current state of the land, but most of all no logical reasoning why land purchased at a public auction could be appraised for 1.7 times the amount of the purchase price.

The valuation was not representative of a fair market value, therefore, we recommend the changes in HB 2714 be passed to make property taxes reflect a true, fair market value.

We thank you for the opportunity to submit this testimony and hope you will consider our recommendation based on our first hand experience.

Francis Hitschmann, PE