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THE TAX COURT COMMITTEE ON OPINIONS

TAX COURT OF NEW JERSEY

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Re: Silverstein v. Township of Middletown
Block 1043, Lot 67
Dkt. Nos. 003146-2013; 000723-2014

Dear Counsel:

This letter constitutes the court's opinion in the above matters. Plaintiff contests the local property tax assessments for tax years 2013 and 2014 on the above captioned property ("Subject"), in defendant, Middletown Township ("Township") which was set as follows:

Land:	$2,659,500
Improvements:	$2,462,600
Total	$5,122,100

The average ratio of assessed to true value, commonly referred to as the Chapter 123 ratio, for the Township for the 2013 tax year was 94.81%, and for the 2014 tax year was 96.61%. Application of the ratio provides an implied true value of $5,402,500 for 2013 and $5,301,800 for 2014.

*

Each party proffered expert testimony, and their respective witness's qualifications and reports were admitted into evidence. Plaintiff also testified as to certain facts about the Subject.

Both experts agreed that the Subject, although sizeable in dimensions, possessing luxury amenities, and located in the desirable/wealthy neighborhood on the Navesink River, was generally in a poor condition physically, requiring considerable deferred maintenance and repairs. Both experts' value conclusions for each tax year were also lesser than the Subject's assessed/implied value for those years, with plaintiff's expert concluding a value of $2,820,000 (for 2013) and $2,715,000 (for 2014) and the Township's expert concluding a value of $4,000,000 for each tax year.

Plaintiff's expert valued the Subject by first concluding a value as if "clean" or "cured" based on comparable sales at $4,750,000 per year. He deducted therefrom his estimated "costs to cure" for several items of repair/replacement using per-unit costs as increased by multipliers and profit margins for a total of $1,930,000 and $2,035,000 for each tax year.

The Township's expert used the sales comparison approach, and provided an adjustment for, among others, physical condition at 35% to 40%, to the sale price of each of his comparables. He also used the cost approach to value the Subject at $4,100,000 by valuing the improvement as a shell, but concluded the Subject's value as $4,000,000 for each tax year.

For the reasons explained more fully below, the court affirms the assessments because it is unpersuaded by both experts' value conclusions.

FACTS

The Subject is a 4.71 acre waterfront property improved with a two story, colonial-estate style single-family residence in the Navesink River area which is known for its palatial residential

homes and exclusive neighborhood. The Subject is proximate to Rumson Borough which also boasts of similar luxury homes and elite community.

The Subject is located high on a bluff overlooking the Navesink River with 258 feet of river frontage. It slopes steeply toward the south-side of the River. Access to the water is gained by an 80 to 100-foot stairway. Across from the Subject is the Navesink Country Club.

The home was constructed in 1916 and was renovated in the 1990s. The gross living area ("GLA") is 11,551 square feet ("SF"). The house has fifteen rooms (including a library, and a "great room"), five bedrooms, seven full baths and one half bath, six fireplaces, a two-stop elevator, sauna, attached two-car garage with an overhead caretaker's apartment, and an unfinished basement (with a wine cellar). The property also includes an in-ground pool, a boathouse (which was destroyed by superstorm Sandy in 2013), a glazed open porch, a patio, bulkhead and a private dock. The house is equipped with forced-air hot water heating and central air-conditioning. The driveway to the street (about 200 feet) is dirt and paved about 25 feet from the garage to the front of the house.

The house was owned by a well-known developer's family member, and was being used as a summer/vacation home. It had been vacant for a few years prior to plaintiff's purchase of the same. It was advertised for sale by private auction in the Wall Street Journal, in addition to being listed with a local broker on the Multiple Listing Service ("MLS") for a short period, for $5 million. The auctioneer, Supreme Auctions, is a national premier luxury home auction company, located in the West. Attendees were required to pay $150,000 to participate in the auction.[1] Auction participants are usually well-to-do.

[1] An advertisement of the auctioneer labeled the Subject as a "1916 Historic Estate" which was "SOLD in 30 Days" and that "accelerated marketing . . . gets results!"

Plaintiff had been in the Subject about 30 years ago when he was deciding to buy a home. He was familiar with the Navesink River area being a premier residential location. He recalled the Subject as having adequate garages and land, and that the Subject featured Georgian-styled architecture. He then previewed the Subject twice prior to its auction as a walk-through inspection (lasting approximately an hour), and noted that the Georgian-style house had been architecturally modernized since. Plaintiff's bid of $3,100,000 was the second highest, but was accepted after the highest bidder withdrew. After some litigation as to the auctioning process, plaintiff became owner of the Subject on June 20, 2012.

Plaintiff (who is a lawyer and real estate investor but not a builder or developer) testified that pre-purchase, he was aware that areas of the house were repainted, the basement was water logged, heating units were old, and that he had received a report outlining the physical condition of the house prior to the auction (which he claimed he did not peruse since he was "sold" on its architecture). Post-purchase, however, he discovered that the Subject had several repair issues such as window wood rot, water leaks and seepage, cracked tiles, an unusable pool, damaged walls, roof leaks, and door issues. The photographs attached to the expert's reports show the exterior and several rooms in the house conforming to the mansion style, and in good condition but with dated fixtures, water damage in some areas and in the basement, and the pool in utter disrepair.

Plaintiff spent about $189,300 as of both valuation dates in repairs (changing locks, installing burglar alarms, carpentry to restore the house's former Georgian architectural style, improving basement condition, and dividing a combined bathroom into two separate ones). He claimed that the carpenter estimated the restoration cost would be about $2,000,000 and various contractors had told him that windows and doors needed replacement. He stated that the roof was original, and while "beautiful," had "problems" as did the brickwork. He stated that he was not

gutting the house but restoring it to its former style since he purchased the house for its architectural splendor. The restoration is being done in stages, along with repairs or replacements of older or non-functional amenities and fixtures. He obtained a modified Certificate of Occupancy in 2013. Plaintiff does not reside in the Subject (he owns a residence elsewhere) since although habitable "in theory," it was not "up to living standards," due to ongoing work being done on and in the house.

VALUATION

There was no dispute as to the Subject's highest and best use as a single family residence.

A. Plaintiff's Expert's Value Conclusion

Plaintiff's expert used five comparable sales (one of which was the Subject's auction purchase), all located by the Navesink River, as follows:

	Address	Built	Lot Size	GLA	Sale Date	Sale Price	Adjusted Price
1.	578 Navesink River Rd.[2]	1927	6.76 acres	10,635 SF	06/29/2011	$5,600,000	$4,056,207
2	51 Blossom Cove Rd.	2000	4.78 acres	6,168 SF	04/30/2012	$2,875,000	$3,626,961
3	35 Wigwam Rd.	1954	2.96 acres	4,373 SF	07/30/2012	$3,325,000	$5,474,303
4	167 Grange Ave.	1940	2.70 acres	6,978 SF	10/23/2012	$3,500,000	$5,343,996

He conducted drive-by exterior inspections and relied upon the MLS and property record cards for information on physical characteristics of the comparables, and upon conversations/sale deeds to ascertain the arms-length nature of the sales.

Plaintiff's expert adjusted each comparable for lot size at $500,000 per-acre based on four vacant land sales of waterfront property as follows:

	Address	Size	Date of Sale	Price	Adj. Per-Acre
1	92 West River Rd., Rumson	4.46 acres	04/09/2010	$3,665,000	$821,749[3]
2	94 Buena Vista Ave., Rumson	5.40 acres	03/25/2011	$1,410,000	$261,111
3	480 Navesink River Rd., Middletown	3.33 acres	12/20/2012	$2,200,000	$660,661
4	431 Locust Point Rd., Middletown	2.02 acres	12/10/2013	$1,170,000	$579,208

[2] This comparable was on the same street as the Subject, and also used by the Township's expert.
[3] This included $20,000 estimated demolition cost. The same cost was included in comparable land sale 4.

Other adjustments were for "accessories" such as pool, bulkhead, dock, elevator, boathouse, patio, deck, guesthouse, tennis court, greenhouse, pool house, wine cellar, porches and fireplaces and shed buildings as follows: $23 per square foot ("PSF") for bulkhead; $9 PSF for dock; $20 PSF for boathouse; $10 PSF for patio; $12.50 PSF for deck; $65 PSF for shed; $42 PSF for greenhouse; $70 PSF for pool house; $30,000 for elevator; $20,000 for in-ground pool; $45,000 for tennis court; $8,000 for wine cellar. He used cost data from Marshall & Swift ("M&S"), added on current and local multipliers, and depreciated certain items such as pool, bulkhead, dock, boathouse, guesthouse, pool house, shed, and greenhouse, by 25% to 75%. He also made adjustments at $210 PSF for GLA difference (relying on M&S cost data), $153 PSF for finished space in a basement, a PSF amount for garage space differences based on M&S data with adjustments for wall/roof costs, $20,000 for full bathroom, and $10,000 for half bath.

For Comparable 1 he also made a $560,000 adjustment for it being farmland assessed claiming this to be a superior feature as it would generate lower annual property tax liability, which would motivate a buyer to pay more for future savings. He was unaware that the property was burdened with a permanent conservation easement which was recorded as a deed restriction. He dismissed the easement's potential impact on the value of the lot size or the property since its 10,000+ SF home with several amenities would still command competitive prices in the market.

Based on the adjusted sale prices, and the Subject's sale price of $3,100,000, the expert concluded a value of $4,750,000.

He then deducted $1,930,000 and $2,035,000 as costs-to-cure for each tax year. He opined that the entire interior was to be gutted and rehabilitated, and pursuant to his inspection and measurement of the property, he determined the items needed to be replaced such as walls, floor

coverings, doors, windows, cabinets, HVAC, kitchen and bar countertops, sinks, kitchen fixtures, insulation, molding, wood paneling, painting, "extensive decorating," grading driveways, and installing paver blocks. He used cost data for "superior" improvements from M&S, added the current and local multiplier, a contingency rate of 2% to each item, and a 15% entrepreneurial profit to the total costs.

The expert explained that this hybrid methodology was widely used in the appraisal field for commercial properties and accepted by this court in American Cyanamid Co. v. Township of Wayne, 17 N.J. Tax 542 (Tax 1998), aff'd, 19 N.J. Tax 46 (App. Div. 2000). He claimed this methodology equally applied to the Subject since it would provide a value most reflective of the Subject's poor condition and an estimate to restore the Subject to its desirable state.

B. Township's Expert's Value Conclusion

The Township's expert used five comparable sales as follows:

	Address	Built	Lot Size	GLA	Sale Date	Sale Price	Adjusted Price
1	8 Navesink Ave[4]	1991	1.80 acres	12,928 SF	11/15/2013	$5,600,000	$4,040,450
2	578 Navesink River Rd.	1927	6.70 acres	10,635 SF	06/29/2011	$5,600,000	$3,359,900
3	5 North Ward Ave	1971	3.07 acres	8,097 SF	04/28/2011	$5,900,000	$4,395,100
4	934 Navesink River Rd.	1909	1.74 acres	8,117 SF	12/14/2012	$7,300,000	$5,597,100
5	452 Navesink River Rd.[5]	1999	2.31 acres	7,798 SF	06/20/2014	$5,125,000	$3,035,950

He adjusted the sale prices for differences in lot size ($250,000 per-acre), GLA ($150 PSF), bathroom count ($20,000 full bath; $10,000 half-bath), pool ($50,000), fireplace ($10,000), basement ($100,000 full-finish; $50,000 part-finish), balcony/porch/patio ($20,000 to $10,000), and garage count ($10,000 per bay). He relied upon building cost manuals, interviews with local builders, and data from cost reports including M&S and Otteau.

[4] This comparable was also used by plaintiff's expert.
[5] Used for tax year 2014 only. Plaintiff objected to the use of this comparable since its sale date was beyond the assessment dates. The court overruled the objection but would consider this factor when deciding its weight in the valuation of the Subject.

He also provided an adjustment for physical condition at -35% to -40% which he stated was based on costs. He stated that the allowance was reasonable when verified with the costs he used under his cost approach. Thus, the Subject's cost as new at $6,200,000 ($2,900,000 estimated total replacement cost of improvement plus $3,300,000 estimated land value), when reduced by his fair market value conclusion of the Subject of $4,000,000, represented about 35% "depreciation" ($2,200,000/$6,200,000).

The expert was unaware of certain features in the comparables, which he agreed would require adjustments had he known of them (example, guesthouse and cabana in Comparable 1; guesthouse, greenhouse, tennis court and conservation deed restriction in Comparable 2; cabana, basketball and tennis court in Comparable 3; carriage house in Comparable 4). He was also unaware of the conservation easement reflected in a deed restriction on the commonly used comparable for which he agreed an adjustment should have been made.

Based on his adjusted sale prices ranging from $3,359,900 to $5,597,100, the expert concluded a value of $4,000,000 for both 2013 and 2014 tax years.

He used the cost approach as a further check on his value conclusion since there were no homes along the Navesink River in the similar condition of disrepair as was the Subject. He opined that while the Subject looked posh and elegant from the exterior, it would require such extensive interior repairs that a typical buyer would gut and rebuild the home rather than undertake a massive project of restoring it item-by-item, even if the latter would render the Subject more valuable. He attributed costs for foundation, masonry walls, exterior finish, roof and garage totaling

$1,625,191,[6] provided a 50% depreciation for a total improvement value of $800,000. To this he added a land value based on three vacant land sales as follows:

	Address	Size	Date of Sale	Price	Adj. Per-Acre
1	480 Navesink River Rd, Middletown	3.30 acres	12/20/2012	$2,200,000	$660,661
2	27 North Ward Ave., Rumson	3.10 acres	01/16/2013	$2,500,000	$806,452
3	88 West River Rd., Rumson	6.70 acres	07/10/2008	$5,600,000	$883,821

After adjustments for time and size, he chose $700,000 per-acre as a unit value from a range of $633,333 to $766,129, for a land value conclusion of $3,300,000. This plus $800,000 improvement value, provided a value under the cost approach of $4,100,000. However, he chose $4,000,000 as the Subject's value for each tax year.

ANALYSIS

(*A) Standard of Review*

"Original assessments and judgments of county boards of taxation are entitled to a presumption of validity." MSGW Real Estate Fund, L.L.C. v. Borough of Mountain Lakes, 18 N.J. Tax 364, 373 (Tax 1998). The complainant must prove that "the assessment is erroneous." Pantasote Co. v. City of Passaic, 100 N.J. 408, 413 (1985). If the court decides that the presumptive correctness is overcome, it can find value based "on the evidence before it and the data that are properly at its disposal." F.M.C. Stores Co. v. Borough of Morris Plains, 100 N.J. 418, 430 (1985). The complainant continues to bear the burden of persuading the court that the "judgment under review" is erroneous. Ford Motor Co. v. Township of Edison, 127 N.J. 290, 314-15 (1992), aff'g, 10 N.J Tax 153 (Tax 1988).

[6] He estimated the total replacement cost of the Subject's improvements at $2,906,091, which included plumbing; electrical; floor structure; "special features" of built-in appliances; walk-in pantry; wet bar; central vacuum; windows and doors; kitchen; bathrooms; interior finish; and floor finish.

The court finds that plaintiff's expert's testimony and comprehensive report tended to question the presumptive correctness of the assessments. Thus, the remaining issue is whether plaintiff proved, by a preponderance of evidence, that the assessments require alteration.

(B) Credibility of Valuation Conclusions

The primary issue is the credibility of each expert's adjustment for the concededly poor condition of significant portions of the Subject's exterior and interior. Each expert's methodology is problematic. Plaintiff's expert disfavored the cost approach as unreliable due to difficulty in estimating depreciation and entrepreneurial profits, yet he included a 15% entrepreneurial profit when computing his costs-to-cure claiming that was the standard or acceptable margin.[7] The Township's expert verified his "adjustment for physical condition" by comparing his conclusion of the Subject's value as-new and its value in its existing condition, however this presupposed that his value conclusions were credible.

Regardless, the more pressing problem common to both experts, is their determination and conclusion that the Subject needed an entire replacement of walls, floors, floor structure, electrical and plumbing. However, neither is a contractor, a developer, an architect, or a building construction specialist/expert, to make the foundational determination in this regard, i.e., that the above essential structures needed to be fully gutted and replaced. Indeed, there was testimony that no walls needed to be even removed when two rooms were renovated. Plaintiff's expert's report also contained a caveat that not being an engineer or required to hire one, he was not responsible for the structural "soundness" of improvements or of the "functional utility of major appliances or mechanical units." He conceded that he did not review material on interior construction, and made

[7] There was no proof that this 15% was a market-derived standard rate for residential homes which were being extensively renovated as was the Subject or whether plaintiff's expert discussed the 15% rate with renovating home owners such as plaintiff.

judgment calls in this regard based on his personal observation, as well as conversations with, and photographs from, the plaintiff.

In American Cyanamid, supra, the case which plaintiff's expert relies upon, the costs-to-cure were based on the analyses of several experts. See 17 N.J. Tax at 548 (taxpayer retained a company to assess the property's highest and best use and "disposition strategy," which company included analyses of a "residential real estate development consultant, an architect and planner, a construction management company, and a civil and environmental engineer"). Those experts analyzed "the costs of renovating and rehabilitating the buildings," such as removal, replacement, and installation of certain items, including "heating, ventilating and air conditioning systems," plus "design, engineering, construction management, and contingency costs." Id. at 549. The real estate appraisal experts adopted these "renovation and rehabilitation costs" in their valuation analyses to full or partial extent. Id. at 555.

Similarly, in Best Foods, Inc. v. Borough of Englewood Cliffs, 19 N.J. Tax 266, 274-75 (Tax 2001),[8] the taxpayer presented "several expert witnesses . . . who explained the condition of the property" in connection with the taxpayer's assertion for "the need for roof replacement, asbestos abatement, systems renovations and substitution of double-pane for single-pane glass to produce a corporate facility of prime quality on the assessment date." Those experts also provided evidence of their "estimates of the cost of modernizing the facility." Id. at 275.

In sum, plaintiff's expert's methodology of applying a cost-to-cure methodology as a means of adjusting for the Subject's poor condition and required deferred maintenance, is

[8] The court observed that American Cyanamid "recognizes a variation of the cost approach to account for needed renovation or modernization [whereby] . . . the replacement cost new of a structure built to current standards is determined and the cost of accomplishing a renovation of the existing structure to the same standards is considered a component of depreciation." Best Foods, supra, 19 N.J. Tax at 274 (emphasis added).

reasonable, and indeed, preferable to a subjective adjustment. His report included a (commendable) detailed evaluation of the items and the respective breakdown. Unfortunately, it is unpersuasive due to lack of a foundational requirement, namely, credible and reliable evidence establishing the need for, and estimated costs of, a structural gutting and rebuilding of the entire Subject's interior. In this connection, plaintiff's testimony that various contractors advised him of the need to replace windows and doors is unpersuasive and hearsay. His testimony that the roof and brickwork had "problems" is also unpersuasive for purposes of a value conclusion, since he is not an architect, builder or developer.

The Township's expert's adjustment for physical conditions, though subjective, was not entirely unreasonable when considered with his verification process. However, his estimated costs were unpersuasive. He contended that the costs included a local multiplier of 1.16% (for Monmouth County), as shown in the 2013 National Building Cost Manual but unlike plaintiff's expert, had had not included the relevant pages anywhere in his report.[9] It is also unknown whether the costs also included a current multiplier. He also maintained that a 20% entrepreneurial profit was built into the costs. He agreed that he had used the software program that came with the Manual, and had relied upon the Manual editor's statement that the costs used in the software included a 20% built-in profit margin. However, the court finds credible plaintiff's expert's refutation that entrepreneurial profit is an "appraisal" and not a cost manual adjustment. See Westwood Lanes, Inc. v. Borough of Garwood, 24 N.J. Tax 239, 250, n.1 (Tax 2008) ("Appraisal theory appears to dictate consideration of entrepreneurial profit because it motivates developers to construct improvements") (citations omitted).

[9] Plaintiff's expert included 1.16% as the local multiplier in developing his costs-to-cure for tax year 2013 and 1.15% for tax year 2014. He included relevant pages of the Marshall Valuation manual in this regard.

Because the adjustment for poor condition of the house is an undisputed, necessary and crucial aspect of the Subject's valuation, the court is not in a position to accept the value conclusions under either expert's sale comparison approach.

Even if the court were to decide value without applying an adjustment for condition, other reasons preclude an acceptance of the experts' value conclusions. The court is unpersuaded by plaintiff's expert's significant adjustment for the farmland assessment status of the commonly used comparable. A property may be attractive to a potential buyer in terms of long-term savings in taxes over the land portion in excess of five acres, however, there is a burden of maintaining the status each tax year which requires compliance with farmland assessment law. Although the expert considered this burden as not overwhelming, or even limiting an ability to expand the improvement since law only requires five acres be devoted to farmland uses, the risks of losing the preferential assessment should not be dismissed lightly. This is especially since a loss in one year triggers a rollback of taxes at the non-preferential farmland rate for the prior two years. See N.J.S.A. 54:4-23.8. Additionally, the expert's computation of the adjustment was not supported by any information in his report. His testimony was that he arrived at the adjustment by computing savings on the monthly mortgage payment on the comparable by assuming a 30-year term, with a corresponding interest rate for loan of 80% of the sale price, which when capitalized worked to 10% overall savings, thus, used 10% of the sale price as the adjustment amount. None of the components of this mortgage computation was objectively verifiable.

Further, while plaintiff's expert's adjustments for the various accessories used data from cost manuals deemed credible/reliable by appraisers, the problem is with his assignation of a depreciation rate for each item. The rates varied from 25% to 75%, which were unexplained. This

is an issue for amenities available only in the comparables since he only inspected their exterior, thus, would not know of the amenities' physical condition for depreciation purposes.

The Township's expert's analysis was unpersuasive because he was unaware of, thus omitted, to make adjustments for certain amenities. Although he testified that his adjustments were cost-based with data derived from accepted cost manuals, none were included in his report for verification. As persuasively pointed out by plaintiff, the expert's $100,000 adjustment for the 5,000± SF basement in his Comparable 5 (which sold after the assessment date of both tax years at issue here), amounted to less than $3 PSF, which makes the adjustment incredible. Additionally, the credibility of his Comparable sale 4 was effectively brought into question by plaintiff, as it was sold fully furnished to a media mogul, thus included several items of personal property, which raises the question as to the portion of the sale price allocable to real property.

Last, both experts' were unaware of, thus failed to make an adjustment for, a conservation deed restriction on the commonly used comparable. The court finds plaintiff's expert's reasoning that the easement matters little for valuation purposes as unpersuasive. The comparable was burdened with an easement in perpetuity in favor of a non-profit entity pursuant to N.J.S.A. 13:8B-1 et seq. The Supreme Court has held that such types of easement can impact vale. See Village of Ridgewood v. Bolger Foundation, 104 N.J. 337, 338 (1986) (holding that property value can be reduced for "real estate tax assessment purposes" due to the presence of a permanent conservation easement in favor of a conservation foundation).

The Township's expert's cost approach is also problematic.[10] As noted above, the costs did not reflect current multipliers. He assumed the software which came with the cost manual

[10] Note that the expert adopted his value conclusion under the sales comparison approach as the Subject's fair market value.

included entrepreneurial profits although this is an adjustment provided by appraisers. He did not consider the age-life method for depreciation but used a concededly subjective determination of the Subject's effective age of 50 years. He only included the value of the "shell" of the structure. As noted above, this assumption is without foundational basis. Further, his estimated replacement costs were only those of the exterior. Yet, the cost approach is based on the theory of what the entire improvement would cost if either reproduced or replaced. See Appraisal Institute, The Appraisal of Real Estate 378, 385 (13th ed. 2008) (cost approach involves estimation of the "current cost to construct a reproduction of (or replacement for) the existing structure," with replacement costs being what would be incurred to build "a substitute for the [subject property]" using modern materials and current standards). Thus, the Township's expert's final cost estimate is incomplete, uncertain and unreliable.

Last, the court does not find that the Subject's purchase price is credible evidence of its fair market value as of both assessment dates. Plaintiff's expert's reliance on the Subject's sale as being at arms-length was based on an opinion from someone in the auction company. His testimony that auctions of palatial homes, to a market comprised of the wealthy, helped obtain competitive prices for the properties, was entirely subjective. It was further undermined by his concession that auctions are a marketing tool aimed to obtain the highest prices. Plaintiff's testimony also showed that there were about six bidders; there was a bid which was higher than plaintiff's; the higher bidder backed out for some reason; and plaintiff's bid was accepted by the seller who had 24 hours to approve that bid. See also supra n.1 (the auctioneer's claims that the Subject sold in a month proving that "accelerated marketing . . . gets results!"). Under these circumstances, the court does not accept the Subject's sale price at the auction as a credible indicator of its fair market value.

For all of the foregoing reasons, and after a careful scrutiny and evaluation of the evidence provided, the court finds that the burden of proving the incorrectness of the assessments was not met. This requires affirmance of the assessments.

This court's conclusion is not made lightly. It is aware of "that "the volume of information that is required to support an expert's opinion must be kept within practical and realistic limits." Glen Wall Associates v. Township of Wall, 99 N.J. 265, 280 (1985). This caution does not, however, require that this court simply accept an "expert's opinion that is unsubstantiated." Id. at 280. As observed by this court before, merely because "the assessments in issue . . . are substantial [which a] . . . plaintiff seeks to reduce . . . by more than half," the court "cannot simply ignore deficiencies in [the] . . . case, speculate that adequate proofs would be disproportionately costly, and award plaintiff the relief it seeks." Pepperidge Tree Realty Corp. v. Borough of Kinnelon, 21 N.J. Tax 57, 73-74 (Tax 2003). The same reasoning applies here.

CONCLUSION

For the foregoing reasons, the various deficiencies in the evidence cumulatively do not allow this court to adopt one or the other expert's value conclusion, or determine a value independently. Therefore, the assessments are affirmed. A judgment to this effect will be entered by the court for each tax year.

Very truly yours,

Mala Sundar

Mala Sundar, J.T.C.