



Pend Oreille County

BOARD OF EQUALIZATION

Post Office Box 5018 • Newport, WA 99156-5018 • (509)447-2712

Office Hours: Mon. - Fri., 8:00 a.m. to 4:30 p.m.

BOARD ORDER

PROPERTY OWNER: SAMUEL AND HEIDI LARSON

PARCEL/ACCOUNT NUMBER: 2697/433031210001 / 2698/433031219007

PROPERTY LOCATION: 841 and 1051 Horseshoe Lake Rd, Deer Park

PETITION NUMBER: BOE 2021-08/09 (combined into one petition, due to the parcels never being formally segregated)

ASSESSMENT YEAR: 2021

TAXES PAYABLE IN: 2022

The Board of Equalization for Pend Oreille County Washington was duly convened on July 15, 2021, and hereby orders the property listed above be placed on the Assessment Roll for Pend Oreille County Washington as follows:

ASSESSOR'S		
ASSESSED VALUE:	CORRECTED VALUE:	BOE VALUE:
Land	\$180,000	\$44,000 + 123,660 = \$167,660
Improvements	<u>\$111,669</u>	\$84,117 + 20,120 = <u>\$104,237</u>
ASSESSED VALUE	\$291,669	BOE VALUE \$271,897

Date of Hearing: August 11, 2021

Hearing Location: Board of Commissioners Meeting Room
625 W. 4th Street
Newport, WA 99156

Attendees:

Board of Equalization Members:
Carl Jackson, Chair
Margie Fedderly

Appellant: Samuel R. Larson and Heidi M. Larson
Assessor: Lead Appraiser Nathan Longly

FACTS AND FINDINGS

The parcel is set in an open field area with views of surrounding meadows and mountains. The property is mostly level/slightly sloping and open with area to expand on. The additional acreage is mostly open and sparsely treed. 23.110 total acres, NR20, 1150 (MOBILE HOME, REAL)/NR20, 1800 (OTHER

BUILDINGS FOR RES USE) Good quality singlewide mobile home (900 sq ft) w/covered porch and ceiling (90 sq ft) w/old shed (storage) (120 sq ft), and a newer shed (200 sq ft). Fair/avg quality pole barn (1296 sq ft). The property was purchased in March 2020 for \$240,000.

Appellant estimated value at:

Land	\$135,000
Improvements	<u>\$ 95,000</u>
REQUESTED VALUE	\$230,000

The Appellants agreed in writing in their August 3, 2021 response to the improvements valuation of \$104,237 and that the two parcels were never formally segregated. The dispute addressed during the hearing was regarding the land value only.

The petition states, “This parcel has a pole building with dirt floor, no power, no water. Sales in the area including a sale of a larger parcel on the same street sold for \$90,000 (raw land) See attached land sales some including superior improvements (good producing wells, septic, power, outbuildings).” The Appellants assert that the parcel has been incorrectly assessed for the prior 20 years, as it has been taxed as a separate single family home site, where it should have been assessed as surplus land. They are requesting a reassessment and retroactive property tax reimbursement for the past 20 years for this oversight. Four comparable sales were offered for the 1051 Horseshoe Lake Rd property, ranging in dates from July 2020 to January 2021, with sales prices ranging from \$75,000 for a parcel with 20 acres, to \$155,00 for a 19.84 acre property.

The petition further states, “After purchase we discovered the well fills at apprx. 1/4 gpm, taking apprx. 24 hours to fill 360 gallons. We’ve had to had (sic) water hauled & get a Whitworth water acct. The prior owner purchased cash/no inspections & flipped the property within 5 months of their purchase. 480 sf shed is only 120 sf/? years of overpayment on this building. The 2019 shed is personal prop/shouldn’t be included in this tax assessment – it is not affixed to the land.” The Appellants provided a Whitworth Water District billing statement, Roadwise water delivery invoice, Pat’s Pump invoice, and photos of deferred maintenance. The Appellants offered four comparable sales of the 2.50 acre 841 Horseshoe Lake Rd property, ranging in dates from June 2020 to May 2021, with sales prices ranging from \$23,000 for 2.21 acres to \$58,500 for 2.00 acres with power installed.

The Assessor’s response states, “It was discovered that the smaller parcel (...21-9007) has never formally been segregated from the larger parcel (...21-0001). The two parcels were segregated per a financial segregation done in 1998...It has been confirmed with the Community Development Director that the two parcels CANNOT be sold separately without being formally segregated and going through the segregation process...As such, the Assessor’s Office response and opinion of value has been revised as the initial inspection and valuation of both properties had been considered as 2 sellable parcels...”

Lead Appraiser Nathan Longly’s response continues, “It is the opinion of the Assessor’s Office that the water source present on the property is likely a potable water source sufficient for the home to be present and usable...It is the general understanding that, although not impossible, it is difficult to get financing through traditional banks for properties with an unusable water source...Low water production is not an uncommon occurrence in our county and region.”

The Assessor’s Office initially offered 11 comparable sales, ranging in dates from March 2017 to May 2021, with adjusted sales prices as of 1/1/2021 ranging from \$147,618 to \$315,512. Some of the documents provided were a well log report, photos of old and new shed, 2013 survey, and WSMTA decision for Docket #76572. Further comparable sales were supplied, ranging in dates from May 2019 to June 2021, from \$83,500 to \$299,800, with price per acre between \$5,019 to \$14,930.

Mr. Larson explained that there was a restrictive document entered on the property about 20 years ago. The 20.68 acres cannot be sold or built upon. Mr. Larson stated that they've revised their original request and are limiting their property tax reimbursement request to only the past three years, asserting that the land has been basically "double-taxed."

Mrs. Larson, a 22-year appraiser, emphasized the importance of *location* in a property. She offered four raw land comparable sales in the very near vicinity of theirs, ranging in dates from October 2019 to December 2020, with sales prices ranging from \$88,500 for 25 acres on their street, to \$95,000 for 37.50 acres. Also offered were an additional 35 sales, ranging in dates from January 2017 to December 2020, with sales prices ranging from \$50,000 for 20 acres to \$174,900 for 21.09 acres with services and a 1200 sq ft shop. She refuted several of the Assessor's Office comparable sales, including those with a mobile home, in DFL designation, smaller parcels, in a gated development, private roads, waterfront, multiple parcel properties, and zoned 10 acre parcels. She believes the restrictions affect the value of their parcel, besides the water issues they have.

Mr. Longly reviewed his subsequent response to the Petitioners and stated that his comps showed recent vacant land sales of 20+/- acre parcels as well as other parcels considered to be improved having water/power/septic or one of the three. He said that would be the most appropriate comparable and he reiterated that parcels with services on them sell for a significant amount more than parcels without, suggesting the appellant has failed to take this into account with their estimate of value. Further value must be taken into consideration as an improved lot has been developed, cleared and prepped for a home or other structure on that developed site location. He noted that the previously provided sales of singlewide/doublewide mobile homes on acreage, by the Assessor's Office, more than proved the current valuation, as the only doublewide mobile homes referenced were similar in square footage to the Appellant's home, one of which was inferior in quality.

Regarding the tax reimbursement request, Mr. Longly reported that the Assessor's Office and Board of Equalization have no authority or ability to give a refund. Only the property owner can file for a refund.

DECISION

The Board, after carefully reviewing the information provided by the appellant and the information provided by the Assessor concludes that the appellant **has not** made an argument sufficiently clear, cogent and convincing to overcome the assessor's presumption of correctness.

Market value of the subject property is sustained at the Assessor's \$271,897 as of January 1, 2021.

This order is submitted into the record of the Pend Oreille County Board of Equalization.

Mailed on: September _____, 2021.

Carl Jackson, Chair
Pend Oreille County Board of Equalization

NOTICE: This Order can be appealed to the State Board of Tax Appeals by filing a notice of appeal with them at P.O. Box 40915, Olympia, WA 98504-0915, within 30 days of the date of mailing this Order. The Notice of Appeal form is available from either your County Assessor or the State Board of Tax Appeals <http://bta.state.wa.us>.

For tax assistance, visit <http://dor.wa.gov> or call (800) 657-7706. To inquire about the availability of this document in an alternate format or the visually impaired, please call (360) 486-2342. Teletype (TTY) users may call (800) 451-7985.

cc: Assessor, Petitioner, BOE file