

**KITTITAS COUNTY
BOARD OF EQUALIZATION**

411 N Ruby St, Ste 2, Ellensburg, WA 98926
(509) 962-7506

ORDER OF THE KITTITAS COUNTY BOARD OF EQUALIZATION

Property Owner(s): Thomas Mulligan

Mailing Address: 7630 Ridgecrest Ln
Mercer Island, WA 98040

Tax Parcel No(s): 739336

Assessment Year: 2023 (Taxes Payable in 2024)

Petition Number: BE-23-0020

Having considered the evidence presented by the parties in this appeal, the Board hereby:
Sustained
the determination of the Assessor.

Assessor's Determination

Assessor's Land: \$140,000
Assessor's Improvement: \$583,200
TOTAL: \$723,200

Board of Equalization (BOE) Determination

BOE Land: \$140,000
BOE Improvement: \$583,200
TOTAL: \$723,200

Those in attendance at the hearing and findings:

See attached Recommendation and Proposed Decision of the Hearing Examiner.

Hearing Held On : December 13, 2023
Decision Entered On: December 28, 2023
Hearing Examiner: Jessica Hutchinson

Date Mailed: 1/12/24


Chairperson (of Authorized Designee)


Clerk of the Board of Equalization

NOTICE OF APPEAL

This order can be appealed to the State Board of Tax Appeals by filing a Notice of Appeal with them at PO Box 40915, Olympia, WA 98504-0915, within THIRTY days of the date of mailing on this Order (RCW 84.08.130). The Notice of Appeal form is available from the Washington State Board of Tax Appeals or the Kittitas County Board of Equalization Clerk.

KITTITAS COUNTY BOARD OF EQUALIZATION- PROPOSED RECOMMENDATION

Appellants: Thomas Mulligan
Petition: BE-23-0020
Parcel: 739336
Address: 3490 Upper Peoh Pt Rd

Hearing: December 13, 2023 9:42 A.M.

Present at hearing: Thomas Mulligan, Petitioner via WebEx; Mike Hougardy, Appraiser; Jessica Miller, BOE Clerk; Jessica Leavitt-Hutchinson, Hearing Examiner

Testimony given: Thomas Mulligan, Mike Hougardy

Assessor's determination:
Land: \$140,000
Improvements: \$583,200
Total: \$723,200

Taxpayer's estimate:
Land: \$100,000
Improvements: \$390,000
Total: \$490,000

SUMMATION OF EVIDENCE PRESENTED AND FINDING OF FACT:

The subject property is a 2028 square foot cabin/home with numerous outbuildings in the Upper Peoh Point area of Cle Elum.

Mr. Mulligan stated that the value of his home has increased over 30% over two years while no improvements have been made to the property. He noted that his main concern is over the properties the home is being compared to because his home has very difficult access via a long, rugged logging road. He provided photographs of the road to illustrate the steepness of the road and how difficult it is to drive in the winter months. He stated that even snowmobile access is difficult when snow and ice compact the road. He stated that maintenance on the property is difficult since service providers are reluctant to travel the road. He explained that a barn roof collapsed 2 years ago and that mostly the outbuildings are not valuable, but unused and a pain to maintain.

Mr. Hougardy described the property as a cabin with a loft, a detached garage, outbuilding with bonus room, small cabin, and various other outbuildings. He also clarified that the buildings sit on a home site of 2 acres with 40 acres of designated forest land. He provided a list of comparable sales, but comparables for the property are difficult because of the number of additional buildings that contribute to the value. The comparable sales used also have seasonal access like the subject property with similar quality of construction and condition. The average sales price per square foot (PSF) of the comparables

comes to \$385. The comparable sale provided by the appellant is included in the Assessor's sales list, and it sold in December 2022 for \$247. The subject property is valued at \$288 PSF. Mr. Hougardy stated that the subject property's price PSF is higher than a few of the sales because of the additional buildings on the property, such as the cabin, skating rink, and garage with bonus room. He also noted that the market for recreational properties in Kittitas County and the subject neighborhood has increased by almost 70% over the last couple of years, so a 30-40% jump for the subject property is reasonable.

Mr. Mulligan responded by stating that none of the seasonal access property sales used by the Assessor are comparable to the subject property, because their access is much steeper and harder to maintain and use.

Mr. Hougardy stated that the fact that the market area is not easily accessible shows the strength and value of recreational property in our county. Also, since there are so many buildings with value on the property, one could not swap the subject property with comparables in the area.

CONCLUSIONS OF LAW:

"Upon review by any court, or appellate body, of a determination of the valuation of property for purposes of taxation, it shall be presumed that the determination of the public official charged with the duty of establishing such value is correct, but this presumption shall not be a defense against any correction indicated by clear, cogent and convincing evidence." RCW 81.40.0301

In other words, the assessor's determination of property value shall be presumed correct. The petitioner can overcome this presumption that the assessor's value is correct only by presenting clear, cogent and convincing evidence otherwise.

"All real property in this state subject to taxation shall be listed and assessed every year, with reference to its value on the first day of January of the year in which it is assessed..."

RCW 84.40.020

"The true and fair value of real property for taxation purposes...must be based upon the following criteria:

- (a) Any sales of the property being appraised or similar properties with respect to sales made within the past five years...
- (b) In addition to sales as defined in subsection (3)(a) of this section, consideration may be given to cost, cost less depreciation, reconstruction cost less depreciation, or capitalization of income that would be derived from prudent use of the property, as limited by law or ordinance..."

RCW 84.40.030(3)

"(1) In making its decision with respect to the value of property, the board shall use the criteria set forth in RCW 84.40.030.

(2) Parties may submit and boards may consider any sales of the subject property or similar properties which occurred prior to the hearing date so long as the requirements of RCW 84.40.030, 84.48.150, and WAC 458-14-066 are complied with. Only sales made within five years of the date of the petition shall be considered.

(3) Any sale of property prior to or after January 1st of the year of revaluation shall be adjusted to its value as of January 1 of the year of evaluation, reflecting market activity and using generally accepted appraisal methods...

(4) More weight shall be given to similar sales occurring closest to the assessment date which require the fewest adjustments for characteristics.”

WAC 458-14-087

RECOMMENDATION:

The Hearing Examiner has determined that the appellant has not met the burden of proof to overturn the Assessed Value of the property with clear, cogent, and convincing evidence.

There is not enough evidence to suggest that the access to the property lowers the value. Additionally, the numerous dwellings and other structures on the property contribute value that could not be found in comparable properties in the area. If the buildings are in poor condition, more evidence is needed to prove lower values.

Every finding of fact this is a conclusion of law shall be deemed as such. Every conclusion of law that contains a finding of fact shall be deemed as a finding of fact.

PROPOSED DECISION:

The Examiner proposes that the Kittitas County Board of Equalization sustain the Assessed Value.

DATED 12/28/23



Jessica Leavitt-Hutchinson, Hearing Examiner