

Lake real estate tuels 9.87% nike in tax assessments

by Tom Mullen

"It's our tax dollars that pay for the schools our kids go to, maintaining our environment, they pay for the roads we drive on, nobody likes to pay taxes but we all enjoy the benefits."

Such were the words of Public Information Officer Mary Ann Dunwell when this newspaper asked about her move from the Department of Environmental Quality (where she held the

same title) to the Department of Revenue.

Dunwell talked at length about the recent tax assessment notices Granite County property owners received in the mail, and how the state determines the value of real estate and their improvements.

"Basically the market value for Granite County, in general, saw an increase of 9.87 percent," she said.

That increase is measured over the State's last assessment



Silverstein and Dunwell

in 2014 as compared to its prior assessment, six years earlier.

The State, she noted, has different methods for appraising agricultural land, forest land,

industrial land, commercial property and residential homes.

The County has distinct residential markets also, some of which grew exponentially, others which are more depressed.

"With agricultural land, we appraise for productivity and current commodity prices as opposed to residential where we take comparable sales in your area."

One of the reasons the market value went up for homes, she

said, was due to a "huge increase in waterfront appraisals."

"Six years ago we appraised a lot at Georgetown Lake for \$100,000. That has jumped to \$350,000."

Georgetown Lake Realtor Ed Silverstein, in a separate interview, took issue with that statement.

"I just haven't seen it. It's nonsense," he told the Mail, and showed the actual sales.

see **Tax Assessments** page 4

Tax Assessments higher/lower - it just depends

continued from page 4

Multiple Listing Service (MLS), for the time period used in the State's most recent round of appraisals, July 1, 2013 through June 30, 2014 show 19 sales at Georgetown Lake through the Missoula MLS and 16 through Butte's with some of those sales overlapping.

"95 percent of the sales

in the Missoula MLS and the Butte MLS show that sales at Georgetown Lake from July 1, 2013 through June 30 2014 ranged from 30,000 to 400,000 - there were no big sales and the \$400,000 property was involved in a bidding war, so it was a unusual sale and the landowner had turned down \$850,000 several years ago. The average sale price for houses and lots during that time frame was \$139,963. The median was 100,000," said Silverstein who added that he was involved in the two highest

home sales," those numbers reflect the most sales in that area by an individual Realtor.

In addition, Silverstein pointed out that the prior appraisals in 2008, were performed near the height of the real estate market. Values, he said, are actually much lower now than they were in 2008.

"The last time they assessed was in 2008 and he market collapsed in September of that year. We were still near the height of the market. We didn't hit the lows for another four years," he said.

Silverstein said that he believes the market overall, is still 20 percent below the highs of 2007.

"I think lakeloft property is down 40 to 50 percent from their highs and non-lakeloft is down 10 to 30 percent. In 2008 sales were much higher, even though the market was stalling. The

and it was very slow. The market continued to drop until 2012 when it picked up for me but was still very slow," he said. Prices stabilized in 2013, he added, and he's optimistic that the growth he's seen since that time will continue.

"We definitely have better sales this year but the rise has been incremental," he said. Dunwell noted that the State allows a monthlong window of opportunity for people to protest their tax assessments. That window began when the most recent mailings were sent and it ends August 22, she said.

"Even if your market value went up, if folks have questions, call us. We're finding that during this time we have non-stop visitors and that's good. We're here to serve the public," Dunwell said. She pointed to a process called A.B. 26 which is an

come in, leave happy. They just want their assessment explained and when they understand how it's done, they're satisfied.

While lakeloft assessments boomed, other markets in the county saw decreases of up to 15.77 percent. Agricultural land saw a 9.24 percent increase over the 2008 assessment and commercial properties in Granite County saw an overall decrease of 4.4 percent. Dunwell added that the Legislature recently changed the cycle of reassessment to every two years for residential, commercial and agricultural properties.

Timber lands, she said, will stay in a six year cycle. Going forward, property owners will have access to the comparable sales used by the state to appraise their properties. "Thanks to Senate Bill 54, which we fought for, we are able to give you those sale