

BEFORE THE MONTANA TAX APPEAL BOARD

FILED

APR 03 2026

Montana Tax Appeal Board

MEMP Properties LLC,

Appellant,

v.

STATE OF MONTANA,
DEPARTMENT OF REVENUE,

Respondent.

CASE №: PT-2025-18

**FINDINGS OF FACT,
CONCLUSIONS OF LAW, ORDER,
AND OPPORTUNITY FOR
JUDICIAL REVIEW**

STATEMENT OF THE CASE

This is an appeal of a final decision by the Butte-Silver Bow County Tax Appeal Board (CTAB) denying MEMP Properties LLC (Taxpayer) a reduction in value on the subject property located at 1085 Tenderfoot Trail, Ramsay, Montana (Subject Property). The Taxpayer appealed that outcome to the Montana Tax Appeal Board (MTAB) on November 10, 2025. We affirm the CTAB’s determination.

ISSUE TO BE DECIDED

Whether the CTAB erred in denying the Taxpayer’s request for a value reduction on the Subject Property.

EXHIBIT LIST

The following evidence was submitted at the hearing:

Taxpayer Exhibits:

1. Butte-Silver Bow Tax Appeal Board written determination from hearing conducted on 10/29/2025;
2. Flint Creek Ranch Lot 74 Sale and Cadastral Property Record Card;
3. Flint Creek Ranch Lot 69 Sale and Cadastral Property Record Card;
4. 3511 Iris Ridge (Flint Creek Lot 25) Sale and Cadastral Property Record Card;

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5. 605 Haggin View (Flint Creek Estates Lot 2) Sale and Cadastral Property Record Card;
6. Flint Creek Ranch Finished Home Values 2022 to 2023 and 2023 to 2025 and attached map;
7. Subject Property Cadastral Property Record Card; and
8. Sales in the Flint Creek Ranch area including CTAB Exhibits F, G, H, and H2.

DOR Exhibits:

- A. Land Model 201.008A Butte Rural Western Silver Bow;
- B. Neighborhood 201.004.I Map;
- C. Subject Property Record Card;
- D. Subject Property Cost Worksheet; and
- E. Neighborhood Property Record Card, Realty Transfer Certificates and Warranty Deed.

PROCEDURAL HISTORY

The State of Montana, Department of Revenue (Department), valued the Subject Property at \$750,619 for the 2023/2024 appraisal cycle, with the land valued at \$54,899 and the improvements valued at \$695,720. *MTAB Dkt. 5*. The Taxpayer appealed the Department's valuation to the CTAB on July 16, 2025, requesting a total value of \$628,077, with the land valued at \$54,899 and the improvements valued at \$573,178. *Id.* The CTAB hearing was held on October 29, 2025, and the CTAB's decision denying the Taxpayer's application for reduction was sent to the parties on November 3, 2025. *Id.* The Taxpayer appealed to MTAB on November 10, 2025, per Mont. Code Ann. § 15-2-301, requesting a total value of \$628,077. *MTAB Dkt. 1*.

The MTAB hearing was conducted in Helena on February 28, 2026, at which the following were present:

- a. Michael Markarian, Taxpayer; and
- b. Dave Burleigh, DOR Counsel; Michele Peterson-Cook, DOR Counsel; Katelyn Thornton, Modeler; Brandon Whitaker, Lead Appraiser; Tedd Weldon, Area Manager; and Kandy Fleurisma, Paralegal.

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The record includes all materials submitted to CTAB, a recording of the CTAB hearing, all materials submitted to MTAB with the appeal, additional exhibits submitted by the parties prior to and at the MTAB hearing, and a transcript of the MTAB hearing.

FINDINGS OF FACT

1. To whatever extent the following findings of fact may be construed as conclusions of law, they are incorporated accordingly.

2. The Subject Property is a residential property owned by MEMP Properties LLC. *Ex. C.* The Subject Property is located at 1085 Tenderfoot Trail in Ramsay, Montana, and is also identified by its geocode 01-1196-03-3-01-05-0000. *Id.* The Subject Property has a livable area of 1,667 square feet and includes a two-story residential building with basement. *Id.* Also located on the property are two detached garages and a pole barn. *Id.* The building sits on 49.660 acres of non-qualified agricultural land. *Id.*

3. The Department valued the Subject Property at \$750,619 for tax years 2023 and 2024, allocating \$54,899 for the land and \$695,720 for the improvements. *Ex. C.* The Taxpayer appealed the Department's valuation to the CTAB on July 16, 2025, requesting a total valuation of \$628,077 for land and improvements. *MTAB Dkt. 5.* At CTAB, the Taxpayer argued that his property value increased 39% during the 2023/2024 appraisal cycle, stating that "this is much higher than my neighbors and is not equitable." *Id.* The CTAB denied the Taxpayer's request for a reduction in value. *Id.* The Taxpayer appealed the CTAB's decision to MTAB, requesting a total value of \$628,077, contending that "the value assigned to my home and land are too high," noting that his home had the "highest percentage increase in the entire subdivision." *MTAB Dkt. 1.*

4. Taxpayer testified that at the CTAB hearing, when asked by the DOR, he responded that he would list the Subject Property for \$799,000. *MTAB Hr 'g Tr. 5:1-10.* However, Taxpayer argues that the taxable value should be

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considerably lower because the Subject Property is 50 acres in size, and the non-qualified agricultural exemption was not taken into account when he estimated the sales price of the Subject Property at \$799,000. *MTAB Hr'g Tr. 5:12-19*. The Taxpayer contends that, for tax purposes, the appraised value should reflect the fair market value minus the non-qualified agricultural exemption. *Id.*

5. Taxpayer introduced Exhibits 2 and 3 to demonstrate that the land, without any improvements, would sell for \$225,000. *MTAB Hr'g Tr. 7:22-8:7*. Taxpayer testified that using the \$225,000 land value and subtracting \$54,899 for the one-acre homesite leaves the Subject Property with a land value of \$170,000. *MTAB Hr'g Tr. 8:17*. Using the DOR's total value of \$750,619 and subtracting the Taxpayer's requested land value of \$170,000, the appraised value would be \$580,518. *Id.*
6. Taxpayer introduced Exhibit 4 which showed a comparable property with a sales date in February of 2022 and a sales price of \$650,000. The Department appraised the comparable property in 2025 at a value of \$452,338. *MTAB Hr'g Tr. 10:22-11:4*. The Taxpayer attributed the \$197,662 difference between the sales price and appraised value to the non-qualified agricultural land exemption. *Id.* Taxpayer also introduced Exhibit 5, which showed an additional comparable property with a sales price of \$625,000 that was appraised in October of 2022. *Ex. 5*. The comparable property was appraised by the Department in 2025 at a value of \$291,671, a difference of \$333,329 between the sales price and appraised value. *MTAB Hr'g Tr. 11:8-12:2*. Taxpayer testified that there is a \$42,281, or 6% difference, in the Subject Property's estimated sales price and Department's appraised value. *Id.*
7. Taxpayer's Exhibit 6 represents a compilation of appraised values he assembled from 2021-2025 appraisals, showing that the Subject Property's valuation increased by 60% during the 2023 tax year, while other similarly

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situated properties increased by only 35%. *MTAB Hr'g Tr. 14:1-19*. In 2023, CTAB reduced the Subject Property's taxable value increase from 60% to 40% by granting the Taxpayer a reduction. *MTAB Hr'g Tr. 14:1-19, 31:3-7*.

Taxpayer further testified that during the 2025 tax year, his property valuation increased by 39%, while the other similarly situated properties increased by an average of 17.373%. *Id.*

8. Taxpayer noted that the Subject Property contains approximately 50 acres of non-qualified agricultural land, while most of the comparable properties in Exhibit 6 had roughly 20 to 30 acres. *MTAB Hr'g Tr. 15:18-22*. Taxpayer asserts that the majority of homes listed in Exhibit 6 are larger than the Subject Property. *MTAB Hr'g Tr. 16:1-17:2*. Additionally, the Subject Property's main structure is a modular home while the majority of the comparable properties were "site built." *Id.* The Taxpayer did not apply adjustments to comparable sales for differences in acreage, or other relevant characteristics. *MTAB Hr'g Tr. 14:1-19, 31:3-7*.
9. Taxpayer testified that his methodology for determining his estimated sales price of \$799,000 was to use comparable sales of similar properties and his judgment as a licensed real estate agent. *MTAB Hr'g Tr. 22:6-22*. When determining his estimated sales price using comparable properties, the Taxpayer testified that he considered the number of buildings, number of bedrooms, and the type and style of the improvements, but acknowledged that he did not make any adjustments to the comparable properties' sales prices. *MTAB Hr'g Tr. 23:1-10*.
10. During cross-examination, the Taxpayer stated that he is using a sales comparison method, while the Department is not "following that same methodology" to value properties. *MTAB Hr'g Tr. 25:20-26:10*. The Taxpayer testified that his own sales comparison shows that homes in his neighborhood had an average increase of 17%, while the Subject Property's increase was

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39%. *MTAB Hr'g Tr. 28:17-29:2; 30:8-10.* Taxpayer stated that, although the market has increased, the Subject Property's increase is disproportionate to other comparable properties. *Id.* Taxpayer further testified that the sales he presented to the Board were representative of market value, and the Department consistently valued them approximately 30% below market value. *MTAB Hr'g Tr. 30:13-22.*

11. When asked by the Board, the Taxpayer agreed with the Department's Condition, Desirability and Utility (CDU) scores assigned to the Subject Property. *MTAB Hr'g Tr. 18:15-19:8.* The Taxpayer also stated that he agreed with the location and property desirability scores assigned to the Subject Property. *Id.*
12. The Department's modeler, Katelyn Thornton, created the land model used to value the Subject Property. *MTAB Hr'g Tr. 34:24-25.* Ms. Thornton testified that she uses several statistical measures to determine a model's accuracy including the coefficient of variation (COV), coefficient of dispersion (COD), R-squared value, and T Stat. *MTAB Hr'g Tr. 35:23-36:2.*
13. Ms. Thornton testified that the COD for this model is 10.34%. *Ex. A, MTAB Hr'g Tr. 36:22-25.* The COD represents the average absolute deviation of the data, and a COD between 5% and 15% indicates there are no outliers skewing the data. *MTAB Hr'g Tr. 36:22-25.* Ms. Thornton stated that the COV is based on the ratio of the standard deviation to the mean and that the Department considers a COV of less than 20 to be satisfactory. *MTAB Hr'g Tr. 37:2-4.* The Subject Property has a COV of 12.64. *Ex. A, MTAB Hr'g Tr. 37:2-4.* Ms. Thornton further testified that the R-squared value indicates how well a regression model fits the data, noting that a value close to 100 is best; the model used to value the Subject Property has an R-squared value of 95.7. *MTAB Hr'g Tr. 37:6-8.* Ms. Thornton testified that the T Stat is a ratio that indicates how likely the difference between two sample means occurred by

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chance. *Ex. A, MTAB Hr'g Tr. 37:10-18, 40:7-24.* A value higher than 2 or lower than - 2 means that the influence is statistically different from the rest of the data. *Id.* The Subject Property had T Stat score of 8.036, indicating that the Flint Creek Ranch has a significant influence affecting the sale of properties. *Id.* Ms. Thornton also testified that the land model contains 8 or 9 sales from the Flint Creek Ranch. *MTAB Hr'g Tr. 41:15-21.* Ms. Thornton noted that the model encompasses nearly all of the rural areas of Butte-Silver Bow County. *MTAB Hr'g Tr. 37:6-8.*

14. Ms. Thornton testified that she believes the land was accurately valued at \$54,899. *MTAB Hr'g Tr. 35:3.* Ms. Thornton testified that the 49.660 acres of non-qualified agricultural land are valued at \$60.76 per acre, while the one-acre homesite is valued at the market rate of \$51,882. *Ex. C; MTAB Hr'g Tr. 38:14-25.*

15. Department lead appraiser, Brandon Whitaker, testified that the Department uses “neighborhoods” which consist of properties that sell similarly and are in close proximity to each other, to determine the base rate of the homesite. *MTAB Hr'g Tr. 47:17-48:17.* Department area manager, Tedd Weldon, testified that when the land model determines the base rate of a property, the rate is adjusted using an incremental rate to account for differences in lot size. *MTAB Hr'g Tr. 74:21-75:5.*

16. Mr. Whitaker testified that he valued the Subject Property using the cost approach method and did not complete a comparable sales approach for the Subject Property. *MTAB Hr'g Tr. 57:1-11.* Mr. Whitaker further testified that, because the Subject Property contains non-qualified agricultural land, Department regulation 2-3-001.1 requires that the property be valued using the cost approach. *Id.*

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17. Mr. Weldon testified that the Department uses three valuation methods to determine market value: the cost approach, the sales comparison approach, and the income approach. *MTAB Hr'g Tr. 77:13-16*. Mr. Weldon explained that the income approach is only used if the property is an income-producing property. *Id.* Mr. Weldon agreed that DOR procedure 2-3-001.1 requires any property with non-qualified agricultural land to be valued using the cost approach. *MTAB Hr'g Tr. 77:19-78:2*.

18. Mr. Whitaker testified that, using the cost approach, the total value of the Subject Property was \$750,619, with \$54,899 being allocated to the land and \$695,720 to the improvements. *MTAB Hr'g Tr. 49:20-23*. Mr. Whitaker further stated that to determine the value of the improvements, the Department used a base cost multiplied by the square footage to arrive at base value of \$71,354 for the basement, \$174,794 for the first floor, and \$60,002 for the second floor for a total base value of \$308,150. *Ex. C; MTAB Hr'g Tr. 50:15-51:15, 53:4-55:21*. Next, the \$308,150 base value was adjusted for heating (\$6,685), plumbing (\$11,837), additions (\$48,339), and additional features (\$3,243) resulting in a total adjustment of \$70,104. *Id.* The Department then applied a grade factor of 1.34 representing a grade 6 house, to arrive at a replacement cost new (RCN) value of \$506,860. *Id.* The Department multiplied the RCN value by the county index of 1.010, the economic condition factor (ECF) 1.16, and a depreciation factor of .96, to get the replacement cost new less depreciation value of \$570,080. *Id.* Finally, the Department added the value of the Subject Property's three outbuildings to the replacement cost new less depreciation value to arrive at the final total value of \$750,619. *Id.*

19. Mr. Whitaker testified that the ECF is 1.16 and is used to adjust the cost approach value to reflect the local market. *MTAB Hr'g Tr. 58:5-24*. Mr. Whitaker further testified that the Department's county index uses information from local developers, contractors, and lumberyards to determine construction costs in Butte-Silver Bow County. *MTAB Hr'g Tr. 59:1-8*. Mr. Whitaker

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explained that each property within a Department neighborhood is valued using the same multipliers under the cost approach, including the county index and ECF, to maintain consistency within a specific area. *MTAB Hr'g Tr. 47:17-48:17.*

20. Mr. Weldon testified that the Subject Property was classified as a grade 6 home because it is a standard log home with good fenestration and varying roof pitches, and he compared the Subject Property to photos of other grade five homes pointing out the distinctions. *Ex. E; MTAB Hr'g Tr. 86:13-88:14.*
21. Mr. Whitaker testified that during the 2023-2024 tax cycle the average increase in value in Butte-Silver Bow County was 57%. *MTAB Hr'g Tr. 56:3-13.* Mr. Whitaker further testified that, during the CTAB hearing, the CTAB lowered the value of the Subject Property from the 57% increase to a 35% increase. *Id.* Mr. Whitaker stated that the Subject Property received a 39% increase this tax cycle, as compared to the neighborhood average of 21%. *MTAB Hr'g Tr. 56:3-13, 60:2-11.* Mr. Weldon testified that when a CTAB orders a value reduction, the Department is not required to follow that reduction in subsequent tax cycles, and every property is reassessed every two years. *MTAB Hr'g Tr. 83:6-20.* Mr. Weldon stated that changing the Subject Property from a grade 5 to a grade 6 home, and the addition of the pole barn in 2022, likely resulted in the above average increase in value during the 2022/2023 tax cycle. *MTAB Hr'g Tr. 86:13-24, 89:15-90:7.*
22. Mr. Whitaker testified that the \$750,619 value assigned by the Department was determined prior to the CTAB hearing, in which Taxpayer estimated the Subject Property's sales price to be \$799,000. *MTAB Hr'g 56:16-18.*
23. Mr. Weldon testified that, at the CTAB hearing, the Department's Exhibit E was introduced to show that similar properties to the Subject Property were also valued using the cost approach but emphasized that those similar

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properties were not used to value the Subject Property. *MTAB Hr'g Tr. 80:6-83:2*.

JURISDICTION AND STANDARD OF REVIEW

24. The Montana Tax Appeal Board is an independent agency not affiliated with the Montana Department of Revenue. *Mont. Const., Art. VIII § 7; Mont. Code Ann. § 15-2-101*. The Taxpayer filed a timely appeal of the DOR's decision to the MTAB. Therefore, this Board maintains jurisdiction to hear and decide this matter. *Mont. Code Ann. § 15-2-301*.
25. This Board may hear appeals de novo. *Dept. of Revenue v. Burlington N.*, 169 Mont. 202, 213-14, 545 P.2d 1083 (1976). "A trial de novo means trying the matter anew, the same as if it had not been heard before and as if no decision had been previously rendered." *McDunn v. Arnold*, 2013 MT 138, ¶ 22, 370 Mont. 270, 275, 303 P.3d 1279, 1282.
26. The Board's order is final and binding upon all parties unless changed by judicial review. *Mont. Code Ann. § 15-2-301(6)*.

CONCLUSIONS OF LAW

27. To whatever extent the following conclusions of law may be construed as findings of fact, they are incorporated accordingly.
28. "All taxable property must be appraised at 100% of its market value...." *Mont. Code Ann. § 15-8-111*.
29. Market Value is the value at which property would change hands between a buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts. *Mont. Code Ann. § 15-8-111(2)*.

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30. “[I]n connection with any appeal under [Mont. Code Ann. § 15-2-301], the Montana board is not bound by common law and statutory rules of evidence or rules of discovery and may affirm, reverse, or modify any decision. To the extent that this section is in conflict with the Montana Administrative Procedure Act, this section supersedes that act.” *Mont. Code Ann. § 15-2-301(5)*.

31. DOR is entitled to a “presumption of correctness if its decisions are pursuant to an administrative rule or regulation, and the rule or regulation is not arbitrary, capricious or otherwise unlawful.” *Burlington N.*, 169 Mont. at 214, 545 P.2d at 1090. However, DOR cannot rely entirely on the presumption in its favor and must present a modicum of evidence showing the propriety of their action. *Western Air Lines v. Michunovich*, 149 Mont. 347, 353, 428 P.2d 3, 7 (1967).

32. The Taxpayer bears the burden of proving the error of DOR’s decision. *Farmers Union Cent. Exch. v. Dep’t of Revenue*, 272 Mont. 471, 476, 901 P.2d 561, 564 (1995); *Western Air Lines*, 149 Mont. at 353, 428 P.2d at 7.

33. “‘Assessment formulations’ by [the Montana Tax Appeal Board] should be upheld unless there is a clear showing of an abuse of discretion.” *Peretti v. Dep’t of Revenue*, 2016 MT 105, ¶ 15, 383 Mont. 340, 344, 372 P.3d 447, 450 (citing *O’Neill v. Dep’t of Revenue*, 2002 MT 130, ¶ 23, 310 Mont. 148, 155, 49 P.3d 43, 47); see *Northwest Land & Dev. v. State Tax Appeal Bd.*, 203 Mont. 313, 317, 661 P.2d 44, 47 (1983) (overruled on other grounds by *DeVoe v. Dep’t of Revenue*, 263 Mont. 100, 866 P.2d 228 (1993)).

34. “[A]dministrative regulations interpreting the statute made by agencies charged with the execution of the statute are entitled to respectful consideration.” *Puget Sound Power & Light Co.*, 179 Mont. 255, 266, 587 P.2d 1282, 1288 (1978).

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35. The Board “may not amend or repeal any administrative rule of the department,” but may enjoin its application if the Board concludes the rule is “arbitrary, capricious, or otherwise unlawful.” *Mont. Code Ann. § 15-2-301(5)*.
36. The term “improvements” includes all buildings, structures, fences, and improvements situated upon, erected upon, or affixed to land. *Mont. Code Ann. § 15-1-101(1)(i)*.
37. The Legislature intended the Department to utilize a number of different approaches or combination of approaches, including the income approach, sales comparison approach, and cost less depreciation approach, depending on the market where the appraisals take place, when it assesses property and estimates market value. *Albright v. State*, 281 Mont. 196, 208-09, 933 P.2d 815, 823 (1997).
38. “(a) Subject to subsection (7)(b), a county tax appeal board and the Montana tax appeal board may not adjust the estimated value of the real or personal property determined under subsection (6) unless the landowner or the landowner’s agent:
- (i) gives permission to the department to enter the land to appraise or audit the property; or
 - (ii) provides to the department and files with the county tax appeal board or the Montana tax appeal board an appraisal of the property conducted by an appraiser who is certified by the Montana board of real estate appraisers. The appraisal must be conducted in accordance with current uniform standards of professional appraisal practice established for certified real estate appraisers under 37-54-403. The appraisal must be conducted within 1 year of the reappraisal valuation date provided for in 15-7-103(6) and must establish a separate market value for each improvement and the land.

(b) If a landowner or the landowner's agent prevents a person qualified under subsection (1) from entering land to appraise or audit property or fails or refuses to establish a date and time for entering the land pursuant to subsection (5), the department shall estimate the value of the real and personal property located on the land." *Mont. Code Ann. § 15-7-139(7)*.

DISCUSSION

39. The Taxpayer did not dispute the value of the non-qualified agricultural land. Therefore, that value will not be addressed in this opinion. Although the Taxpayer presented various arguments as to why the Department's assigned value for the Subject Property is too high, the Taxpayer ultimately did not meet the burden of showing that the Department made an error in its appraisal of the Subject Property.
40. The Taxpayer first argued that, in estimating his theoretical sales price for the Subject Property, he did not account for the reduced price of the non-qualified agriculture land valued on its productivity and not market sales. The Taxpayer introduced comparable sales to demonstrate the market price of similar land, and using those comparable sales he estimated the Subject Property's land value to be approximately \$225,000. The Taxpayer further argued that subtracting the value of the non-qualified agricultural land, along with the base price for the one-acre homesite, should reduce his overall property value by approximately \$170,000. Although the comparable properties presented by the Taxpayer indicate a significant price difference between the sales price and the Department's appraised value, it is important to note that one is a market value and the other is a value based on productive capacity. The Department cannot subtract the difference between the market value and agricultural value from the appraised value of the Subject Property. Instead, the Department is required to follow one of three recognized valuation methods. In this case, the Department used the cost approach to value the improvements and the comparable sales method to value the one-acre homesite, while the remaining acreage was valued at non-qualified agricultural value. The Board finds that the

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Taxpayer's method is not a recognized appraisal methodology and is not supported by statute or accepted appraisal practice.

41. While the value of the non-qualified agricultural land is not in dispute, the Department introduced Exhibit A to demonstrate how rural sales in Butte-Silver Bow County were used to determine the value of the one-acre home site. The Department's modeler testified that the statistical measurements used to assess the model's accuracy were within acceptable ranges. Ms. Thornton testified that properties within the Flint Creek Ranch subdivision are selling with an upward market influence, supporting the conclusion that such properties command a premium. The land model uses several sales from the Flint Creek Ranch subdivision, giving the model more credibility. The Board finds the Department's land model to be reliable, and the appraised land value to be defensible. Although the Taxpayer's comparable sales did illustrate general market conditions, they do not accurately reflect the statutory requirements to value 49.660 acres of non-qualified agricultural land on productive capacity and the one-acre homesite at market price. Accordingly, the Taxpayer has not met the burden of proving that the Department made an error in its appraisal of the Subject Property's land.

42. Next, the Taxpayer argues that the Subject Property's value increased by 60% in 2023, while similarly situated properties only increased by an average of 35%, and that in 2025 the Subject Property experienced a 39% increase compared to a 17.373% increase for comparable properties in the Flint Creek Ranch subdivision. While the Board understands the Taxpayer's argument, it does not find these percentage comparisons to be a credible indicator of market value. Differences in value increases may result from a variety of factors. As the Department testified, a grade change may have contributed to an increase in the appraised value, as well as adjustments resulting from prior proceedings before CTAB and the Department's reassessment. Additionally, Mr. Whitaker testified that properties in Butte-Silver Bow County experienced an average

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increase in value of 57% for the 2023-2024 Tax cycle. Furthermore, Montana law and Department procedures dictate that parcels of land over 20 acres be valued on productive capacity and improvements situated on non-qualified agricultural land be valued using the cost approach. While percentage changes in value may provide some evidence of disparity, they are not sufficient, alone, to overturn the Department's appraisal. The Board has consistently held in prior cases that market value must be determined based on the specific characteristics of the Subject Property, rather than simple percentage increases or decreases in value.

43. Next, the Taxpayer argues that the comparable sales he presented demonstrate that the Department valued several comparables approximately 30% below market value, while the Subject Property was assessed at nearly full taxable value. Although the Department did not directly respond to this argument, they did provide a detailed explanation of how they arrived at the Subject Property's improvement value using the cost approach. The Board found the Department's cost approach valuation to be acceptable and reliable. When questioned, the Taxpayer admitted that he agreed with the Department's CDU score assigned to the Subject Property. Additionally, the Board finds Mr. Weldon's explanation for assigning a grade of 6 to the home to be sufficient. Mr. Whitaker also testified that all properties in the same Department neighborhood as the Subject Property are adjusted using the same county index and economic condition factor to ensure consistency within the specific area. The Taxpayer has not overcome his burden to prove the Department incorrectly valued the improvements.
44. Lastly, the Department presented Exhibit E, which showed that other properties with non-qualified agricultural land in the area were also valued using the cost approach. While a sales comparison approach was not completed for the Subject Property, the Board finds the properties' sales prices were similar to the value assigned to the Subject Property. Although the sales are not time-

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trended and therefore receive limited weight in determining the value of the Subject Property, they do indicate what similar homes in the Flint Creek Ranch subdivision are selling for on the open market.

45. Ultimately, the Taxpayer did not overcome the burden to prove that the Department incorrectly appraised the Subject Property. Although the Taxpayer presented credible evidence relating to the Subject Property and market characteristics, he did not demonstrate that the Department erred in its valuation. While the Taxpayer relied on the comparable sales method to value the Subject Property, the Department's procedures require that all properties containing non-qualified agricultural land and improvements be valued using the cost approach. For the reasons stated above, we deny the Taxpayer's appeal and uphold the determination of the Butte-Silver Bow County Tax Appeal Board.

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ORDER

46. The Board denies the Taxpayer's appeal and affirms the determination of the Butte-Silver Bow County Tax Appeal Board.

Dated this 8th day of April 2026.



Travis Brown, Chairman

Adam Millinoff, Member

Chris Murphy, Member

Notice: You are entitled to judicial review of this Order by filing a petition in district court within 60 days of the service of this Order. The Department of Revenue shall promptly notify this Board of any judicial review to facilitate the timely transmission of the record to the reviewing court. *Mont. Code Ann. §15-2-303(2)*.

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Certificate of Service

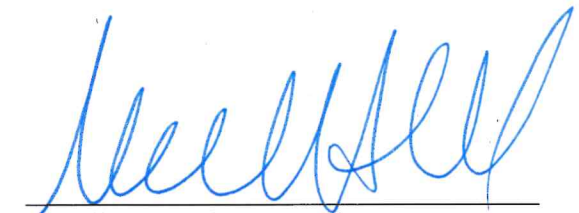
I certify that I caused a true and correct copy of the foregoing *Findings of Fact and Conclusions of Law* to be sent by email and United States Mail via Print & Mail Services Bureau of the State of Montana on April 8, 2026, to:

Michael Markarian
MEMP PROPERTIES LLC
1085 Tenderfoot Trail
Ramsay, Montana 59748

Dave Burleigh
Michele Peterson-Cook
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