

PEEKAMOOSE, LLC,

Appellant,

v.

STATE OF MONTANA,
DEPARTMENT OF REVENUE,

Respondent.

CASE №: PT-2024-36

**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 Madison County Tax Appeal Board (CTAB) denying Peekamoose, LLC, (Taxpayer) a reduction in value on the subject property located at the Warren Miller Lodge Condominium, Unit 307 in the Yellowstone Club at Big Sky, Montana (Subject Property). The Taxpayer appealed that outcome to Montana Tax Appeal Board (MTAB) on April 9, 2024. We uphold the CTAB’s determination.

ISSUE TO BE DECIDED

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

EXHIBIT LIST

The following evidence was submitted at the hearing:
Taxpayer Exhibits:

1. Email from Jefry Rosmarin to Kristina Warren on 9/17/24;
2. Sketch of Subject;
3. Sales Information Packet;
4. Property Record Card;
5. Comparable Sales Report dated 7/31/23;

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6. Email from Jefry Rosmarin to Paul Bills dated 8/25/23;
7. Additional Sales Packet dated 8/17/23;
8. Picture of Loft Bunk Beds;
9. What Was Incorrect About the Prior Decision;
10. Supplement to Form MTAB 401;
11. Comparable Sales Report dated 1/29/24;
12. DOR Values Based on Assessment Numbers;
13. CTAB Exhibits I-V;
14. Comparable Sales Report dated 6/28/24; and
15. Calculation Memo.

DOR Exhibits:

- A. Property Record Card;
- B. AB-26 Determination Letter;
- C. Revised Classification and Appraisal Notice;
- D. Comparable Properties (5 Properties);
- E. Comparable Properties (3 Properties);
- F. Sales Packet; and
- G. First Amendment to Restated and Revised Declaration for WM Lodge Condominiums.

PROCEDURAL HISTORY

The DOR valued the Subject Property at \$6,280,900 for the 2023/2024 appraisal cycle, with the land valued at \$527,502 and the improvements valued at \$5,753,398. *Ex. A.* The Taxpayer filed an AB-26, Request for Informal Classification and Appraisal Review, with the DOR on July 24, 2023. *MTAB Dkt. 2.* The DOR sent a Form AB-26 Determination Letter to the Taxpayer dated September 19, 2023, partially granting the Taxpayer's request by lowering the total value from \$6,280,900 to \$5,748,600. *Id.* The Taxpayer appealed the DOR's valuation to the CTAB on December 4, 2023, requesting a land value of \$438,533 and an improvement value of \$4,380,518. *Id.* The CTAB hearing was held on March 13, 2024, and the CTAB's decision denying the Taxpayer's application for reduction, dated March 13, 2024, was

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sent to the parties. *MTAB Dkt. 1*. The Taxpayer appealed to MTAB on April 9, 2024, per Mont. Code Ann § 15-2-301, requesting a land value of \$438,533 and an improvement value of \$4,380,518, for a total of \$4,819,051. *Id.* The MTAB hearing was conducted in Helena on October 8, 2024, at which the following were present:

- a. Jefry Rosmarin, Representative for Peekamoose LLC. (via Zoom); Denise Karahalis, Observing (via Zoom); Elizabeth Hendrieva, Observing (via Zoom); and Evan Glass, Observing (via Zoom).
- b. Kristina Warren, DOR Counsel; Paul Bills, Commercial Appraiser; Tina Oliver, Area Manager; Tierani Losing, Modeler/CO Unit Manager; and Marguerite Henning, Observing.

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 condominium unit owned by Peekamoose LLC. *Ex. A.* The Subject Property is condominium Unit 307 in the Warren Miller Lodge located at the Yellowstone Club in Big Sky, Montana, and is also identified by its geocode 25-0337-07-2-05-01-7307. *Id.* The Subject Property is 1,442 square feet in total and is in DOR neighborhood 225.715.K. *Id.*
3. The DOR originally valued the Subject Property at \$6,280,900 for tax years 2023 and 2024. *Ex. A.* The Taxpayer filed an AB-26 Request with the DOR on July 24, 2023, and the DOR partially granted the Taxpayer's request by lowering the total value from \$6,280,900 to \$5,748,600. *MTAB Dkt. 2.* The Taxpayer appealed to CTAB on December 4, 2023, requesting the total value be lowered to \$4,819,051. *Id.* The CTAB hearing was held on March 13, 2024, and the CTAB denied the Taxpayer's request for a reduction. *Id.* The Taxpayer

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appealed to MTAB on April 9, 2024, requesting \$438,533 allocated to the land and \$4,380,518 allocated to the improvements, for a total value of \$4,819,051 as the most accurate represented market value for the Subject Property. *MTAB Dkt. 1*. The DOR maintained that the value assigned after the AB-26 Review of \$5,748,600 was the most accurate market value. *MTAB Hr'g Tr. 3:4-6*.

4. At the MTAB hearing, Taxpayer Representative, Jefry Rosmarin, contended that the Subject Property's price per square foot was higher than other units in the condominium complex. *MTAB Hr'g Tr. 6:14-18*. Additionally, Taxpayer Representative argued that using multiple regression analysis (MRA) to value a property when suitable comparable properties exist was flawed. *MTAB Hr'g Tr. 7:18-8:14*.
5. Taxpayer Representative testified that he had conversations with DOR Appraiser Paul Bills concerning five comparable properties, located in the Warren Miller Lodge, which the DOR used to determine the Subject Property's original value. *MTAB Hr'g Tr. 7:18-8:14*. Taxpayer Representative raised concerns with Mr. Bills regarding comparable number four, which was larger than the Subject Property, arguing that the DOR should have adjusted the comparable property to account for the difference in price per square foot. *Id.* Mr. Bills ultimately removed comparable properties four and five from the DOR's calculation. *Id.* Of the remaining three comparable properties, numbers one and three were also removed during the appraisal process. Instead, the DOR used the Subject Property's MRA, weighted estimate, and comparable number 2 to determine value. *MTAB Hr'g Tr. 7:18-8:14, 10:3-20*. Mr. Rosmarin argued that when five very similar properties, all located within the same building, are available, the comparable sales method should be the appraisal methodology used. *Id.*
6. Taxpayer Representative presented data from a DOR sales report, which included MRA estimates and a price per square foot value for the Subject Property and each of the five comparable properties. *Ex. 3, 15; MTAB Hr'g Tr.*

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10:21-11:23. Taxpayer Representative contended that the wide range of price per square foot values spanning from \$2,188 to \$3,898 indicated that MRA is an unreliable statistical tool for appraisals. *Id.* The Subject Property had the highest listed price per square foot of the six properties at \$3,898, which was between 22 and 78 percent higher than the comparable properties. *Id.*

7. Taxpayer Representative questioned why comparable property number one was sold for roughly \$4 million dollars one month before the lien date and the DOR then reassessed at the lien date for \$5.9 million. *Ex. 1; MTAB Hr'g Tr. 12:10-13:6.* Mr. Bills felt the \$5.9 million valuation was correct because while there was a condo in the Warren Miller Lodge that sold for \$4 million, there was also a sale of a condominium for \$12 million in the Warren Miller Lodge. *Ex. 5; MTAB Hr'g Tr. 59:6-16.*
8. Taxpayer Representative presented a portion of the CTAB hearing's audio recording in which Mr. Bills indicated that the DOR does not prefer to use MRA because it is subjective and hard to defend. *MTAB Hr'g Tr. 16:20-17:15.* Taxpayer Representative again questioned why MRA was used in the Subject Property's calculation instead of the comparable sales method. *Id.*
9. Taxpayer Representative calculated the Subject Property's value using his adjusted sales price method to test the validity of the DOR's MRA price. *Ex. 13; MTAB Hr'g Tr. 21:16-22:6.* Taxpayer Representative's calculation using adjusted sales prices resulted in a value of \$5,145,056 for the Subject Property, whereas the DOR's calculation using MRA returned a value of \$5,748,600. *Id.* Taxpayer Representative testified that in his calculation he removed the comparable properties with the highest and lowest adjusted sales prices as the DOR does when calculating using MRA. *Id.* Taxpayer Representative then averaged the remaining three adjusted sales prices to get an average per-square-foot price and applied it to the Subject Property for his final value of \$5,145,056. *Id.* Taxpayer Representative argued that the discrepancy between the comparable properties' adjusted sales price per foot versus the MRA price

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per square foot and the difference in final values between the two calculations shows that the MRA method is flawed. *Id.*

10. Taxpayer Representative contended that unusually high interest in condominium units in the Warren Miller Lodge during the COVID-19 pandemic may have inflated the sales prices used by the DOR in calculating the value of the Subject Property. *MTAB Hr'g Tr. 22:6-13*. Mr. Rosmarin stated that during the pandemic, the Warren Miller Lodge had roughly eighty people on their wait list and currently, there are none. *Id.*

11. Taxpayer Representative presented a list of properties provided by the DOR in their sales report dated August 17, 2023, which appeared to be single-family homes with amenities such as basements and garages, rather than condominium units. *Ex. 7; MTAB Hr'g Tr. 23:16-24:21*. Furthermore, the properties are generally much larger than the Subject Property, with homes ranging from five to eleven thousand square feet. *Id.* Taxpayer Representative questioned why the DOR used these properties in valuing the Subject Property when more similar sales were available from condominium units located inside the same complex. *Id.*

12. Taxpayer Representative testified that the DOR incorrectly listed the Subject Property as having a mountain view. *MTAB Hr'g Tr. 25:1-4*. The DOR also did not properly remove a fireplace from their record, which was removed during construction of the Subject Property's loft. *Id.* Additionally, the DOR did not account for a half bath present inside the Subject Property. *Id.*

13. Taxpayer Representative argued that the DOR should adjust the Subject Property's value to account for the limited value and utility of the second-floor loft area. *Ex. 8; MTAB Hr'g Tr. 26:16-27:22*. Taxpayer Representative stated that the second-floor loft has limited vaulted ceiling space, contains no windows, bathrooms, or closets, and should be valued differently than the first-

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floor space. *Id.* Taxpayer Representative conceded on cross-examination that the loft does have beds and could be used as a bedroom. *MTAB Hr'g Tr. 33:8-13.*

14. Mr. Bills testified that the DOR could use comparable properties that were sold up to six years prior to the lien date. *MTAB Hr'g Tr. 37:7-17.* However, all of the comparable properties used by the DOR to value the Subject Property were sold within two years of the lien date. *Id.*

15. Mr. Bills stated that the comparable sales approach was, in fact, the valuation method used to value the Subject Property. *MTAB Hr'g Tr. 37:23-38:20.* The International Association of Assessing Officers (IAAO) standards and DOR procedure requires three to five comparable properties to be found to use the comparable sales method to value a property. *MTAB Hr'g Tr. 37:23-38:20, 89:16-20.* Regardless of whether the DOR uses three or five comparable properties, the weighted estimate and MRA are also used. *MTAB Hr'g Tr. 37:23-38:20.* In this case, the DOR used three comparable properties and removed the highest and lowest values and averaged the remaining three to get a final comparable sales value. *Id.* After removing the highest and lowest values, the three remaining values that were averaged in the Subject Property's valuation were comparable two's adjusted sales price, the MRA value, and the weighted estimate. *MTAB Hr'g Tr. 14:18-15:10.* Additionally, if the DOR has five comparable properties, the DOR, using the MRA, weighted average, and the comparable properties, will remove the two highest and the two lowest leaving three values that are averaged for value the Subject property. *MTAB Hr'g Tr. 37:23-38:20.*

16. Mr. Bills stated that for the second-floor loft area to be considered a bedroom, it must have a window and closet according to DOR policy. *MTAB Hr'g Tr. 42:3-8.* Since the second-floor loft area does not have a closet or window, the DOR considers it living space and is valued less than a bedroom. *Id.*

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17. Mr. Bills testified that after the AB-26 Review process, the only changes made were to remove comparable properties four and five as comparables used to value the Subject Property. *Ex. B; MTAB Hr'g Tr. 44:24-45:9, 46:20-47:2.* This change was made because the comparable properties differed in size and amenities. *Id.* Mr. Bills stated that removing the two comparable properties from the comparable sales analysis substantially lowered the Subject Property's value. *Ex. E; MTAB Hr'g Tr. 47:8-12.*

18. Mr. Bills stated that this was the most sales he had ever seen in the Yellowstone Club area, and he had more than enough comparable sales to properly value the Subject Property this tax cycle. *MTAB Hr'g Tr. 50:1-17.* The Warren Miller Lodge had at least five sales occur during the specified period while the Yellowstone Club itself had approximately 135 sales. *Id.*

19. Mr. Bills agreed that the Subject Property does not have a mountain facing view as listed on the property record card but instead faces the parking lot. *Ex. A; MTAB Hr'g Tr. 56:4-23.* However, Mr. Bills testified that the difference in view had no bearing on the DOR's value of the Subject Property. *Id.* Mr. Bills agreed that while the difference does not change the value according to the DOR's assessment, it may change how a potential buyer views the value of the Subject Property. *Id.*

20. Mr. Bills stated that the DOR's procedures require appraisers to list amenities as they appear in the condominium declaration and was following procedure when he listed comparable property number one as having two bathrooms. *MTAB Hr'g Tr. 57:7-58:6.* However, if comparable property number one has two and a half bathrooms as Taxpayer suggested, The DOR would correct the bathroom count and remove \$40,000 as an adjustment. *Id.* Mr. Bills has not inspected comparable one and cannot confirm the bathroom count making an adjustment inappropriate. *Id.*

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21. DOR Modeler and Unit Manager, Tierani Losing, stated that single-family residences were used in the multiple regression analysis to determine the Subject Property's MRA value and adjustments for different variables or property characteristics. *MTAB Hr'g Tr. 65:6-66:6*. This was due to having shared physical, economic, governmental, and societal factors, also referred to as the PEGS standard. *Id.* Since the Subject Property and the single-family residences both receive their building materials, labor, and membership from the same place or suppliers, it is appropriate under the PEGS standard to use the single-family residences in the valuation process based on that exclusivity. *Id.* Ms. Losing testified that condominium units and single-family residences were incorporated into the same model in other areas around the state such as in Butte-Silver Bow and the Ranch at Rock Creek. *MTAB Hr'g Tr. 66:7-21*. Ms. Losing testified that 77 of the 132 sales were condominium sales. *Id.* Additionally, the DOR grouped the 132 sales into neighborhoods, and when looking for comparable properties, the DOR looked within the Warren Miller Lodge and other similar condominium complexes before using single-family residences. *MTAB Hr'g Tr. 77:5-16*.
22. Ms. Losing testified that the DOR does not assign value specifically to a property's view or other locational aspects, such as easy access to a ski hill. *MTAB Hr'g Tr. 68:9-17*. Instead, the value of those characteristics is baked into the land value assigned to the property. *Id.*
23. Ms. Losing stated that she believes MRA estimates are reliable. *MTAB Hr'g Tr. 71:9-18*. The MRA estimate, the weighted estimate, and the comparable sales value all being within the same range indicated to her that the MRA estimate is reliable in this case. *Id.* Ms. Losing described creating an MRA estimate as building a house piece by piece and obtaining a value estimate through the sum of a property's parts. *MTAB Hr'g Tr. 70:5-71:8*. Furthermore, Ms. Losing testified that MRA is important to the assessment process because the MRA measured the price differences between properties' different

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characteristics, such as having additional bathroom fixtures or additional square footage of living area. *Id.* By knowing the price of the different characteristics, the DOR is able to value each aspect of the Subject Property individually and add them together to get a total value. *Id.*

24. Ms. Losing stated that, in her opinion, Mr. Rosmarin's proposed method of valuing the Subject Property would not work as the DOR must consider more property characteristics than just price per square foot. *MTAB Hr'g Tr. 72:12-24.* For example, Ms. Losing testified that Mr. Rosmarin's proposed method would not account for differences in land value, in plumbing fixtures, or whether the property has a garage. *Id.*

25. Ms. Losing maintained that the most accurate way to value the Subject Property was to develop a multiple regression model using the 132 sales that occurred in the Subject Property's market area instead of using only the five sales within the Warren Miller Lodge. *Ex. 15, F; MTAB Hr'g Tr. 76:5-77:7.* Ms. Losing stated that a subset of five sales would not be enough to make a valid statistical assumption. *Id.* Using multiple regression analysis on the 132 sales allows the DOR to determine how much contributory value characteristics such as plumbing fixtures and additional square footage afford the Subject Property. *Id.* Once the DOR determined the value of such characteristics, they are able to value the Subject Property's characteristics and make price adjustments. *Id.*

26. Ms. Losing testified that the three comparable properties used in the DOR's comparable sales approach to value the Subject Property were also used to determine the weighted estimate. *Ex. E; MTAB Hr'g Tr. 80:6-81:5.* A portion of the comparable properties' adjusted sales prices were combined to get the weighted estimate. *Id.* Comparable property number one had 42.3% of its adjusted sales price used, comparable property number two had 31.2% of its adjusted sales price used, and comparable property number three had 26.5% of

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its adjusted sale price used to determine the Subject Property's weighted average value of \$5,938,076. *Ex. E; MTAB Hr'g Tr. 81:12-24.*

27. DOR Area Manager, Tina Oliver, testified that comparable properties number four and five were removed from the Subject Property's valuation calculation due to excessively high comparability points. *Ex. D; MTAB Hr'g Tr. 89:4-15.* The comparability points for comparable properties four and five were 130 and 181, respectively. *Id.* Higher square footage, differences between internal components and fixtures, and variations in bedroom and bathroom count attributed to the high comparability points. *Id.*
28. Ms. Oliver and Mr. Bills testified that the Subject Property's second-floor area is currently considered extra square footage and is not designated as a bedroom. *MTAB Hr'g Tr. 92:1-12.*

JURISDICTION AND STANDARD OF REVIEW

29. 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.*
30. 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.
31. 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

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

33. “All taxable property must be appraised at 100% of its market value....” *Mont. Code Ann. § 15-8-111*.

34. “[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)*.

35. 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).

36. 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.

37. “‘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

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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)).

38. 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)*.

39. 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).

DISCUSSION

40. The Board agrees with the Taxpayer and the DOR that the comparable sales method is the best way to value the Subject Property. Where the parties diverge is the use of the weighted average and the MRA. The Board heard credible testimony that DOR procedures and IAAO standards for mass appraisal were followed when valuing the Subject Property using the sales comparison approach. When valuing a property, the DOR must use either three or five comparable properties, the weighted average, and the MRA value. The DOR first valued the Subject property using five comparable properties, the weighted average and the MRA. The DOR removed the two highest and lowest values of the seven values and averaged the remaining three to get the Subject Property's value. Afterwards, the Taxpayer filed an AB-26 and argued that comparable four, which was used to value the Subject Property, was not comparable. In response to the Taxpayer's concerns, the DOR dropped comparables four and five because of their size and valued the Subject Property using three comparable properties, the weighted average, and the MRA. Following IAAO standards for mass appraisal and DOR procedures, the DOR removed the

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highest value, comparable three, and the lowest, comparable one. The DOR averaged the remaining values, which were comparable property two, the weighted average, and the MRA to get a final value for the Subject Property. The Board would like to note that removing comparable four and five did lower the Subject Property's value. The Board finds the DOR's comparable sales method is credible. The DOR did not use just one comparable property to value the Subject Property but instead used three comparable properties, the weighted average and the MRA value.

41. The Taxpayer suggests his valuation method is superior to the DOR's, where the highest and lowest values are removed. The remaining values are averaged to get a price per square foot. The average price per square foot is then applied to the Subject Property's square footage to get a value. While the Taxpayer valuation method is innovative, it does not account for differences in property characteristics. Every property is different, whether it be plumbing fixtures or the finishes used in the property, and these need to be accounted for when performing an appraisal. Taking an average price per square foot of property and applying it to the Subject Property's square footage, without consideration for the property characteristics, would create an inequity among the taxpayers of Montana. Additionally, the Taxpayer's valuation method goes against the IAAO standard of mass appraisal and the DOR regulations for mass appraisal.

42. The Taxpayer argues that the MRA is unreliable because it uses single-family residences and properties much larger than the Subject Property in valuing the Subject Property. Taxpayer also argued that the DOR should have used only the comparable properties located in the Warren Miller Lodge. DOR testified that the MRA values each piece of the Subject Property individually and combines those pieces to arrive at a final value. Using multiple regression analysis and a large sample size of sales, the DOR can determine how much people are willing to pay for specific features in a property. For example, by comparing the sales price of a two-bedroom house with a three-bedroom house,

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the DOR can determine how much a buyer is willing to pay for the extra bedroom. When all the pieces of the Subject Property are combined, the DOR arrives at the MRA value of a property. While the DOR did use the sales in the Warren Miller Complex in its MRA calculation, using just those five sales would not have produced a reliable MRA value or model. The Board found that using the large sample size of sales was necessary to produce a reliable MRA value. The three sales used in the DOR's sales report were those used to directly compare to the Subject Property. The 132 sales in the DOR sale placket were only used to determine the value of the house's parts and make price adjustments. The Board would like to note that all 132 sales are from the same market area inside the Yellowstone Club. Additionally, the Subject Property was only valued using comparable properties within the Warren Miller Complex.

43. Next, the Taxpayer argues that the weighted average is not reliable. The DOR used the sales prices of the three comparable properties in its sales report to find the weighted average. Depending on the comparability points, weights are assigned to each comparable property. The lower the comparability points, the more weight is given to that sale. The Board finds that the DOR properly determined the Subject Property's weighted average.
44. The Taxpayer argued that the DOR had some of the characteristics of the comparable properties wrong. The DOR testified that they used the condominium declarations to ascertain the characteristics of the condominiums. The DOR has no way of knowing what improvements have been made to a property unless they are able to physically inspect it. Since they have not been granted access to the comparable properties, using the condominium declaration is reasonable to obtain the comparable properties' characteristics and square feet. Additionally, Mr. Bills testified that he corrected the fireplace during a prior review.

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45. The Taxpayer argues that the value of his loft space is too high. The Taxpayer contends that the loft has a low ceiling and no windows or closets, so it is not a regular bedroom. The DOR testified that they value the loft as an additional living space, not an additional bedroom. Because of the lack of windows and closets, the DOR does not consider the loft a bedroom. Additionally, the Taxpayer admitted there were beds on the loft area, and it could be used as a bedroom when rented. The Board finds the DOR valuing the loft as living space reasonable.

46. The Taxpayer argues that he does not have a mountain view and instead faces the parking lot. The DOR did concede that a buyer might be willing to pay for a view of the mountains, but that view is built into the land value, not the improvements' value. The DOR testified that the existence of a view is not considered when valuing the Subject Property. Additionally, the Board heard no testimony relating to how much a prospective buyer would pay for a view and declined to make an adjustment.

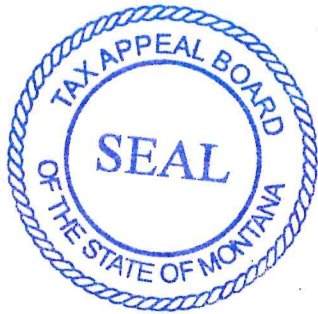
47. Lastly, the Taxpayer's argument that the MRA values vary widely across comparable sales is unreliable is unfounded. The DOR testified that the sales prices varied wildly across the comparable properties. The DOR saw sales from \$4 million to \$12 million in the same condo complex within two years of each other. The DOR also testified that they had record sales in the Yellowstone Club area because of the high demand during COVID-19. The Board affirms the CTAB decision and values the Subject Property at \$5,748,600.

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ORDER

48. The Board denies the Taxpayer's appeal and upholds the Madison County Tax Appeal Board.
49. The DOR is ordered to set the value of the property at \$5,748,600

Dated this 2nd day of January 2025.



A handwritten signature in blue ink, appearing to read "Travis Brown", written over a horizontal line.

Travis Brown, Chairman

A handwritten signature in blue ink, appearing to read "Amie Zendron", written over a horizontal line.

Amie Zendron, 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)*.

BEFORE THE MONTANA TAX APPEAL BOARD
PEEKAMOOSE, LLC v. STATE OF MONTANA, DEPARTMENT OF REVENUE

Certificate of Service

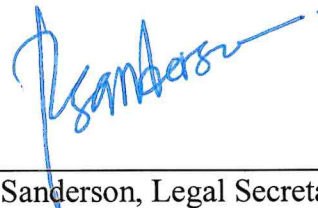
I certify that I caused a true and correct copy of the foregoing Findings of Facts and Conclusions of Law to be sent by email and United States Mail via Print & Mail Services Bureau of the State of Montana on January 2, 2025, to:

Peekamoose, LLC
Jefry Rosmarin
10 Mount Misery Road
Huntington, NY 11743-6609

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Rina Sanderson, Legal Secretary