

SAN JUAN

Islands

REAL ESTATE TAB

October 2022



**COLDWELL
BANKER**

SAN JUAN ISLANDS,
INC.

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Opportunity to Own a 39 Acre Farm

~ and more ~

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REAL ESTATE MARKET AND YOUR TAX ASSESSMENT

All of us Island property owners will be receiving our tax assessment notices from the County in the middle of October. As real estate agents we will be fielding many questions about the statements and new assessments. As you may recall, the State has mandated that our Assessor's office convert to an annual assessment update cycle versus the cyclical system we were on for years. The current values are for a one-year period only and will be adjusted the next year. Areas of properties are physically inspected every 6th year on a rotating basis. The current process is much more stable and refined and is a more accurate system than we have had in the past.

For the last 20 years, the majority of the properties sell above their tax assessments the with the exception of 2008-2013 which was the recession.

For example, during the recession, properties were selling at or below the assessor's values. However, back in 2006, many of the same type properties sold in an **average** range of 125%-170% **over** their tax assessments. These **average** percentages varied based on the type of property but generally that was the trend. Since 2014, due to market recovery, most homes are again selling above their tax assessment.

Reviewing the tax assessment as compared to the actual sales price for high-end homes is not reliable as they are very difficult to appraise due to custom features. The assessor relies on indications of value from market sales, and when there are not enough sales to determine the value of custom features, it is difficult to find an accurate standard of value for assessment purposes.

I do have to admit, as an agent, that processing an opinion of value for a home in excess of \$2.5M can be challenging; the owner typically builds a very custom home with elaborate description of materials. Even licensed appraisers find it a challenge and some contact agents for more details. Again, there are fewer sales of similar homes in that segment of our market so there are not as many comparable properties to review.

As always, it is much easier to be accurate when you have ample data to use.

THE PURPOSE OF THE ASSESSMENT

Most of the confusion around the issuance of new tax assessments stems from the purpose and process of the tax assessment. The assessor is required to value properties for **tax purposes** at true and fair market value accordingly to the highest and best use of the property. The valuation assigned by a REALTOR for the purpose of marketing, or the value assigned by an appraiser for the purpose of lending, estate planning or probate purposes, will most likely be a different amount. The process to the valuation is different for each therefore, the results will vary. Generally, the differences in the process are described below: size of residence and will dictate the location of where you can build on the lot.

Appraiser and Agents:

Both appraisers and agents conduct an interior inspection then identify at least 3 or more truly comparable sales that are recently closed that are physically inspected or at minimum, viewed via photographs in the Northwest Multiple Listing Service. Ideally closed sales should be less than 90 days old. The appraiser and agents spend much more time on the property determining the desirability based on the features and amenities. They also rely upon a cost approach, but a depreciated figure is deducted based on the age of the home and its condition. They will analyze the income approach if applicable. They base the value of docks at market.

Due to the size of our market, finding truly comparable property sales in our County has always been the challenge. A real estate agent even differs from an appraiser as we can use "Pending"...

To continue reading

Real Estate Market and Your Tax Assessment

please visit our website:

<https://www.sanjuanislandslifestyle.com/blog>

NEW LISTING



RECENTLY REMODELED HOME ON ACREAGE
\$820,000 - MLS #2005818



INTER-HARBOR WATERFRONT HOME
\$875,000 - MLS #1974364

REDUCED



SECLUDED WATERFRONT HOME ON ACREAGE
\$2,695,000 - MLS #1783855



SERENE WATERFRONT HOME ON GARRISON BAY
\$1,500,000 - MLS #1787607

PENDING



HARBOR RENTAL - BUSINESS FOR SALE
\$2,950,000 - MLS #1910066



EXPANSIVE WEST-FACING ACREAGE
\$449,000 - MLS #1910098



THRIVING LOCAL BUSINESS FOR SALE
\$875,000 - MLS #1808687



SUNNY 5-ACRE EQUESTRIAN ESTATE
\$875,000 - MLS #1941271



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OPPORTUNITY TO OWN A BEAUTIFUL 39 ACRE FARM

An exceptionally rare opportunity to own a real 39-acre farm in 2 parcels including a wonderful old-world farmhouse, a magnificent barn with many attributes including a previously approved milk station, 6 horse stalls, an animal washing station with hot and cold water, living area with a kitchen for ranch hands to have meals from, shop, huge hay loft, and large office. There is a very nice 1 bed/1 bath cabin, a large pond for swimming or other recreation...

\$2,250,000

MLS #1950257



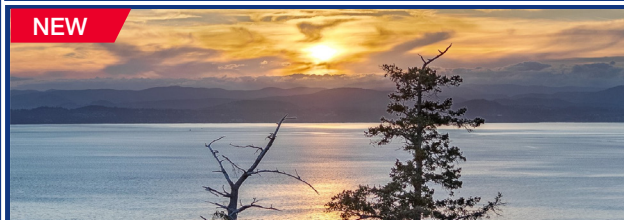
SERENE PARADISE RETREAT CENTER ON 20 ACRES

This serene paradise has been used as a Buddhist retreat center on 20 acres graced with madrona, native fir trees, & rocky outcroppings. The main building has a beautiful hand-painted meditation room, a suite with living room, guest rooms, a caretaker's apartment, large kitchen, hardwood floor & tile floors, & a full wrap-around deck. Groomed paths meander to multiple sleeping huts, tent platforms, & cozy yurts & offer space for large gatherings...

\$1,850,000

MLS #1995115

NEW



PREMIER LOCATION ON THE WEST SIDE OF SAN JUAN ISLAND WITH 180° VIEWS

Premier location on westside of San Juan, with 180° views of the Straits, Victoria, various species of whales, shipping lanes, sunsets and Olympics. Very private, on 5 delightful acres graced with old growth trees and rocky knolls, this 2300SF 2 bedroom 2 ½ bath custom home is sited on one of the best parcels in the area. Wonderful floor plan, it is in need of upgrades, but offers so much. Hardwood floors, formal library/office and dining room, breakfast nook, and great room with fireplace, wet bar, and views to die for. Split level with huge primary bedroom on second floor. Attached 2 car garage, and shop area. Fenced garden. Excellent private well, and paved road access.

\$1,475,000

MLS #1999937

NEW



NEW



BEAUTIFUL HOME AND ACREAGE ON KANAKA BAY ROAD

Perfectly sited on a rocky knoll, amongst towering old growth native trees, this private and lovely property has a 3 bedroom, 3 bath home with sunny deck and delightful stone patio. Vaulted ceilings, solarium, and skylights create a sunny and light filled home. Ready for your own touches, the home offers privacy, den with wood stove, great room with dining, attached 2 car garage with ample storage, office. Brand new roof, detached greenhouse...

\$847,000

MLS #1997863



KELLY SNOW

Broker

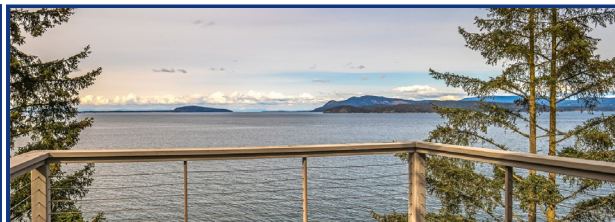
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LOOKING FOR A VIEW HOME? THIS IS IT!

Sublime NW contemporary waterfront home with approx. 266' of rocky shoreline on 2/3 acre, privately located at the end of the road. Soaring wood-beamed ceilings and expansive windows make for a light and open home, with grand primary suite up and guest bdrm/bath down; room for expansion. Open kitchen for gracious entertaining, and 1655 sf of easy-care composite decks to enjoy the stunning views. Work remotely with connected fiber optic internet. Detached garage...

\$1,395,000

MLS #1915124



ROCHE HARBOR RESORT VILLAGE LOT

Become a part of renowned Roche Harbor Resort Village with this building lot in The Woodlands, an easy stroll to the amenities of the Resort. Sale includes architectural plans designed by Peter Brachvogel of PC&J for home and detached garage with living space above, submitted to SJ Co. for permitting. This lot allows for a detached garage with bonus living space above for guests. Seller Financing is Possible!

\$499,000

MLS #1978595



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WATERFRONT ESTATE

Once-in-a-lifetime experience of a truly magnificent 2 Acre West Side Waterfront Estate on a south and west-facing point with 946 ft of medium-low bank shoreline. Enjoy an intimate connection with the whales swimming along the shoreline! Exquisite home with approx. 3450 sf, a 657 sf detached studio, a 620 sf detached guest facility, a 1248 sf shop-exercise-office, treehouse, wonderful landscaping, desalinization plant, 30,000 gallons of water storage, 3-bedroom septic system, 2 deer-fenced gardens, greenhouse, and chicken run. The value of the land is discounted 30% to \$2.1M due to a 99-year leasehold with 72 years remaining and the improvements most likely could not be replaced for less than \$4.5M.

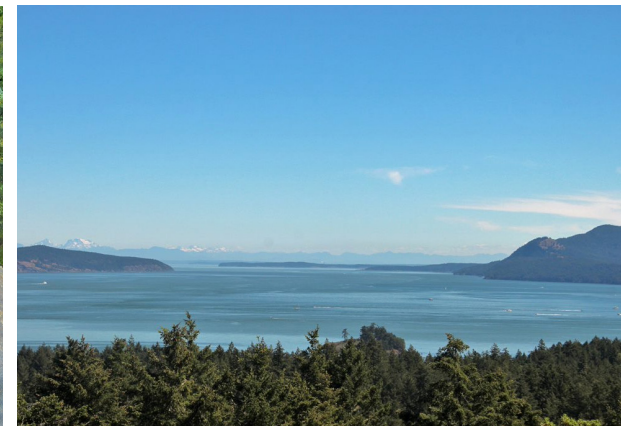
MLS #1977734 / \$6,450,000



CAPE SAN JUAN HOME

Outstanding opportunity far under replacement value: A 2-Story NW Craftsman Home with 4,125 sf, 3 bdrm, 3 ba, living room, filtered water view, good sun, & .52 acre. Several additions to the house make the floorplan a little unconventional but also provides great spaces for home office, homeschooling, & hobbies. The first-class elevator is a major asset for the short & long term and having a 2-car attached garage, a detached heated 3-car garage/shop, & a greenhouse. Access is through a magnificent 1200-acre National Park with 5 miles of accessible shoreline. Paved roads, a community pool & beachfront.

MLS #1985818 / \$1,180,000



WATER VIEW ACREAGE

Spectacular views across masses of water to many islands, plus big views of Mt Baker, on approx. 6.4 acres, including half interest in a well, a 4-bedroom septic permit, utilities close to the building site, a portion of a beautiful pond, and level wooded and steep ground. The ideal building scenario is a garage/shop with an elevator leading to a second story that accesses the moss covered peak. The property is adjacent to 1200 acres of privately held property that has historically allowed people to hike and ride horses on old logging roads leading to and around the Briggs Lake water shed for Roche Harbor.

MLS #1959918 / \$895,000



BEAUTIFUL FARM

An exceptionally rare opportunity to own a real 39-acre farm in 2 parcels including a wonderful old-world farmhouse, a magnificent barn with many attributes including a previously approved milk station, 6 horse stalls, animal washing station with hot and cold water, living area with a kitchen for ranch hands to have meals from, shop, huge hay loft, and large office. There is a very nice 1 bed/1 bath cabin, a large pond for swimming or other recreation, a large greenhouse, chicken coop, fenced pastures, and some wooded areas.

MLS #1950257 / \$2,250,000



HOME ON GOLF COURSE

Great investment opportunity with seller lease back. Nice location bordering the golf course on the north and west sides of property and view of a pond. One-story home with 1604 sf, 2 bed/2 bath, patio on golf course, an outdoor sauna/shower, attached 2-car carport, and 1000 sf detached garage/shop with attached 2-car carport.

MLS #1968806 / \$895,000



HOME NEAR TOWN

Bright and sunny west-facing home with territorial views of the beautiful SJC Land Bank property. Extensive remodel throughout just completed. 1616 sf, 3 bed/2 bath, large great room with vaulted ceiling and wood stove, new exterior paint in 2020, new roof in 2019, a 4-car garage (782 sf), a garage/shop/storage (928 sf) wired throughout with 220v, just over an acre, and close to town.

MLS #1922375 / \$799,000

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