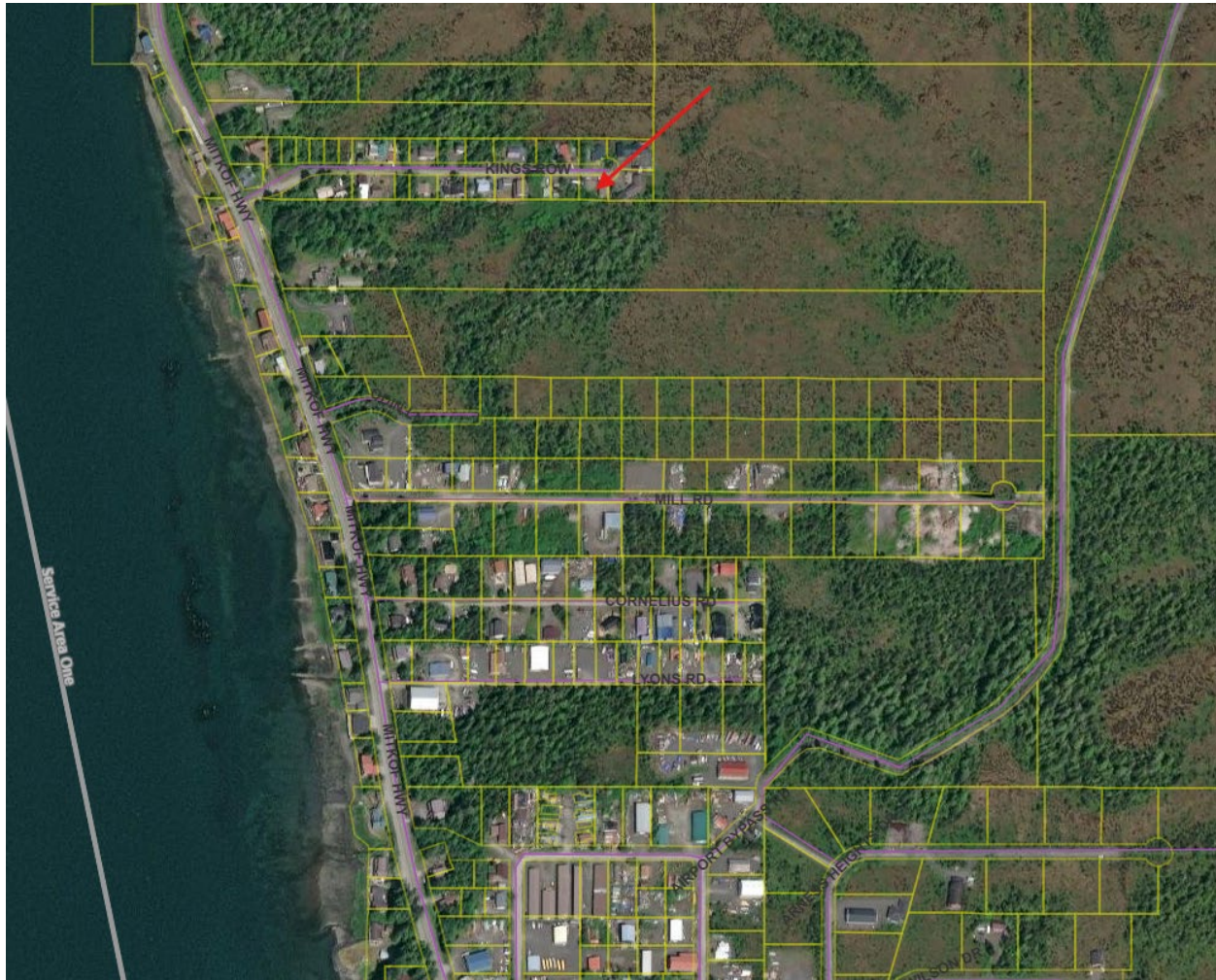


BOE Appeal Review for 136 Kings Row



To: 2026 Board of Equalization
From: Michael C. Renfro, Assessor
Martins Onskulis, Assessor
Re: 136 Kings Row

Purpose of Report

- Validation of the 2026 assessed value of the subject property as determined through the mass appraisal process and supported by sales ratio studies, in compliance with Alaska Statutes requiring assessment at full and true value.

Introduction

- The subject property is located at 136 Kings Row
- Land Size: 8,641 SF

- Building Size: 2,135 SF with 576 SF detached garage
- Land Value: \$36,600
- Building Value: \$194,400
- Total Assessed Value: \$231,000
- Valuation is based on comparable property sales, lot size, and location.

This report provides a comprehensive review of the assessed value and addresses concerns raised by the property owner.

Legal and Assessment Standard

Under Alaska law (AS 29.45.110), property must be assessed at its full and true value, defined as the estimated market value as of January 1.

- Market value is based on a willing buyer and willing seller
 - It reflects actual market behavior, not hypothetical or speculative impacts
 - Assessments must be applied uniformly and equitably across similar properties
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Overview of Valuation Process

Property valuations in Petersburg are developed using a mass appraisal approach that considers:

- Property characteristics
- Location and neighborhood influences
- Market trends
- Verified comparable sales

This methodology follows accepted appraisal standards and ensures consistency across similarly situated properties.

Utilization of Sales Data

Sales of comparable properties within the local market are the primary basis for valuation.

- Sales reflect actual buyer and seller behavior
- Adjustments are made for differences in size, location, and characteristics
- Market evidence must be local and relevant

This ensures assessed values reflect real-world transactions rather than theoretical assumptions.

Validation Through Sales Ratio Studies

All assessed values are tested using sales ratio studies to ensure accuracy and equity.

- Current ratios are in the low 80% range of market value
- This indicates assessments are conservative relative to market
- The State of Alaska expects assessments to be near 100% of market value

This confirms that assessed values are not excessive and, if anything, are below full market value.

Burden of Proof for Adjustments

For an adjustment to be warranted, there must be:

- Credible, market-supported evidence
- Comparable sales demonstrating a measurable impact

General concerns, opinions, or studies from other regions do not meet this standard unless supported by local market data.

Concern Raised by Property Owner

- The property owner asserts that the construction of a new cell tower has reduced property value.
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Analysis of Cell Tower Impact

1. Lack of Local Market Evidence

The property owner provided studies from outside Alaska suggesting potential impacts. However:

- No known studies exist specific to Alaska markets
- No verified sales in Petersburg indicate reduced values due to tower proximity

2. Existing Towers in Petersburg

Petersburg already has multiple towers:

- Airport Subdivision
- Behind the school
- Hungerford Hill Road

There have been numerous sales and listings near these locations without evidence of value reduction. In many cases, development continues in these areas.

3. Market Behavior Near Towers

Recent sales and listings include:

- 109 Odin St (listed): \$45,000 (assessed at \$26,700)
- 119 Mill Rd (sold): \$80,000 (assessed at \$63,600)
- 121 Arness Heights (sold): \$120,000 (assessed at \$94,000)

These transactions demonstrate that properties near towers:

- Continue to sell
- Sell at prices consistent with the broader market
- Do not show measurable discounts attributable to tower proximity

4. Broader Market Experience

Across multiple Alaska communities where we perform assessments, we have:

- Not observed consistent value impacts from cell towers
- Consulted with appraisers and real estate professionals
- Found no market-supported basis for adjustments

Timing of the Tower Construction

- The tower was completed in late November
- No post-construction sales data exists to measure any potential impact

Without sales occurring after completion:

- There is no measurable evidence of any change in value
- Any claimed impact remains speculative

Mass Appraisal Consistency

It is important to note:

- All properties are valued using the same methodology
- No adjustments are made for factors unless supported by market data
- Making unsupported adjustments for one property would create inequity across the tax roll

Conclusion

While concerns regarding cell towers are acknowledged, there is:

- No verified local market evidence of value reduction
- No sales indicating buyer resistance or price discounts
- Strong evidence that properties near towers sell at typical market levels
- Clear indication that assessed values are already below market

The subject property's assessed value is:

- Supported by market data
- Consistent with similar properties
- Below estimated market value

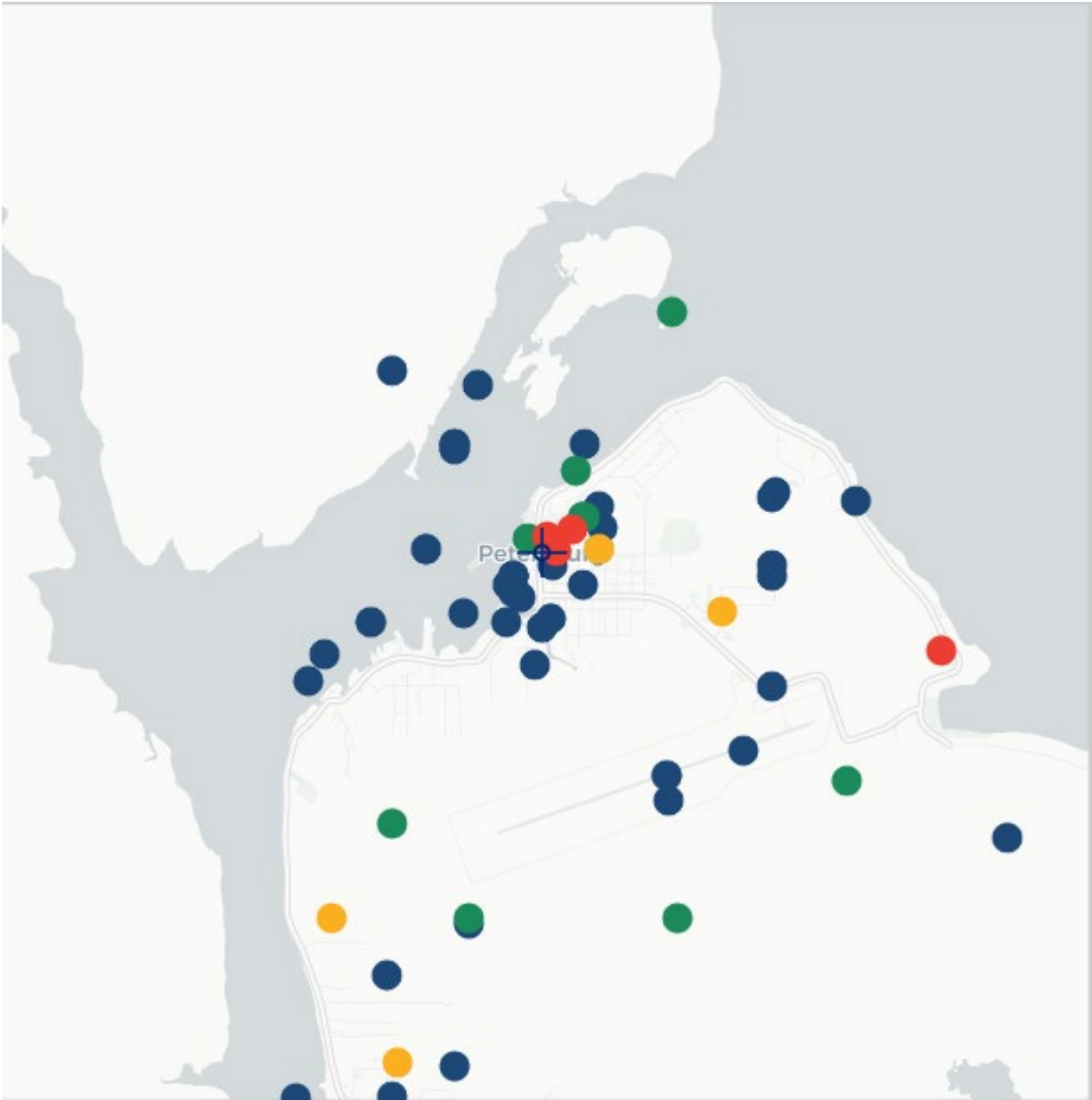
Valuation decisions must be based on demonstrated market behavior, not speculation or studies from dissimilar markets.

Recommendation: No change to the assessed value.

Subject Property



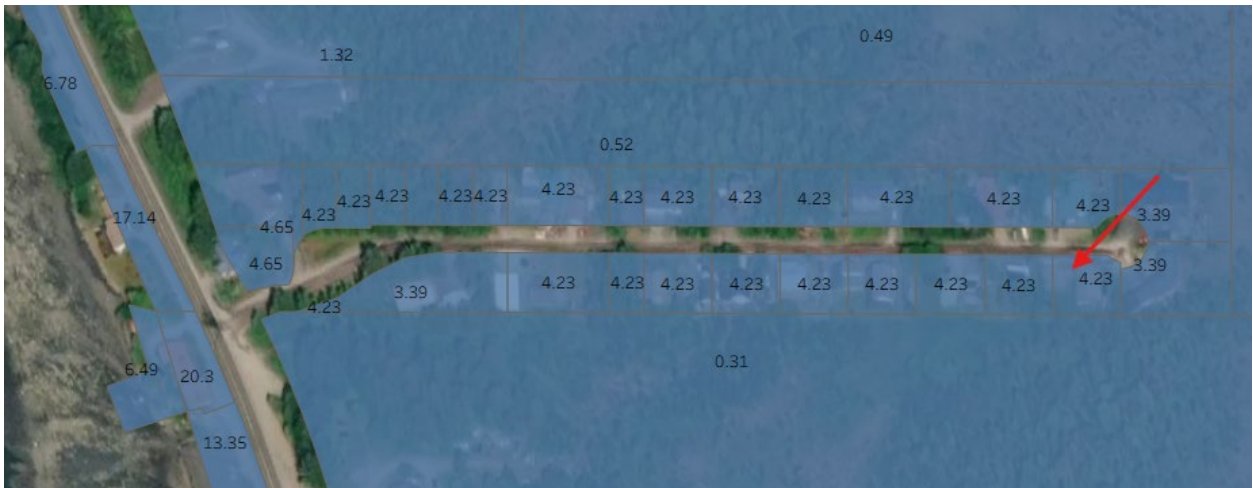
Cell Tower Location



Sales Location



Valuation Map



Listings



Assumptions and Limiting Conditions

This mass appraisal is subject to the following extraordinary assumptions (EA) and general assumptions and limiting conditions as follows:

EA-1 it is assumed that the properties ownership valued is correctly identified and held in fee simple interest unless stated otherwise.

EA-2 it is assumed that the land areas and dimensions are as stated in the records.

EA-3 it is assumed that the conditions of the properties areas as described in the various records based on the limitations of the inspections and observable features.

General Assumptions and Limiting Conditions:

1. It is assumed the data, maps, and descriptive data are accurate and correct. Photos, sketches, maps, and drawings in this appraisal report are for visualizing the property only and are not to be relied upon for any other use. They may not be to scale.
2. The valuation is based on information and data from sources believed reliable, correct and accurately reported. No responsibility is assumed for false data provided by others.
3. No responsibility is assumed for building permits, zone changes, engineering or any other services or duty connected with legally utilizing the subject property.
4. This appraisal was made on the premise that there are no encumbrances prohibiting utilization of the property under the appraiser's estimate of the highest and best use.
5. It is assumed the title to the property is marketable. No investigation to this fact has been made by the appraiser.
6. No responsibility is assumed for matters of law or legal interpretation.
7. It is assumed no conditions existed that were undiscoverable through normal diligent investigation which would affect the use and value of the property.
8. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value beyond what is estimated herein. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
9. The value estimate is made subject to the purpose, date and definition of value.
10. The appraisal is to be considered in its entirety, the use of only a portion thereof will render the appraisal invalid.

Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.