

1 **BOARD OF EQUALIZATION, COUNTY OF LAKE, STATE OF CALIFORNIA**

2
3 In the Matter of the Assessment Appeal of
4 Myers Storage LLC

FINDINGS OF FACT AND DECISION

5 [Application No. 15-2024]

6 This proceeding was commenced by virtue of an application for a changed assessment filed
7 by the Myers Storage LLC ("Applicant") seeking a reduction in the assessed value of its real property
8 located at 3584A North Main Street in Kelseyville, California, Assessor's Parcel Number 008-063-
9 250 (hereinafter, the "Property"). Specifically, the Applicant appealed the supplemental assessment
10 of the above-described Property for the date of purchase.

11 At the hearings of this matter on March 3, 2026, April 7, 2026 and April 21, 2026, evidence,
12 both oral and documentary, was introduced by the Applicant and introduced on behalf of the County
13 of Lake Assessor-Recorder ("Assessor"). The Lake County Local Board of Equalization, having
14 fully considered all the evidence before it, now makes the following findings of fact:

- 15 1. That the Applicant filed an application for changed assessment on the basis that the
16 Assessor incorrectly contends that the Applicant's purchase of the Property was not an
17 open market sale, that the Assessor's "present value of interest" analysis is
18 methodologically incorrect, unsupported by market evidence, and contrary to appraisal
19 standards.
- 20 2. That the Property is owned by Myers Storage LLC. The owner, Joseph Myers, was
21 present at the hearings. The Property is located at 3584A North Main Street in
22 Kelseyville, California. The Property includes 12,000 square feet mini storage facility
23 on an approximately .62 acres of graveled lot in a commercial area. The Property was
24 purchased on September 6, 2023, for \$700,000.
- 25 3. That pursuant to Revenue and Taxation Code Section 110, the fair market value of real
26 property is the purchase price paid in the transaction unless it is established by a
27 preponderance of evidence that the real property would not have transferred for that
28 purchase price in an open market transaction. The purchase price shall, however, be

1 rebuttably presumed to be the fair market value if the terms of the transaction were
2 negotiated at arms length between a knowledgeable transferor and transferee, neither
3 of which could take advantage of the exigencies of the other.

- 4 4. That this Board finds that the purchase price is rebuttably presumed to be the fair
5 market value of the Property as it was negotiated at arms length between the seller and
6 the purchaser that led to the \$700,000 purchase of the Property on September 6, 2023.
7 This Board has considered in this appeal that the Assessor had the burden of proof to
8 show fair market value to be other than the purchase price of the subject property as
9 evidenced by factors affecting the purchase price. While the purchase price is
10 admissible to prove market value, that alone is not conclusive.
- 11 5. That the Applicant presented its case, offering both testimony and documentary
12 evidence in support of its contention that his property had been overvalued by the
13 Assessor and that the purchase price of the property represents the assessable value.
14 The Applicant contended that the Assessor attempted to increase the purchase price of
15 \$700,000 to \$1,058,374 by adding a calculated “present value of interest” of \$358,374
16 derived from the loan amortization schedule. The Applicant also contended that there
17 is no evidence of concessionary or below-market financing as it related to this
18 property. The Applicant contended that the Assessor misapplied the full cash
19 equivalence approach by adding the total projected interest as if it were value. As for
20 the comparable sale approach, the Applicant contended that the properties referenced
21 by the Assessor consist of large-scale facilities, multi-parcel portfolio sales, and
22 facilities with superior utility and infrastructure that are incomparable to the Property.
23 The Applicant's opinion of value for the subject Property is \$700,000.
- 24 6. That the Assessor presented its case in support of the Assessor's opinion of value,
25 offering both testimony and documentary evidence. Having determined that the
26 purchase price did not accurately represent the fair market value of this Property, the
27 Assessor utilized the four approaches to value: (a) the cost approach; (b) the income
28 approach; (c) the comparable sales approach; and (d) the cash equivalence approach to

1 determine the assessable value. Under the comparable sales approach, the Assessor
2 contended that Applicant's submission of a single comparable may not be used as a
3 comparable sale because the sale date is outside of the 90-day period under Property
4 Tax Rule 324. The Assessor submitted 6 comparables ranging from \$1,200,000 to
5 \$8,500,000. Under the full cash value approach, the Assessor contended that the
6 Applicant's loan amount was \$557,000, using the average market interest rate of 6%,
7 the present value of interest income is \$358,374, rounded down, bringing a full cash
8 value amount of \$1,058,000. While the Assessor acknowledged that the comparable
9 sales approach is the least reliable indication of value due to the lack of listed market
10 sales, the cost approach, income approach, and full cash value approach are good,
11 defensible indicators of value.

- 12 7. That this Board finds that in using the full cash value approach under Revenue and
13 Taxation Code Section 110, the full cash value or fair market value is presumed to be
14 the purchase price but that presumption only exists in an open market transaction.
15 Even when the presumption does apply, it may be rebutted by evidence that the fair
16 market value of the property is otherwise. The Assessor had the burden to show by a
17 preponderance of the evidence that the purchase price was not the fair market value of
18 the Property. This Board finds that the Assessor has not met that burden. The Board
19 finds that the presumption that the sales price is the fair market value of the property
20 as provided in Revenue and Taxation Code Section 110 applies, and, therefore, the full
21 cash value of the Property is \$700,000.
- 22 8. That this Board finds, based on the evidence and facts in this matter that the appeal
23 should be granted. The evidence presented by the Applicant indicated that the full cash
24 value or fair market value of the Property is \$700,000. The Board further finds that the
25 assessable value of the subject property is \$700,000.
- 26 9. That this Board has considered and incorporates by reference the testimony and
27 documentary evidence presented by both parties in this matter.

1 10. That this Board has further reviewed, considered, and applied Property Tax Rule 2 in
2 determining the full cash value or fair market value of the subject property and
3 Revenue and Taxation Code Section 110 relating to the application of fair market
4 value presumptions. This Board has further reviewed and considered Property Tax
5 Rules 4 and 324 in regard to the comparable sales approach.

6
7 Based upon all the foregoing, this Board grants the appeal as particularly described
8 hereinabove and finds the assessed value of the subject property to be \$700,000.

9
10 NOTICE TO PARTIES: You are hereby given notice that the time within which any judicial review
11 of the decision herein may be sought is subject to the provisions of Revenue and Taxation Code
12 Section 1615. Any request for a transcript of the proceedings must be made within 60 days following
13 the date of the final determination of the Board.

14
15 Dated: _____

CHAIR, Board of Supervisors

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17 ATTEST: SUSAN PARKER
18 Clerk to the Board of Supervisors

APPROVED AS TO FORM:

19
20 By: _____

LLOYD C. GUINTIVANO
County Counsel