

Staff Report for 2025 State Board of Equalization

File No.: 2025-REPORT-MCKENZIE-WATFORD CITY-JLC HUNTERS, LLC

Prepared By: PROPERTY TAX DIVISION

County or City: WATFORD CITY

Appellant: JLC HUNTERS, LLC

Type of Appeal: COMMERCIAL VALUE

Appeal Issue: JLC Hunter's LLC, represented by Flanagan Bilton, LLC, is appealing the property value of \$5,570,520 on parcel 82-42-12500, located at 505 Hunters Run Street, Watford City, ND.

Analysis: The McKenzie County Board of Equalization approved a 2025 true and full value of \$5,570,520, of which \$4,224,120 is attributable to the improvements and \$1,346,400 is attributable to the land.

Property Tax Division staff completed an onsite inspection on Friday, September 12, 2025, with property manager, Lane, present. Staff also visited with McKenzie County Director of Tax Equalization, Katie Paulson, and City of Watford City Assessor, Rita Olson.

It was determined that the listed appellant is the prior owner, who sold the property on November 18, 2019. Representative Jennelyn Kody, clarified that the appellant is the current owner, Fairways on Hunters Run.

Fairways Apartment Living, owned by Fairways on Hunters Run, is a 2014 8-building, 2 and 3-story, 108-unit complex with detached garage space. Fairways Apartment is made up of studio, 1-bedroom, 2-bedroom, and 3-bedroom units.

The income approach to value was considered for this appeal. The calculated value per unit is \$68,700, resulting in an estimated value of \$7,416,100, which is higher than the county approved true and full value.

The cost approach to value was considered for this appeal. The calculated value per unit is \$51,100, resulting in an estimated value of \$5,517,200, which is lower than the county approved true and full value.

The sales approach to value was considered for this appeal. The calculated value per unit is \$77,857, resulting in an estimated value of \$8,408,502, which is higher than the county approved true and full value.

Upon review of all information submitted by Fairways on Hunters Run, the City of Watford City, and McKenzie County, the three approaches to value were weighted. The per unit value reached is \$57,624 for the 8-building, 108-unit complex which indicates a value of \$6,223,344 which is higher than the county approved true and full value of \$5,570,520. The difference is an opinion of assessment and could fluctuate depending on how the market is viewed and does not warrant a change.

Summary of Findings: The McKenzie County Board of Equalization approved a 2025 true and full value of \$5,570,520 on this 2014 8-building, 2 and 3-story, 108-unit complex. The three approaches to value indicate a value of \$58,845 per unit, which comes to a total value of approximately \$6,355,224, which is higher than the county approved value of \$5,570,520. The difference is an opinion of assessment and could fluctuate depending on how the market is viewed and does not warrant a change.

Proposal for Board Review: No action required.
