

# Why Do I Pay Dues/Assessments for an Empty Lot?

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## **The Question**

A question often asked by those who own an empty lot is, "Why do we have to pay for things we don't use now and won't use until we build a cabin or until we sell the property to someone else who wants to build a cabin?"

## **The Answer**

The Sweetwater Park Homeowners Association (HOA) and the Bear Lake Water Company (BLWC) have a two tier structure for dues and assessments as shown on the [Fees](#) link of the [www.swphoa.com](http://www.swphoa.com) web site and summarized here for convenience of the reader:

	<b><u>Cabins</u></b>	<b><u>Lot-Only</u></b>
Annual HOA Dues	\$240	\$96
Annual BLWC Operating/Standby Assessment	\$151	\$61
Annual BLWC Special Assessment	<u>\$80</u>	<u>\$80</u>
<i>ANNUAL TOTAL</i>	\$471	\$237

You will notice from the above that cabin owners pay approximately 2-1/2 times the amount that lot-only owners pay, with the exception of the Water Company Special Assessment. The reason, obviously, is that those with cabins are benefitting the most now from the availability of water and maintained roads since those with cabins are normally here and use their property regularly. The Lot-Only owners' fees are designed to help maintain roads and the water system to keep them functioning and available for when those owners, or someone to whom they sell the lot, decide to build a cabin.

The Special Assessment, however, pays for major capital improvements to the water system to keep it up to code and to add capacity. Special Assessment funds address such issues as current and future demands on the system, replacement of old water lines and equipment, the addition of wells, added water rights, increased pumping capacity, and increased storage tank volume. The Special Assessment is the same for lot-only owners and cabin owners because the benefit-level to both is essentially the same.

It is important to recognize that all Sweetwater Park property owners benefit from the availability of water and maintained roads, whether or not you currently have a cabin on your lot. Over the past few years the value of lots in this area have escalated significantly from the \$10,000 range to the \$50,000 - \$100,000 range, although during the current downturn prices have fallen back somewhat. In both cases, empty lot or cabin, a significant part of the value of your property is due to the fact that it has access and water available.

If you are uncertain whether or not the above is so, think what such property would be worth, even with our great view, if there were no roads for access and the only water available was that which you purchased and packed in each time you walked in to visit your property.