

**Order of the Thurston County
Board of Equalization**

Property Owner: BENNETT-THOMAS LLC

Parcel Number(s): 62200100100

Assessment Year: 2016

Petition Number: 16-0262

Having considered the evidence presented by the parties in this appeal, the Board hereby:

☒ sustains ☐ overrules the determination of the assessor.

Assessor's True and Fair Value

<input checked="" type="checkbox"/> Land	\$ 514,250
<input checked="" type="checkbox"/> Improvements	\$ 5,454,500
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 5,968,750

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ 514,250
<input checked="" type="checkbox"/> Improvements	\$ 5,454,500
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 5,968,750

This decision is based on our finding that: The Board sustains the Assessor's determination of value based on the testimony and evidence presented.

At hearing, the Petitioner's representative revised his total requested value to \$5,251,600, or \$178.46 per square foot. He testified that he accepted the Assessor's land value. The Petitioner provided four comparable sales, a rebuttal of the Assessor's comparable sales, and a rebuttal of the Assessor's income approach in support of his requested value.

The Assessor testified that none of the Petitioner's comparable sales were similar to the subject property. The Assessor's representative testified that: Petitioner's Comparable Sale 1 was bank-owned at the time of sale, that 40 percent of the building was in shell condition, and the property was 70 percent vacant; Petitioner's Comparable Sale 2 is an office building that was purchased for conversion to apartments; Petitioner's Comparable Sale 3 was based on inaccurate data provided by Co-Star and the listed sale did not occur; Petitioner's Comparable Sale 4 is located in Tacoma, Pierce County, which is a different market area, and the building was approximately 50 percent vacant at the time of sale.

The Assessor provided a market-adjusted cost approach, a sales comparison approach, and an income approach in support of the current assessed value. The Assessor's representative noted that the subject property is masonry construction with high quality finish and small office units. The Assessor's representative explained that Assessor's Comparable Sale 2 is of superior quality and that Assessor's Comparable Sale 5 was sold as a shell and was subsequently completed after the purchase.

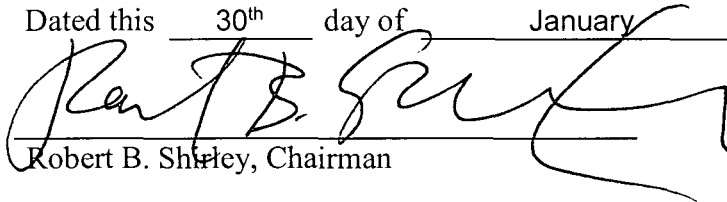
The Petitioner's representative provided a Rebuttal of the Assessor's Comparable Sales, in which he compared the sales prices to the assessed values of the sold properties. The Assessor's representative testified that the sales occurred at different times relative to the January 1, 2016, assessment date. The Board does not consider the assessed value of other properties or the amount of assessment increase in determining the true and fair market value of the subject property as of January 1, 2016. The Petitioner's representative testified that Assessor's Comparable Sales 1 and 5 are much smaller than the subject property.

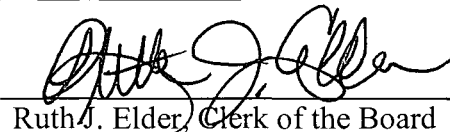
The Petitioner provided a rebuttal to the Assessor's income approach that included a 20 percent vacancy rate, based on the actual vacancy of the subject property. The Assessor's representative testified that their annual survey provided a vacancy rate for offices of 10 percent.

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The Board finds that the Petitioner's comparable sales include distressed and bank-owned properties with high vacancy rates. The Board finds that the Petitioner's comparison of the Assessor's comparable sales to the assessed values of the sold properties is unpersuasive. The Board concludes that the Petitioner did not provide clear, cogent, and convincing evidence sufficient to overcome the Assessor's presumption of correctness and to warrant a reduction in the valuation.

Dated this 30th day of January, 2017


Robert B. Shirley, Chairman


Ruth J. Elder, Clerk of the Board

NOTICE

This order can be appealed to the State Board of Tax Appeals by filing a notice of appeal with them at PO Box 40915, Olympia, WA 98504-0915 or at their website at bta.state.wa.us/appeal/forms.htm within thirty days of the date of mailing of this order. The Notice of Appeal form is available from either your county assessor or the State Board.

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