

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

Property Owner: OLYMPIA MALL CO. AND MACY'S

Parcel Number(s): 12816430304

Assessment Year: 2016

Petition Number: 16-0376

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

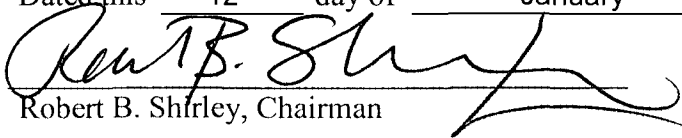
<input checked="" type="checkbox"/> Land	\$ 5,404,450
<input checked="" type="checkbox"/> Improvements	\$ 8,118,500
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 13,522,950

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ 5,404,450
<input checked="" type="checkbox"/> Improvements	\$ 8,118,500
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 13,522,950

This decision is based on our finding that: The Board sustains the Assessor's determination of value based on the testimony and evidence presented. The Petitioner revised his requested value to a total value of \$8,200,000. The Petitioner provided an analysis that included an income capitalization approach, lease comparables, a sales comparison approach, and a cost approach. The Petitioner contends that: the Assessor's lease comparables are not department stores and are of significantly different size than the subject property; the Assessor's sales are multi-tenant retail centers rather than department stores; and the sale of the Everett Mall Macy's store should be considered. The Assessor provided a market-adjusted cost approach, a sales comparison approach, and an income approach to support the current assessed value. The Assessor contends that: department store leases are difficult to obtain due to their proprietary nature; department store leases typically include a base rent and a percentage of sales; the Petitioner submitted lease information only for Macy's stores; the Assessor is valuing the anchor space, not Macy's specifically, because the Assessor is valuing the real estate, not the business; the Assessor does not find the Macy's store in Everett to be a good comparable, as it is not a typical stabilized property and there were only three years remaining on the lease at the time of sale in 2014; it was entirely possible that the buyer would be seeking a new tenant in three years; the Assessor does not use the assessed values of other properties in determining the market value of the subject property; the Assessor finds that the Petitioner provided inaccurate data for the Southcenter Mall and Commons at Federal Way; and the Petitioner's cost approach does not include entrepreneurial profit. The Board finds the Petitioner's analysis to be 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 12th 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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