

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

Property Owner: KARIT INC DBA SUPER 8 LACEY

Parcel Number(s): 11816230300

Assessment Year: 2016

Petition Number: 16-0557

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 Determination

<input checked="" type="checkbox"/> Land	\$ 859,750
<input checked="" type="checkbox"/> Improvements	\$ 2,666,900
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 3,526,650

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ 859,750
<input checked="" type="checkbox"/> Improvements	\$ 2,666,900
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 3,526,650

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 Board relies, in a measure, on its previous reviews of the subject property. At hearing, the Petitioner's Representative revised his requested value to \$859,750 for the land and \$1,266,280 for the improvements, for a total value of \$2,126,030. He provided a sales comparison approach and an income analysis in support of his requested value. The Petitioner's Representative requested a room revenue multiplier of 2.9, near the high end of the range, and argued that the Assessor's value required the application of a 4.8 multiplier that is not supported by the market. He testified that: there is a ground lease in place; the loss of a military contract years ago resulted in lost revenue that has not been replaced; and the cost approach is not reliable for valuing the subject property. The Assessor's Representative provided a market-adjusted cost approach, a sales comparison approach, and an income approach in support of the current assessed value. She testified about concerns with the comparable sales submitted by the Petitioner's Representative. She testified that: the fee appraisal submitted by the Petitioner's Representative was not reliable; the long-term occupancy rate for the subject property of 33 percent does not reflect the stabilized occupancy of similar properties at 50 percent; there is no documentation that the leasehold actually transferred; and room rate multipliers do not account for risk and cannot be mixed with capitalization rates. The Board concludes that the Petitioner's Representative 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 22nd day of June, 2017


James Harvison, 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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