

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

Property Owner: ERIC DIGHTMAN

Parcel Number(s): 60800401000

Assessment Year: 2017 Petition Number: 17-0048

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	\$ <u>108,300</u>
<input checked="" type="checkbox"/> Improvements	\$ <u>510,500</u>
<input type="checkbox"/> Minerals	\$ _____
<input type="checkbox"/> Personal Property	\$ _____
TOTAL:	\$ <u>618,800</u>

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ <u>108,300</u>
<input checked="" type="checkbox"/> Improvements	\$ <u>321,700</u>
<input type="checkbox"/> Minerals	\$ _____
<input type="checkbox"/> Personal Property	\$ _____
TOTAL:	\$ <u>430,000</u>

This decision is based on our finding that: The Board overrules 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.

The Petitioner purchased the subject property for \$275,000 on May 8, 2013, via a special warranty deed. The property was bank-owned at the time of purchase. A rehabilitation loan of \$60,000 was required at the time of purchase. The Petitioner contends that the condition of the home is less than the Assessor believes and that the cost approach is not reliable for an older home such as the subject property that was built in 1894. The Petitioner revised his requested value at the hearing to a total of \$200,000. The Petitioner reviewed the issues with the subject property: while the wood flooring has been refinished and resealed, it is old with gaps between the boards; the walls are lathe and plaster; there is no insulation, resulting in high heating bills; the single pane windows are in poor condition; the flaking paint on the exterior was removed and a coat of paint was applied; and modifications would require permission from the Historic Commission. The Petitioner shared his concerns about the substantial increase in the assessed value in one year. He stated that the Assessor was attempting to use his application for the historic property exemption against him. The Petitioner testified that the property at 303 17th Ave SE was built in 1893 and sold for \$285,000 in 2012, but it is assessed at \$197,500.

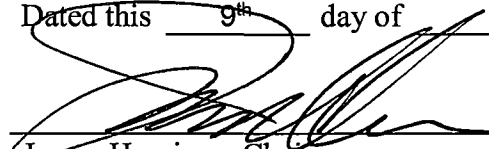
The Assessor did not participate in the hearing but provided a written Response. The Assessor provided a market-adjusted cost approach and a sales comparison approach in support of the current assessed value. The Assessor also submitted the Petitioner's Application and Certification of Special Valuation on Improvements to Historic Property.

The Board finds that the Petitioner's comparable sale is a multi-family property rather than a single-family residence. The Board does not consider the assessed value of other properties in determining the true and fair market value of the subject property. The Board notes that the Assessor rates the quality as good to very good and the condition as very good. The Board finds that the condition is less than very good with many repairs yet to be made. The Board finds that the Assessor allowed inadequate physical depreciation (31 percent) for a home built in 1894 that is needing significant repairs. The Board questions the Assessor's 1958 effective age of the subject property. The Board finds that the Petitioner's total cost of rehabilitation in his application of June 7, 2015, was \$72,331.60, which does not explain the change in the assessed value from \$382,750 in 2016 to \$618,800 in 2017.

In reviewing the Assessor's Comparable Sales, the Board finds as follows: the parcel number listed for Comparable Sale 1 is actually a vacant lot, which sold together with Parcel Number 38500500100 for \$735,000 on June 8, 2012; this multiple-parcel sale is not comparable to the subject property; Comparable Sales 1 and 2 both have limited views, while the subject does not have a view; Comparable Sales 4 and 5 are located in very different appraisal neighborhoods than the subject property and have good views, while the subject property does not have a view; the \$21,628 adjustments to these comparable sales with good views is inadequate; Comparable Sale 4 was built in 1987 and has an effective age of 24 years; Comparable Sale 5 was built in 1995 and has an effective age of 22 years; the gross adjustments of greater than 50 percent for Comparable Sales 4 and 5 suggest that these sales are not useful in determining the value of the subject property; and Comparable Sale 3 is the most similar to the subject property in appraisal neighborhood and absence of view, and this sale supports a reduced value for the subject property. The Board finds that page 3 of the Assessor's Sales Comparison Approach has very small font that is blurry and it is virtually unreadable.

The Board concludes that the Petitioner provided clear, cogent, and convincing evidence sufficient to overcome the Assessor's presumption of correctness and to warrant a reduction in the valuation.

Dated this 9th day of April, 2018


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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