

Order of the Thurston County Board of Equalization

Property Owner: HYTEC INC

Parcel Number(s): 64300800100Assessment Year: **2017**

Petition Number: 17-0271

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	\$ 992,600
<input checked="" type="checkbox"/> Improvements	\$ 3,620,600
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 4,613,200

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ 992,600
<input checked="" type="checkbox"/> Improvements	\$ 2,891,129
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 3,883,729

This decision is based on our finding that: The Board adopts the Petitioner's requested value based on the testimony and evidence presented. The Board relies, in a measure, on its previous reviews of the subject property.

The Petitioner was represented by Randall Scott of Northwest Property Tax Consultants. The Petitioner's Representative accepted the Assessor's land value and requested an improvement value of \$2,891,129, for a total value of \$3,883,729. The Petitioner's Representative testified that his cost approach is based on Marshall Swift's standard depreciation rates. He explained that decades of studies went into developing the national averages that are applied. The Petitioner's Representative testified that: he disagrees with the Assessor's cost approach utilizing local depreciation factors; none of the Assessor's sales are in the Yelm area; and the Assessor's income approach is unrealistic for the Yelm area.

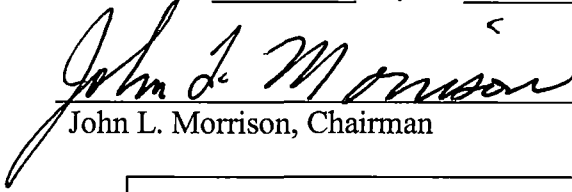
The Assessor was represented by Teresa Hoyer, Commercial Appraiser. The Assessor's Representative provided a market-adjusted cost approach, a sales comparison approach, and an income approach in support of the current assessed value. The Assessor's Representative testified that: the depreciation is the difference between the parties; the subject property is still in use; full depreciation in the Marshall Swift tables is 80 percent; the Petitioner's cost report is using 75.5 percent depreciation; the use of local depreciation data is better than using the national averages; warehouse buildings do not have a lot of interior fixtures to depreciate; and the Assessor's income approach used the lowest rate in the nearby market area.

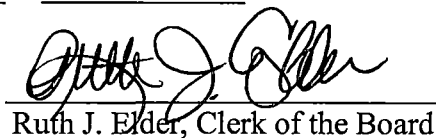
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The Board finds the arguments of the Petitioner's Representative to be convincing. The Board does not find the Assessor's sales comparison approach or income approach to be persuasive. The Board concludes that the Petitioner's Representative provided clear, cogent, and convincing evidence sufficient to overcome the Assessor's presumption of correctness and to warrant a reduction in the valuation.

Dated this 11th day of June, 2018


John L. Morrison, 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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