

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

Property Owner: KARIT INC DBA SUPER 8 LACEY

Parcel Number(s): 11816230300

Assessment Year: 2017

Petition Number: 17-0735

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	\$ 1,026,200
<input checked="" type="checkbox"/> Improvements	\$ 2,176,100
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 3,202,300

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ 1,026,200
<input checked="" type="checkbox"/> Improvements	\$ 2,176,100
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 3,202,300

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. The subject property is Super 8 Motel in Lacey. The Petitioner was represented by Mike De Salvo of Tax Advisors, PLLC. At hearing, the Petitioner's Representative revised his requested value to \$1,026,200 for the land and \$1,297,700 for the improvements, for a total value of \$2,323,900. He provided a sales comparison approach and an income direct capitalization analysis in support of the requested value. The Petitioner's Representative testified that: there is a ground lease in place; the leasehold and improvements were purchased in 2014; the loss of a military contract in 2011 resulted in lost revenue that has not been replaced; and the cost approach is not reliable for valuing the subject property. He contended that sales of other Super 8 motels support his requested value and that the Assessor's value implies a 3.91 room revenue multiplier, which is much higher than demonstrated by comparable sales. He provided an analysis of the Assessor's sales, arguing that the Assessor failed to consider similar properties in the valuation of the subject property. The Assessor's Representative did not participate in the hearing, but provided a written response including a market-adjusted cost approach, a sales comparison approach, and an income approach in support of the current assessed value. The Board finds that the Petitioner's fee appraisal was not submitted to the Board for review and that questions remain regarding the reported transfer of the leasehold. 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 13th day of August, 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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