

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

Property Owner: DUJARDIN CUSTOM HOMES INC.

Parcel Number(s): 75301600100

Assessment Year: 2018

Petition Number: 18-0105

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	\$ 414,300
<input checked="" type="checkbox"/> Improvements	\$ 629,800
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 1,044,100

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ 414,300
<input checked="" type="checkbox"/> Improvements	\$ 629,800
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 1,044,100

This decision is based on our finding that: The Board sustains the Assessor's determination of value based on the evidence and testimony presented.

The Petitioner's Representative did not participate in the hearing, but submitted materials that were also submitted to the Board of Tax Appeals, including the following: DOR *Low-Income Housing Valuation Guide* (Sept. 2008); Property Tax Advisory 15.1.2009; Property Tax Special Notice, *Assessment of Low-Income Housing – Update* (Oct. 2, 2009); *Wagner v. Prosser Apt. Assocs.*, BTA Nos. 76465 and 80983 (April 9, 2013); *VBC Chestnut Court, LP v. Cook*, BTA Nos. 08-135, 08-136, and 08-137 (Jan. 28, 2014); Appellant's financial statements for fiscal years ending June 30, 2017 and June 30, 2016; and Appellant's updated income proforma reflecting a revised value contention of \$892,650.

The Assessor was represented by Teresa Hoyer, Commercial Appraiser, who provided a written Response including a market-adjusted cost approach in support of the current assessed value. The Assessor's Representative testified that the Petitioner's Representative did not provide a rent roll or detailed expense information in their submission, despite her repeated requests. Ms. Hoyer explained that she could not develop an income approach to value without this information. Ms. Hoyer testified that: the sales approach is not used for this property since there are few sales of Section 515 low income housing projects; the Board of Tax Appeals recently issued decisions for appeals from the 2013 through 2017 assessment years, and that the Assessor's valuations were sustained for each of these assessment years; and the Petitioner's Representative had argued for a risk component to the capitalization rate and the use of actual expenses rather than market expenses, but that the Board of Tax Appeals accepted the Assessor's expense analysis. The Board asked Ms. Hoyer why the Assessor uses a cost approach to value these properties when this is not recommended by the Department of Revenue. Ms. Hoyer responded that all properties are valued using the market-adjusted cost approach, since there is insufficient manpower to use the other approaches to value. Ms. Hoyer testified that the Assessor applies a ten percent adjustment in recognition of the restrictions, and that the Assessor will test with the income approach if data is available.

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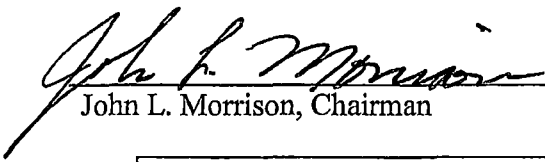
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The Board does not find the Petitioner's evidence to be persuasive. The Board concludes that the Petitioner's Representative did not provide clear, cogent, and convincing evidence sufficient to overcome the Assessor's presumption of correctness and to warrant a reduction in the valuation.

Dated this 28th day of November, 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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REV 64 0058 (6/9/14)

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