

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

Property Owner: EVERGREEN PLAZA ASSOCS LLC/OVERLAKE MGMT CO

Parcel Number(s): 78500800300

Assessment Year: 2018

Petition Number: 18-0541

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	\$ 734,500
<input checked="" type="checkbox"/> Improvements	\$ 12,454,300
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 13,188,800

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ 734,500
<input checked="" type="checkbox"/> Improvements	\$ 11,565,500
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 12,300,000

This decision is based on our finding that: The Board adopts the Assessor's recommended reduction based on the testimony and evidence presented.

The Petitioner was represented by Amy Hoppe of Hoppe and Associates. The Petitioner's Representative requested a revised value to the improvements of \$10,765,500 and accepted the Assessor's land valuation, for a total revised requested value of \$11,500,000. Ms. Hoppe explained that the revised value is based on new information that was provided by the Petitioner subsequent to the time that the Assessor's Response was received. Ms. Hoppe testified that the Petitioner is preparing to list the property for sale, having received a verbal offer of \$11,200,000. Ms. Hoppe reviewed a comparable property for sale in Tacoma that is currently under contract for \$13,000,000. Ms. Hoppe reviewed the problems of selling the subject property with the stigma associated with downtown Olympia and impacts of homelessness as documented in articles from *The Olympian* newspaper. Ms. Hoppe contends that the listing agent is going to list the property at \$11,400,000, which is the highest possible value, and the best evidence of the value for the subject property.

The Assessor was represented by Teresa Hoyer, Commercial Appraiser, who provided a written Response including a market-adjusted cost approach and an income approach in support of the recommended value. The Assessor recommended a reduction in the value of the improvements to \$11,565,500, for a total recommended value of \$12,300,000. Ms. Hoyer clarified that her recommended value is the result of her income approach. Ms. Hoyer reviewed the discrepancies and her concerns about the Petitioner's appraisal and analysis, stating that the information is unreliable. Ms. Hoyer contends that the rental rates in downtown Olympia already reflect the conditions in the area.

The Board finds that the recommended reduction is not the result of a manifest error correction pursuant to Revised Code of Washington 84.48.065(1)(a). The Board finds that the standard of review is reduced from clear, cogent, and convincing to the preponderance of the evidence due to the Assessor's recommended reduction.

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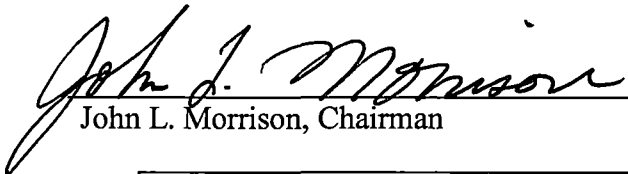
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The Board finds that the verbal offer presented by the Petitioner's Representative is unreliable. The Board finds numerous discrepancies in the Petitioner's fee appraisal. The Board finds the Assessor's analysis to be compelling. The Board concludes that the Petitioner did provide the preponderance of the evidence to warrant a further reduction in the valuation.

Dated this 23rd day of January, 2019


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)

SHIPPED FEB 26 2019