

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

Property Owner: KC PROPCO LLC

Parcel Number(s): 11817411300

Assessment Year: 2018

Petition Number: 18-0561

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	\$ 520,200
<input checked="" type="checkbox"/> Improvements	\$ 772,600
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 1,292,800

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ 520,200
<input checked="" type="checkbox"/> Improvements	\$ 772,600
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 1,292,800

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 Petitioner was represented by Wayne Tannenbaum of Pivotal Tax Solutions. At the hearing, the Petitioner's Representative revised his requested value to \$400,000 for the land and \$450,000 for the improvements, for a total requested value of \$850,000. The Petitioner's Representative provided comparable sales and a cost analysis in support of his requested value. The Petitioner's Representative contended that the Assessor's valuation is not supported by the data and not enough weight was given to the sales, leases, and income from the daycare centers. The Petitioner's Representative argued that his comparable sales are valid sales and that adjusting the sales prices and the Assessor's comparable sales would still result in a lower value for the subject property.

The Assessor was represented by Teresa Hoyer, Commercial Appraiser, who provided a written Response including a market-adjusted sales approach, a sales comparison approach, and an income approach in support of the current assessed value. The Assessor's Representative contended that: her comparable sales were all verified; the Petitioner's Representative's comparable sales do not reflect market sales as there are bargain and sale deeds and loans above the sale price; and the source of the Petitioner's Representative's cost analysis is unclear and there is no profit included. Ms. Hoyer reviewed the Petitioner's Representative's comparable sales and testified that: the Petitioner's Representative's comparable sales were adjusted for size and age, but not for other factors such as location or condition; she was unable to verify the Petitioner's Representative's comparable sale in Kent on page 13, which sold for \$825,000, but had a loan for \$965,000; the comparable sale on page 14 contains an error, as the property was leased to the buyer at the time of sale, so it was not vacant; the sale in Lynnwood on page 16, and the sale in Yelm on page 22 were not listed on the multiple listing service; the sale in Lacey on page 18 is a valid sale; the sale on page 20 is in Newburg, Oregon, and was not verified; the comparable sale on page 24 sat vacant so long that the special use permit expired; the comparable sale on page 27 was a cash sale of a daycare center where the previous owner was shut down by Child Protective Services in March 2015; and the sale in Lakewood on page 29 was not listed, was a cash sale, sold via a bargain and sale deed, and the sellers were divesting themselves of the property.

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The Board finds that most of the Petitioner's Representative's sales were not arms-length market transactions. The Board finds that the arguments presented by the Petitioner's Representative were not convincing. 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 27th day of March, 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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SHIPPED APR 30 2019