

Board of Equalization

Property Owner: LACEY 189 PARTNERS LLC

Assessment Year: **2019**

Having considered the evidence presented by the parties in this appeal, the Board hereby:

☒ sustains ☐ overrules the determination of the assessor.

PETITION	PARCEL	ASSESS LAND	ASSESS BLDG	ASSESS TOTAL	BOE LAND	BOE BLDG	BOE TOTAL
19-0168	11812320102	4,040,500	9,141,700	13,182,200	4,040,500	9,141,700	13,182,200
19-0169	11812320300	5,862,600	9,311,300	15,173,900	5,862,600	9,311,300	15,173,900

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

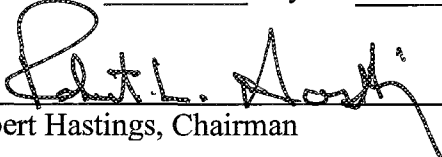
Wayne Tannenbaum of Pivotal Tax Solutions participated in the teleconference hearing on behalf of the Petitioner, Lacey 189 Partners LLC. Mr. Tannenbaum stated that these two parcels compose one economic unit, the Brittany Lane Apartments. Mr. Tannenbaum revised his requested value to \$130,000 per unit. Mr. Tannenbaum provided a cost approach and an income analysis for the year ending in 2018 using actual income and expenses plus adding a reserve for replacement. Mr. Tannenbaum testified that: his comparable sales 1,2,3, and 5 are closer to the age of the subject property than the Assessor's comparable sales; his comparable sales support a lower assessed value per unit; and the Petitioner's purchase for \$34,994,400 on February 22, 2018 via a Bargain and Sale Deed does not appear to be market value based on the actual income and expenses.

The Assessor was represented by Commercial Appraiser Michael Anderson. Appraisal Supervisor Teresa Hoyer 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. Mr. Anderson testified that: all three approaches to value support the current assessed value; parcel ending -102 has 89 units and parcel ending -300 has 100 units; the current assessed value is still significantly less than the Petitioner's purchase price on February 22, 2018; the purchase price was more than \$185,000 per unit; the value requested by the Petitioner's Representative equates to \$86,000 per unit and is completely unsupported by the evidence; and the Petitioner's Representative committed an error in the income analysis by including capital renovations in the expenses.

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The Board does not find the arguments of the Petitioner's Representative to be convincing. The Board does not find that the evidence presented supports the value requested by the Petitioner's Representative. The Board finds that the current assessed value is still significantly less than the Petitioner's purchase of the subject property via a Bargain and Sale Deed on February 22, 2018. 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 18th day of August, 2020


Robert Hastings, Chairman


Ruth J. Elder, Clerk of the Board

NOTICE

This order can be appealed to the State Board of Tax Appeals by filing a formal or informal appeal with them at PO Box 40915, Olympia, WA 98504-0915 or at their website at <https://bta.wa.gov> within thirty days of the date of mailing of this order. The appeal forms are available from either your county assessor or the State Board of Tax Appeals.

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