

Order of the Kittitas County

Board of Equalization

Property Owner: Gaffney Properties LLC c/o Pivotal Tax Solutions
Parcel Number(s): 277333
Assessment Year: 2018 Petition Number: BE-180009
Date(s) of Hearing: 12-18-18

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

<input type="checkbox"/> Land	\$	<u> 270,000 </u>
<input type="checkbox"/> Improvements	\$	<u> 957,190 </u>
<input type="checkbox"/> Minerals	\$	<u> </u>
<input type="checkbox"/> Personal Property	\$	<u> </u>
Total Value	\$	<u> \$1,227,190 </u>

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$	<u> 270,000 </u>
<input checked="" type="checkbox"/> Improvements	\$	<u> 711,752 </u>
<input type="checkbox"/> Minerals	\$	<u> </u>
<input type="checkbox"/> Personal Property	\$	<u> </u>
Total Value	\$	<u> \$981,752 </u>

This decision is based on our finding that:

The issue before the Board is the assessed value of land/improvements.

A hearing was held on December 18, 2018. Those present: Chair Jessica Hutchinson, Reta Hutchinson, Clerk Debbie Myers, and Appraiser Dana Glenn. The Appellant's representative Austin Glidewell with Pivotal Tax Solutions called in for a phone hearing

Appellant's representative Austin Glidewell gave a brief overview of the materials they had submitted, and said he would like to change the value they had previously asked for to \$809,804. He said they didn't have all the details when they filed the initial petition. Mr. Glidewell said the property had been sold in late 2017 to the current owners, Gaffney Properties LLC, and said it was close to the valuation date of January 2018, so they felt the sale price is an indicator of value and the property value should be \$804,908. He reviewed the exhibits and maps submitted by the Appellant and the cost approach materials. He said due to the age of the building they depreciated it a lot and referred to the Marshal and Swift manuals. He said he felt it was reasonable at \$109 a square foot.

Appraiser Dana Glenn said they used the Marshal and Swift depreciation recommended for commercial buildings. Regarding using the sale price for value of a multi-site transaction; that indicates to him corporate book value, but if they had an appraisal it would be nice to see it. He said he doesn't have confirmation that this is the true market value, but a certified appraisal would help them. He said he can't agree to the sale price as value without more information. Appraiser Glenn said they are in the 95% range for commercial property. He said the cost approach to assessed values has proven to be reliable, and is what is used in the rest of the community. Chair Jessica Hutchinson asked for clarification if they used comparable sales with the cost approach to back up the figures. Assessor Glenn said based on the market, and the research Marshal and Swift has done, this approach is working in our county. He said sales are difficult to use because you would need a claim or an appraisal to strengthen the figures.

Austin Glidewell with Pivotal Tax said the county only uses 30% depreciation on a building 28 years old. He referred to the Marshal and Swift information submitted by the county and said they are using 25% depreciation of a single family residence, and that property is now used in conjunction with the mortuary. He said part of the property is 108 years old. He stated county evidence suggests there should be an adjustment; and that a mortuary is a unique property.

BOE Decision: Sale of a subject property is generally considered to be the best indicator of market value, especially so close to the date of appraisal. However, there is not a clear picture of whether or not the sale of this subject property is a true market sale without any third party

appraisal or other supporting evidence to back it up. Therefore the Board decided that a 20% reduction would be sufficient to bring the value closer to the sale of the subject property. Jessica Hutchinson moved to reduce the value of the improvements to \$711,752 for a total of \$981,752. Reta Hutchinson seconded. Motion carried 2-0. The Board of Equalization voted 2-0 to overrule the Assessor's valuation.

Dated this 29 day of January, (year) 2019



Chairperson's Signature



Clerk's Signature

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 bta.state.wa.us/appeal/forms.htm 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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