

Order of the Kittitas County
Board of Equalization

Property Owner: Town House Manor LLC
Parcel Number(s): 548133
Assessment Year: 2020 Petition Number: BE-200076
Date(s) of Hearing: 1-21-21

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 checked="" type="checkbox"/> Land	\$	<u>286,020</u>
<input checked="" type="checkbox"/> Improvements	\$	<u>1,332,780</u>
<input type="checkbox"/> Minerals	\$	<u> </u>
<input type="checkbox"/> Personal Property	\$	<u> </u>
Total Value	\$	<u>1,618,800</u>

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$	<u>286,020</u>
<input checked="" type="checkbox"/> Improvements	\$	<u>1,259,437</u>
<input type="checkbox"/> Minerals	\$	<u> </u>
<input type="checkbox"/> Personal Property	\$	<u> </u>
Total Value	\$	<u>1,545,457</u>

This decision is based on our finding that:

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

A virtual hearing was held January 21st, 2021. Those present: Chair Ann Shaw, Vice Chair-Jessica Hutchinson, Jeniffer Hoyt, Clerk, Taylor Crouch, Appraiser Dana Glenn, and Appellant Erika Nava-Sanches.

The Appellant Erika Nava-Sanchez used the cost approach, they used an 8% cap value for the depreciation of the property. There is a lot of deferred maintenance for this property, there is a lot of work needed to get the subject to the same rent rates of the comparables. Expenses were higher in 2019 than before due to maintenance. This is a 25 unit complex, which is smaller for an apartment complex.

Dana Glenn, Appraiser asked for the source of the cap rate? The Appellant had spoken with the Assessor before and that was the rate they had used. Dana says that the cap rate they would use would be in gross rent multipliers, closer to 7 and even lower.

Dana Glenn stated this was a complex on 704 n. Water with 19 1 bd 1 bt units and 6 2 bd units with parking and garages. Exhibit 2 is images and a sketch of the buildings. Went over the comparable sales, with a rent survey used to get typical rent rates, gross annual rent and sale price. Median gross rent multiplier (GRM) was 7.9 and assigned rent is close to the subject. Star apartments sold prior to remodel and was assessed at the lower range of what it could be sold for. There is a large market for apartment complexes currently. Sales indicate the market is up. Currently used the 7.6 GRM. Likely selling price would be higher than the assessed value.

The Board of Equalization has determined that the value be reduced to \$1,545,457. The reduction was made to the improvement value which was reduced to \$1,259,437. The land value remains at \$286,020. The Board made this decision based on the repairs needed, the age, and the condition of the building. The Board voted 3-0 to reduce the value.

Dated this 9th day of February, (year) 2021

Chairperson's Signature

Ann Snaw

Clerk's Signature

Jay Cravch

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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