

**Order of the           Kittitas           County**  
**Board of Equalization**

Property Owner: Graf Investments INC  
Parcel Number(s): 881233  
Assessment Year: 2022 Petition Number: BE-220111  
Date(s) of Hearing: 10/28/2022

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>92,140</u>
<input checked="" type="checkbox"/> Improvements	\$	<u>234,520</u>
<input type="checkbox"/> Minerals	\$	<u>          </u>
<input type="checkbox"/> Personal Property	\$	<u>          </u>
Total Value	\$	<u>326,660</u>

**BOE True and Fair Value Determination**

<input checked="" type="checkbox"/> Land	\$	<u>92,140</u>
<input checked="" type="checkbox"/> Improvements	\$	<u>234,520</u>
<input type="checkbox"/> Minerals	\$	<u>          </u>
<input type="checkbox"/> Personal Property	\$	<u>          </u>
Total Value	\$	<u>326,660</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 October 28, 2022. Those present: Jessica Hutchinson, Jennifer Hoyt, Josh Cox, Clerk Emily Smith, Appraiser Dana Glenn, and Appellant representative Jaquie Matson.

BE-220108, BE-220109, BE-220110, BE-220111, BE-220112, BE-220113, and BE-220114 were heard together.

The appellant started with BE-220108 and BE-220114, Cascade Village Apartments. The assessor's office used the gross rent multiplier in the evaluation, it doesn't take into count any expenses. The value is usually arrived at by income approach and cap rate. They are basic economically built; they don't include luxury amenities. They had no ability to raise the rent, charge late fees, or evict during the pandemic. The rents were less than what the assessor assigned. Of the provided comparable properties from the assessor, there are only 2 that are truly comparable to this subject property.

The appraiser stated that this subject property, BE-220108, is a 34-unit complex with 1 bed 1 bath units built in 1967, close to the university. The appraisal was done 6 months after the rent moratorium was lifted. They were appraised using information that is available to the public, he used a rent survey and looked at the relationship between the sale price and the assessed price. Mr. Glenn went over his sales study of various complexes that have sold. This method produces values within 89% of the sale price in all cases.

The appellant stated that BE-220109 is an apartment complex, and she went over her evaluation method. This subject has a wood foundation, and the cost of replacement is about \$347,000. Wood foundations are less desirable than concrete foundations. They are economically built basic apartments. Only 1 of the submitted comparable properties from the assessor is a true comparable. They used a factor of 8 as their multiplier to determine their value. In a previous appeal in 2018, there was a reduction placed on the property due to the wood foundation.

Jessica Hutchinson asked about the current condition of the wood foundation, they are in good condition but have a shorter life than concrete. The appraiser stated that it is still to code if you have a wood foundation.

The appraiser stated the foundation type, with no identifying problems, would not warrant a lower assessed value. He defended his appraisal approach using rent multipliers.

Jennifer Hoyt asked how the cost approach was affected by the rent moratorium, the assessors used 2021 rent rates. The appellant stated that the leases are year leases, and they couldn't change rent unless it was in-between leases, the appellant provided the actual rent rates.

BE-220110, BE-220111, BE-220112, and BE-220113 are all similar duplexes. The appellant stated that the comparables submitted by the assessor are not truly comparable properties due to age or size. They were told that the assessor's office used the gross rent multiplier of 10, and the appellant used their actual rent values and the same factor to generate their suggested value. Actual rents were less than what the assessor assigned.

The appraiser stated that these subjects are duplexes. Mr. Glenn used the same process of comparing rents to sales and assessed values to generate values, but the range and multiplier are different for duplexes than multiple-family complexes. Duplexes have a higher multiplier.

The Board voted 3-0 to uphold the Assessor's Value. The Board recognizes that the policy of using actual rents received would be the most accurate method of determining value. However, without knowing the figures for all of the commercial rental properties in the area, it would be impossible for the Assessor's Office to accurately and fairly value every property. The most equal and fair way to value this type of property is using the current method of estimated rents and rent multipliers.

Dated this 14 day of December, (year) 2022

  
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](http://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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