

**KITTITAS COUNTY
BOARD OF EQUALIZATION**

411 N Ruby St, Ste 2, Ellensburg, WA 98926
(509) 962-7506

ORDER OF THE KITTITAS COUNTY BOARD OF EQUALIZATION

Property Owner(s): Shree Lakshmi Ganesha LLC

Mailing Address: 2200 North Loop West Suite 310
Houston, TX 77018

Tax Parcel No(s): 468633

Assessment Year: 2024 (Taxes Payable in 2025)

Petition Number: BE-240020

Having considered the evidence presented by the parties in this appeal, the Board hereby:
Sustained
the determination of the Assessor.

Assessor's Determination

Assessor's Land: \$734,350
Assessor's Improvement: \$6,476,520
TOTAL: \$7,210,870

Board of Equalization (BOE) Determination

BOE Land: \$734,350
BOE Improvement: \$6,476,520
TOTAL: \$7,210,870

Those in attendance at the hearing and findings:

See attached Recommendation and Proposed Decision of the Hearing Examiner,

Hearing Held On : September 18, 2024
Decision Entered On: December 20, 2024
Hearing Examiner: Ann Shaw

Date Mailed: 1/6/2025


Chairperson (of Authorized Designee)


Clerk of the Board of Equalization

NOTICE OF APPEAL

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, within THIRTY days of the date of mailing on this Order (RCW 84.08.130). The Notice of Appeal form is available from the Washington State Board of Tax Appeals or the Kittitas County Board of Equalization Clerk.

KITTITAS COUNTY BOARD OF EQUALIZATION- PROPOSED RECOMMENDATION

Appellants: Shree Lakshmi Ganesha LLC

Petition: BE-240020

Parcel: 468633

Address: 1500 S Canyon Rd

Hearing: September 19, 2024 11:41 A.M.

Present at hearing:

Peter Bach, Petitioner Representative

Dana Glenn, Appraiser

Jessica Miller, Clerk

Documents in evidence:

Taxpayer Petition, Filed June 28, 2024

Assessor's Answer, Filed August 16, 2024

Testimony given:

Peter Bach

Dana Glenn

Assessor's determination:

Land: \$734,350

Improvements: \$6,476,520

Total: \$7,210,870

Taxpayer's estimate:

Land: \$734,350

Improvements: \$4,255,650

Total: \$4,990,000

SUMMATION OF EVIDENCE PRESENTED AND FINDING OF FACT:

The subject property is the Sure Stay hotel located at 1500 Canyon Road. The petitioner's main concern is the cap rate that was used. They stated this is a lower cap rate than industry standard. The petitioner stated that they refused the sales provided by the county. They argued that the sales provided were too far from the subject to be good comparables.

The assessor questioned the income analysis provided by the petitioner and asked how his income approach supports market value. The petitioner had some difficulty responding to the question. They restated that they are using solely the income approach but did not compare it to the market sales to see how it performs on sales.

The assessor's representative went on to discuss his information in comparison to the request of the petitioner. He also explained how the comparables support the value given by the assessor's office with price per unit and the relationship between the annual gross rent and the sale price.

CONCLUSIONS OF LAW:

"Upon review by any court, or appellate body, of a determination of the valuation of property for purposes of taxation, it shall be presumed that the determination of the public official charged with the duty of establishing such value is correct, but this presumption shall not be a defense against any correction indicated by clear, cogent and convincing evidence." RCW 81.40.0301

In other words, the assessor's determination of property value shall be presumed correct. The petitioner can overcome this presumption that the assessor's value is correct only by presenting clear, cogent and convincing evidence otherwise.

"All real property in this state subject to taxation shall be listed and assessed every year, with reference to its value on the first day of January of the year in which it is assessed..."

RCW 84.40.020

"The true and fair value of real property for taxation purposes...must be based upon the following criteria:

- (a) Any sales of the property being appraised or similar properties with respect to sales made within the past five years...
- (b) In addition to sales as defined in subsection (3)(a) of this section, consideration may be given to cost, cost less depreciation, reconstruction cost less depreciation, or capitalization of income that would be derived from prudent use of the property, as limited by law or ordinance..."

RCW 84.40.030(3)

"(1) In making its decision with respect to the value of property, the board shall use the criteria set forth in RCW 84.40.030.

(2) Parties may submit and boards may consider any sales of the subject property or similar properties which occurred prior to the hearing date so long as the requirements of RCW 84.40.030, 84.48.150, and WAC 458-14-066 are complied with. Only sales made within five years of the date of the petition shall be considered.

(3) Any sale of property prior to or after January 1st of the year of revaluation shall be adjusted to its value as of January 1 of the year of evaluation, reflecting market activity and using generally accepted appraisal methods...

(4) More weight shall be given to similar sales occurring closest to the assessment date which require the fewest adjustments for characteristics."

WAC 458-14-087

RECOMMENDATION:

The Hearing Examiner has determined that the appellant has not met the burden of proof to overturn the Assessed Value of the property with clear, cogent, and convincing evidence.

For the income approach and cap rate provided by the petitioner to be considered, the sales price of comparable properties would need to be compared in the same way to prove the income approach and cap rate is acceptable or not. This was not provided and therefore enough information was not given to warrant a change in value.

Every finding of fact this is a conclusion of law shall be deemed as such. Every conclusion of law that contains a finding of fact shall be deemed as a finding of fact.

PROPOSED DECISION:

The Examiner proposes that the Kittitas County Board of Equalization uphold the assessed value.

DATED 12/20/24


Ann Shaw, Hearing Examiner