

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM
Administrative Law Court

The Honorable Deborah Brooks Durden, Administrative Law Judge

Case No.: 12-ALJ-17-0126-CC

Mitul Enterprises, L.P.....Appellant

-vs-

Beaufort County Assessor.....Respondent

RECORD ON APPEAL

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STATE OF SOUTH CAROLINA
ADMINISTRATIVE LAW COURT

Mitul Enterprises, L.P.,

Petitioner,

vs.

Beaufort County Assessor,

Respondent.

Docket No.12-ALJ-17-0126-CC

FINAL ORDER AND DECISION

APPEARANCES: For the Petitioner: J. Ashley Twombly, Esquire
For the Respondent: Stephen P. Hughes, Esquire

STATEMENT OF THE CASE

This matter came before me pursuant to S.C. Code Ann. § 12-60-2540(A) (2000) for a contested case hearing requested by Mitul Enterprises, L.P. (taxpayer), against the Beaufort County Assessor (Assessor) contesting the imposition of additional taxes for the tax year 2009 to reflect the value of new improvements to the real property identified as TMS # R122 001 000 0001 0000 (parcel), located in Beaufort County, South Carolina at 2225 Boundary Street in the City of Beaufort.

The taxpayer exhausted all prehearing remedies with the Assessor and the Beaufort County Board of Assessment Appeals (Board) and is now seeking a contested case hearing before the Administrative Law Court (ALC or Court). The hearing of this matter was conducted on November 15, 2012 in Columbia, South Carolina.

After a thorough review of all the evidence and the arguments presented by the parties at the hearing, I find that the taxes assessed to the subject parcel by the Assessor and affirmed by the Board are correct.

ISSUE

Whether the Assessor properly imposed taxes on the value of a newly constructed inn on the subject property for the 2009 tax year via a tax notice correction issued after the original tax bill was paid.

FILED

December 14, 2012

SC ADMIN. LAW COURT

POSITIONS OF THE PARTIES

The Assessor argues that, upon discovery that the value of the newly-constructed inn on the subject property escaped taxation in 2009, it had the authority and duty to impose the increased tax pursuant to S.C. Code Ann. § 12-39-220 (2000) (Section 220).

Petitioner argues that the Assessor had no authority to impose the additional tax because:

1. the Assessor should be estopped from relying on the provisions of § 12-39-220 because he testified before the Board that the hotel was not omitted property; and
2. only the Auditor, and not the Assessor, has authority to collect taxes on omitted property.

FINDINGS OF FACT

Based upon the evidence presented, I make the following findings of fact, taking into consideration the burden on the parties to establish their respective cases by a preponderance of the evidence and taking into account the credibility of the witnesses:

This Court has personal and subject matter jurisdiction. Notice of the date, time, place and nature of the hearing was timely given to all parties.

The taxpayer is the owner of the parcel of real property identified by TMS # R122 001 000 0001 0000, located in Beaufort County, South Carolina at 2225 Boundary Street in the City of Beaufort. The subject property, with pre-existing improvements which consisted of a restaurant building, was valued for tax purposes at \$930,300.00 prior to tax year 2009. This resulted in a tax bill for 2008 of \$13,220.75

In 2007 taxpayer obtained a building permit and began construction of a hotel or inn on the subject property. A certificate of occupancy for the new inn was issued during 2008.

The Beaufort County Assessor engaged in a countywide reassessment program and valued the parcel, including the newly constructed inn, at \$11,775,674 based upon a mass appraisal. The Assessor issued an Assessment Notice on September 28, 2009 reflecting the \$11,775,674 assessment of value. The taxpayer appealed, taking the position that the value of the property was \$9,000,000. Upon reconsideration, the Assessor adopted the taxpayer's number for value and issued a notice on April 7, 2010 reducing the market value of the property to \$9,000,000. Both the September 28 and April 7 notices erroneously listed the taxable value and capped value as \$1,069,868. \$1,069,868 represents the capped value of the property with the pre-existing

improvements without accounting for the increased value attributed to the newly constructed inn. In short, despite the fact that the Assessor appraised the new inn and added its value to the "market value" line of the notice, the "taxable value" and "capped value" lines of the notice failed to account for the new construction. This error was caused by a computer programming error which caused the program to only consider new construction that had both building permits and certificates of occupancy in 2008.

Taxpayer timely paid the original property tax bill issued for the tax year 2009 in the amount of \$14,290.10.

On June 23, 2010 the Assessor notified taxpayer that the taxes paid in the amount of \$14,290.10 did not include the value associated with the newly built hotel and transmitted a corrected tax bill issued by the Beaufort County Treasurer. This bill reflected the tax due for the value of the newly constructed inn which the Assessor values at \$7,930,132.00 (the difference between the total value of the property and the value of the land and preexisting improvements). The additional taxes levied on taxpayer total \$105,282.48.

Taxpayer filed a timely protest to the payment of the additional tax and a hearing was held before the Board, which issued its decision by letter dated February 3, 2012. The Board upheld the Assessor's position that he acted in accordance with § 12-39-220 in levying the additional tax and denied the taxpayer's appeal. Taxpayer then timely requested a contested case hearing before the ALC.

CONCLUSIONS OF LAW

Based upon the foregoing Findings of Fact, I conclude, as a matter of law, the following:

S.C. Code Ann. § 12-60-2540 (2000) authorizes the South Carolina Administrative Law Court to hear this contested case.

The issue at stake in this case is whether S.C. Code Section 12-39-120 should apply to require Beaufort County to collect past taxes on the subject property. Section 120 is commonly referred to as the "omitted property" provision because it requires that property that was omitted from taxation be charged with the taxes for every year that the property escaped taxation:

If the county auditor shall at any time discover that any real estate or new structure, duly returned and appraised for taxation, has been omitted from the duplicate, he shall immediately charge it on the duplicate with the taxes of the current year and the simple taxes of each preceding year it may have escaped taxation. And if the owner

of any real estate or new structure thereon, subject to taxation, has not reported it for taxation, according to the requirements of this chapter, and it has not been appraised for taxation, the auditor shall, upon discovery thereof, appraise it and, upon making return of such appraisal, shall charge it upon the duplicate, with the taxes of the then current year and the taxes of each preceding year it may have escaped taxation, with twenty per cent penalty upon such taxes of preceding years. And if any real estate shall have been omitted in any return, the auditor of the county shall appraise it immediately for taxation, file such appraisal in his office and charge it with the taxes of the current year and the simple taxes of preceding years it may have escaped taxation.

S.C. Code Ann. § 12-39-220 (2000).

The Assessor takes the position that, because the value of the inn was completely omitted from the calculation of the tax bill, the inn is omitted property and thus, must be assessed the appropriate taxes for the 2009 tax year pursuant to Section 220.

The taxpayer argues that Section 220 does not apply to the facts of this case because:

1. The Assessor should be estopped from relying on Section 220 because he took the position at an earlier hearing before the Board that this was not omitted property.
2. Section 220 refers to the "county auditor" discovering the omitted property, appraising the property, and charging the taxes and therefore, the Assessor has no power to act on behalf of the County to collect the tax.
3. This is not omitted property because the property, including the inn, was appraised and the taxable value was reflected on the tax bill.

Estoppel

The argument that the Assessor should be estopped from asserting Section 220 is unavailing for two reasons. First, the hearing before this Court is a hearing *de novo* in which this Court considers the law and facts anew as if no hearing had been had in the first instance. Marlboro Park Hospital v. DHEC, 358 S.C. 573, 595 S.E.2d 851 (2004) (citing Brown v. DHEC, 348 S.C. at 512). Secondly, estoppel will not lie against a government entity where a government employee gives erroneous information in contradiction of a statute. Morgan v. S.C. Budget and Control Board, 377 S.C. 313, 659 S.E.2d 263 (Ct. App. 2008).

A party asserting estoppel against the government must prove (1) lack of knowledge and of the means of knowledge of the truth as to the facts in question, (2) justifiable reliance upon the government's conduct, and (3) a prejudicial change in position. Absent even one element, estoppel will not lie against a government entity, however, citizens are presumed to know the law and are charged with exercising reasonable care to protect their interests.

Id., at 320 (internal quotes and citations omitted). Here, Petitioner presented no evidence of justifiable reliance upon the statement that the inn was not omitted property nor of a prejudicial change in position.

Authority of the Assessor

Petitioner next argues that because Section 220 refers to the “county auditor,” the Assessor has no power to act on behalf of the County to collect the tax pursuant to the statute. Both parties acknowledge that the language of Section 220, and indeed several other code sections, is obsolete because it refers to the county auditor performing functions related to the taxation of real property that are now routinely performed by assessors in each county. Section 220 speaks of the Auditor maintaining the duplicate, charging the real property taxes, and appraising the real property. All those are duties which currently fall under the authority and duties of the Beaufort County Assessor.¹

Petitioner argues that tax statutes must be strictly construed in favor of the taxpayer, and therefore, because the Assessor and not the Auditor issued the corrected tax bill, that the County acted without authority under Section 220. The general principle that taxing statutes are construed in favor of the taxpayer is not as broad as Petitioner asserts. In Cooper River Bridge, Inc. v. S.C. Tax Commission, 182 S.C. 72, 188 S.E. 508 (1936), our Supreme Court held that, “[W]here the language relied upon to bring a particular person within a tax law is ambiguous or is reasonably susceptible of an interpretation that will exclude such person, then the person will be excluded, any substantial doubt being resolved in his favor.” The Supreme Court recently expounded on the strict interpretation principle in Alltel Communications, Inc. v. S.C. Dept. of Revenue, 399 S.C. 313, 731 S.E.2d 869 (2012):

The usual rules of statutory construction apply to the interpretation of tax statutes....Generally a court must apply the rules of statutory interpretation to resolve [an] ambiguity and discover the intent of the legislature. However, in the enforcement of tax statutes, the taxpayer should receive the benefit in cases of doubt. Where the language relied upon to bring a particular person within a tax law is ambiguous or is reasonably susceptible of an interpretation that will exclude such person, then the person will be excluded, any substantial doubt being resolved in his favor.

Id., 399 S.C. at 319-20. Here there is no doubt or ambiguity concerning whether the Petitioner is subject to the property tax or as to the amount of the tax. The only question is whether a Beaufort

¹ The county no longer maintains a handwritten “duplicate” but instead relies upon computer records that are shared among the various county entities to maintain the property tax roll and associated information.

County official other than the Auditor has the authority to discover the error, appraise the property, and issue a bill for taxation of omitted property. The South Carolina Supreme Court resolved that issue in 1977. Columbia Developers, Inc. v. Elliott, 269 S.C. 486, 238 S.E.2d 169 (1977). In a case analogous to the instant situation, the Supreme Court noted that the trial court had properly ruled that the five additional floors added to a multi-story building were omitted property that had escaped taxation where the increased value of the property attributable to the new construction was not reflected in the property tax assessment.² In that case, the County Assessor discovered and notified the taxpayer of the error.³ There is no doubt or ambiguity that Petitioner was subject to be taxed on the value of the inn constructed on the subject property in tax year 2009. Therefore, I must conclude that the Assessor had the authority under Section 220 to discover that property was omitted, to appraise the omitted property, and to assess the tax on any omitted property.

Omitted Property

Petitioner next argues that the inn was not omitted property because the property, including the inn, was appraised and the taxable value was reflected on the tax bill. Petitioner cites Long Cove Home Owners' Ass'n, Inc. v. Beaufort County Tax Equalization Board, 327 S.C. 135, 488 S.E.2d 857 (1997) for the principle that property may not be treated as omitted property under Section 220 simply because an error was made in the appraisal of the property resulting in real estate value escaping taxation where the property was included on the tax rolls. The Long Cove court held, "the power to assess omitted property does not carry with it the power to revalue property already assessed." Id. at 140. Long Cove differs from the current case and the Columbia Developers case in that the common areas at issue in Long Cove had been appraised at a value of \$0 and taxed on that basis. In both this case and the Columbia Developers case, the subject property had been recently improved with new structures. In both cases, the increased value attributable to the new construction on the property completely escaped taxation. Long Cove is inapposite to the instant situation because there the assessor sought to conduct a spot reassessment to correct an error in an appraisal without conducting the investigation provided for by law for such reassessments. In this situation, there is no

² The Court noted that it need not reach the substantive issues presented in this case in light of its ruling on the exhaustion of remedies, but went on to explain that the trial court's factual finding that the subject property escaped taxation and was subject to Section 220. This dicta was apparently included in the decision in order to overrule a contrary interpretation by the S.C. Attorney General. See 1965 Op. S.C. Att'y Gen. 167.

³ It is not clear from the order which county official issued the notice of back taxes owed.

dispute that the appraised value assigned to the newly improved property by the Assessor is accurate. However, the taxes billed to the Petitioner were calculated on the value of the property prior to the new improvements. Thus, the value of the new improvements escaped taxation despite the valid appraisal that had been conducted by the Assessor.

Petitioner cites In Re: United AG Services, Inc., 37 Kan. App. 2d 902, 159 P.3d 1050 (2007) in arguing that the omitted property statute does not apply to this case because the real estate and some improvements were taxed. In United AG Services the Kansas Court of Appeals held that newly constructed improvements on a tract did not escape taxation because some improvements on the real property tract were listed on the tax rolls and assessed. This holding, construing the Kansas omitted property statute, is contrary to the South Carolina Supreme Court's decision in Columbia Developers. Therefore, I decline to adopt the United AG Services rule.

For all these reasons I find the circumstances in this case to be controlled by the South Carolina Supreme Court decision in Columbia Developers. The \$7,930,132.00 value of the newly constructed inn was property that escaped taxation for the 2009 tax year under the provisions of Section 220. The Assessor's determination that \$105,282.48 in additional taxes is due for 2009 is accurate.

ORDER

Based upon the foregoing Findings of Fact and Conclusions of Law, it is hereby

ORDERED that Beaufort County shall levy \$105,282.48 in additional taxes due for the real property identified as TMS # R122 001 000 0001 0000, located in Beaufort County, South Carolina at 2225 Boundary Street in the City of Beaufort for the tax year 2009.

AND IT IS SO ORDERED.



DEBORAH BROOKS DURDEN
Administrative Law Judge

December 14, 2012
Columbia, South Carolina

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM
Administrative Law Court

The Honorable Deborah Brooks Durden, Administrative Law Judge

Case No.: 12-ALJ-17-0126-CC

Mitul Enterprises, L.P.....Appellant

-vs-

Beaufort County Assessor.....Respondent

NOTICE OF APPEAL

Mitul Enterprises, L.P. hereby appeals the Final Order and Decision of the Honorable Deborah Brooks Durden, dated December 14, 2012. A copy of the referenced Order is attached hereto. Appellant received written notice of the entry of the Order on December 14, 2012.

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JAN 17 2013

SC Court of Appeals

Beaufort, South Carolina

January 14, 2013

Transcript of the Testimony of
**MITUL ENTERPRISES V. BEAUFORT COUNTY
ASSESSOR**

Date: November 15, 2012



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STATE OF SOUTH CAROLINA
ADMINISTRATIVE LAW COURT
Docket No. 12-ALJ-17-0126-CC

Mitul Enterprises, L.P.,)
)
Petitioner,)
)
v.)
)
Beaufort County Assessor,)
)
Respondent.)
_____)

ADMINISTRATIVE HEARING

Thursday, November 15, 2012

10:11 a.m. - 1:42 p.m.

The hearing before the Honorable Deborah Brooks Durden was taken at the Edgar A. Brown Building, 1205 Pendleton Street, Suite 224, Columbia, South Carolina, on 15th day of November 2012, before Christine A. Cortright, Court Reporter and Notary Public in and for the State of South Carolina.

1 witness, which is Mr. Ed Hughes.

2 THE COURT: Who is that?

3 MR. TWOMBLEY: Ed Hughes.

4 THE COURT: Ed Hughes.

5 ED HUGHES, being duly sworn, testifies as follows:

6 MR. HUGHES - DIRECT EXAMINATION BY MR. TWOMBLEY:

7 Q: Mr. Hughes, if you would please state your name
8 for the record.

9 A: Edward Hughes.

10 Q: And where do you work, Mr. Hughes?

11 A: I work for Beaufort County as the Beaufort
12 County assessor.

13 Q: Okay. And is that your title, the assessor?

14 A: Yes, sir. I'm the Beaufort County assessor.

15 Q: Okay. And how long have you been the Beaufort
16 County assessor?

17 A: I was selected as the Beaufort County assessor
18 in September of 2005.

19 Q: Okay. So throughout the course of the handling
20 of the tax issues associated with this parcel
21 of property that we're here about today, you
22 were the assessor for Beaufort County?

23 A: Yes, sir.

24 Q: Who is the auditor in Beaufort County, Mr.
25 Hughes?

1 A: Currently the auditor is Sharon Burriss.

2 Q: Okay. And how long has Ms. Burriss been the
3 auditor?

4 A: I believe Ms. Burriss has been the auditor for
5 nearly 20 years.

6 Q: Okay. So, again, during the times in question
7 that we're here about today and the property
8 taxes we're here about today, during those
9 relevant time periods Ms. Burriss would have
10 been the County auditor, correct?

11 A: Yes, sir.

12 Q: Okay. And you've never served as the Beaufort
13 County auditor, correct?

14 A: No, sir.

15 MR. TWOMBLEY: The exhibits, can I show the witness
16 those exhibits, or do you prefer to -- I guess
17 you want me to use that copy?

18 THE COURT: That's fine, or you can use another
19 copy, whatever, as long as it's the same. You
20 can put it on the document --

21 MR. TWOMBLEY: Sure.

22 THE COURT: -- reader so that everybody in the court
23 can see it, and he'll have it on this screen,
24 or you can hand it to him.

25 MR. TWOMBLEY: Okay.

1 Q: And who is that?

2 A: Henry Copeland.

3 Q: Okay. And did Mr. Copeland -- well, when you
4 say he was assigned to the appeal, what does
5 that mean?

6 A: When the office the recipient of appeals,
7 appeals are distributed amongst the appraisal
8 staff, and he was the named appraiser in this
9 particular appeal.

10 Q: And he worked for your office?

11 A: Yes, sir.

12 Q: He worked for the assessor's office?

13 A: Yes, sir.

14 Q: He didn't work for the auditor's office,
15 correct?

16 A: He was an employee of the assessor's office.

17 Q: Okay. Do you know whether he's ever worked for
18 the auditor's office?

19 A: I'm not aware of that.

20 Q: Okay. Do you have any employees in your office
21 that also work at the auditor's office?

22 A: No, sir, I do not.

23 Q: Those are two separate distinguishable offices?

24 A: Yes, sir.

25 Q: And different physical office space?

1 A: Yes, sir.

2 Q: Different duties and responsibilities?

3 A: Yes, sir.

4 Q: Mr. Hughes, isn't it true that Mr. Copeland in
5 your office was the individual who discovered
6 this error?

7 A: I believe he was.

8 Q: And he sent you an email about it; is that
9 right?

10 A: He sent his supervisor an email about it.

11 Q: And that email was ultimately sent to you,
12 correct?

13 A: I believe it was sent to his supervisor, Mr.
14 Reames.

15 Q: Let me show you the email. It's out of order
16 --

17 A: Okay.

18 Q: -- when y'all are looking at the documents, but
19 wasn't this email forwarded to you on June the
20 18th, 2010?

21 A: That's what --

22 Q: That's the first page. This is the second
23 page.

24 A: This is the email thread. This was -- the
25 original email was sent to Robert Reames.

1 Robert Reames then forwarded that to me, and
2 then I sent that to our administrator who
3 handles our appeals.

4 Q: Okay. And was this the first time that you'd
5 heard about this error that had taken place?

6 A: I don't recall.

7 Q: Okay. What did you do after you discovered
8 that an error had been made?

9 A: Well, we investigated the nature as to why it
10 occurred.

11 Q: And the results of the investigation were?

12 A: The valuation associated with the Holiday Inn
13 was omitted from the tax roll.

14 Q: And what did you do next?

15 A: I notified the taxpayer of the omission.

16 Q: Did you do anything else in between the time
17 when you discovered it and when you notified
18 the taxpayer?

19 A: We had to make the necessary reviews of the
20 file and notification to the County auditor and
21 the County treasurer for an adjustment to the
22 tax roll.

23 Q: And it's your testimony here today that you
24 notified the County auditor?

25 A: We notified them. Yes, sir.

1 A: Yes, sir.

2 Q: And that was the same assessment that was from
3 the October assessment notice, right?

4 A: From the September assessment notice.

5 Q: Right. Well, the two we put into --

6 A: Yes, sir.

7 Q: -- evidence, October one and the September one?

8 A: Yes, sir.

9 Q: Now, let me back up just for a minute, Mr.
10 Hughes. In between the time that the appeal
11 was filed and the appeal was resolved in the
12 document we just looked at, isn't it correct
13 that the taxpayer paid the taxes that had been
14 originally assessed against the property?

15 A: Yes.

16 Q: And wrote the assessor's office a check?

17 A: Wrote the treasurer's office a check. Yes,
18 sir.

19 Q: Wrote the treasurer's office a check. And the
20 treasurer's office received that money from him
21 as payment for the taxes?

22 A: That's my understanding. He paid those taxes
23 timely for tax year '09.

24 Q: As far as you know, they were accepted?

25 A: Yes, sir.

1 Q: Now, the \$11,000,000 figure that we saw on the
2 first and second assessment notices, where did
3 that figure come from?

4 A: That figure is generated out of the assessor's
5 appraisal software.

6 Q: And did that figure include the value of the
7 newly constructed Holiday Inn?

8 A: Yes, it did.

9 Q: So if we go back to Respondent's Exhibit Number
10 2, which was dated September 28, 2009 for this
11 parcel number, the value of the newly
12 constructed Holiday Inn is included within this
13 \$11,000,000 number?

14 A: Yes, sir.

15 Q: And again, the second assessment notice dated
16 October 15, 2009, it also included the value of
17 the newly constructed Holiday Inn, correct?

18 A: Yes, sir.

19 Q: And of course the resolution of the appeal in
20 Respondent's Exhibit Number 4, it also included
21 the value of the newly constructed Holiday Inn,
22 it just lowered it from the \$11,000,000 number
23 to \$9,000,000?

24 A: Yes, sir.

25 Q: Now, Mr. Hughes, would you agree with me that

1 additional properties that were not initially
2 taxed.

3 Q: Okay. Now, are these two documents, is this
4 what your office sent to the taxpayer to notify
5 him of the change that you were making?

6 A: Yes, sir.

7 Q: Okay. And may I see those back? I put them on
8 the ELMO, thank you.

9 Q: Now, in this letter -- did you type this
10 letter?

11 A: I did.

12 Q: Okay. And you sent it to Mitul Enterprises,
13 L.P., right?

14 A: Yes, sir.

15 Q: And it's about the same parcel number?

16 A: Yes.

17 Q: Okay. And it says a tax notice correction.
18 What does that mean?

19 A: There was a -- as a result of the filed appeal,
20 it was discovered that the tax notice, the
21 original 2009 tax notice, was incorrect.

22 Q: And this is when you acknowledged that the
23 taxes were paid in January of 2010 of
24 \$14,290.10, right?

25 A: Yes, sir.

1 value of this property for tax year 2009 would
2 have included the capped value of the real
3 estate and the preexisting improvements as well
4 as the full market value without the cap of the
5 newly constructed inn --

6 A: Yes, sir.

7 Q: -- is that correct? Okay. Now, you've been
8 talking in response to Mr. Twombly's questions
9 about the tax roll?

10 A: Yes, sir.

11 Q: And my understanding that the word tax roll is
12 used synonymously with the term tax duplicate

13 --

14 A: Yes, sir.

15 Q: -- is that correct? Would you explain to the
16 Court exactly what is -- what the tax
17 duplicate, the tax roll is?

18 A: Certainly. In reading the statutes, prior to
19 technology the auditor was to list in the book
20 accounts, separate accounts, by ownership name
21 and tax liability, and to produce for the
22 county treasurer to collect those taxes a copy.
23 And I believe that's where the name duplicate
24 came from. But it's basically a listing, a
25 document that lists the annual tax liability

1 for each of the property owners within their
2 respective tax jurisdictions.

3 Q: So would it -- it would include a particular
4 parcel of real estate along with any
5 improvements upon that real estate?

6 A: All assets of the property subject to ad
7 valorem taxation, both the land and the
8 improvements thereon would be subject to the
9 listing within that tax duplicate.

10 Q: And it would similarly include an indication of
11 the ownership of that real estate?

12 A: Yes, it would.

13 Q: And it would also include an indication of the
14 value as determined by the assessor for that
15 particular property?

16 A: Yes, it would.

17 Q: Okay. Would you explain to the Court how the
18 tax duplicate relates to the generation of tax
19 bills?

20 A: The duplicate, or with today's electronic age,
21 the tax roll is produced electronically, once
22 that's produced, the respective millage is
23 applied against the appropriate assessed value.
24 Once those calculations are completed, it's
25 after that production is when the individual

1 Q: And does it similarly reflect an assessed value
2 of property --

3 A: Yes, it does.

4 Q: -- for the year 2008? And what amount was
5 that?

6 A: 55,818.

7 Q: Now, you've told us earlier that the Holiday
8 Inn was completed in 2008.

9 A: Yes, sir.

10 Q: Yet that property was not included in the 2008
11 tax bill.

12 A: No, it was not.

13 Q: And why was that?

14 A: It was issued a certificate of occupancy in
15 calendar year 2008. Based on its status as of
16 the end of the calendar year 2008, the property
17 was complete and fit for its intended use and
18 occupancy and therefore is subject to taxation
19 the following 2009 tax year.

20 Q: And that is, as I understand it, required by
21 state statute?

22 A: Yes, it is.

23 Q: Okay. The property only comes on board in the
24 year following the issuance of its certificate
25 of occupancy?

1 A: Yes.

2 Q: -- District R120 Parcel 1 of Map 1?

3 A: That's correct.

4 Q: As you've already told us, this assessment
5 notice reflects a market value of the property
6 of \$11,775,674.

7 A: Yes, sir.

8 Q: And you've already told us what's included
9 within that market value.

10 A: Yes, sir.

11 Q: All right. It also reflects a capped value of
12 \$1,069,868; does it not?

13 A: Yes, it does.

14 Q: Now, again, that includes simply the 15 percent
15 cap imposed upon the real estate itself and the
16 preexisting improvements to that property?

17 A: That's correct.

18 Q: And, again, you've told us that the hotel was
19 not included within that capped value; have you
20 not?

21 A: That's correct.

22 Q: And why is that?

23 A: The calculation within the tax roll omitted
24 this improvement.

25 Q: Okay. And we'll get to that in a minute. But

1 I would note that the taxable value here is
2 also \$1,069,868.

3 A: Yes, sir.

4 Q: Now, what is included within the taxable value
5 as reflected upon the assessment notice of the
6 -- that your office issued in September of
7 2009?

8 A: That taxable value is the previous tax year
9 2008 valuation capped at 15 percent.

10 Q: And, again, it appears to me that that taxable
11 value as reflected in the initial assessment
12 notice does not include the value of the newly
13 constructed inn?

14 A: It does not.

15 Q: And why is that?

16 A: This was a -- under the Reform Act, it's a
17 split calculation in which the assessor is to
18 account for previously taxed property under the
19 limitation, the 15 percent limitation, and to
20 separately account for new construction at fair
21 market value in a series of second
22 calculations. And as a result of the
23 property's date of issue of the building
24 permit, which was issued in 2007, and the
25 internal programming that we had done within

1 our file, we only asked the program to identify
2 permits that were issued in 2008, completed at
3 the end of 2008 to be subject to the fair
4 market value appraisals. It would be the first
5 time those improvements were subject to
6 taxation. The subject property, however, was
7 a 2007 year. And, therefore, as a result of
8 the split calculations, that improvement was
9 bypassed on the original tax roll.

10 Q: So if I -- am I correct in understanding that
11 in order to assure that the assessor's office
12 properly valued at full market value recently
13 constructed improvements completed as of 2009,
14 it obtained some sort of computer program which
15 would automatically carry those over --

16 A: Yes, sir.

17 Q: -- to full market value into the 2009 --

18 A: Yes, sir.

19 Q: -- tax rolls and tax bills?

20 A: Yes, sir.

21 Q: And am I equally correct in understanding,
22 however, that that program only picked up
23 properties which were actually permitted and
24 completed in 2008 and carried over to 2009?

25 A: That's correct.

1 Q: And am I further correct in understanding that
2 in the event that a building were permitted
3 prior to 2008, even if completed in 2008, that
4 property would not be carried over onto the tax
5 rolls of 2009?

6 A: If the building was permitted in 2007, which is
7 the subject property, however not completed
8 until 2008, those improvements were omitted
9 from the original tax roll.

10 Q: And is that your understanding of what accounts
11 here for the failure of the tax rolls to
12 reflect the existence in value of the Holiday
13 Inn here?

14 A: Yes, it is.

15 Q: Okay. Well, let me ask you this. This
16 assessment notice which has been identified as
17 Respondent's Exhibit Number 2, you've already
18 testified to your understanding that it was in
19 fact received by the taxpayer?

20 A: Yes, it was.

21 Q: Did the taxpayer in any manner respond to
22 Exhibit Number 2?

23 A: By filing a notice -- an appeal notice with us.

24 Q: Okay. I would direct your attention to your
25 copy of Exhibit Number 3, which appears to me

1 A: No, there was not.

2 Q: Was there any change at that time in the capped
3 value of the property?

4 A: No, there was not.

5 Q: Was there any change at that time in the
6 assessed value of the property?

7 A: No, there was not.

8 Q: Am I correct in understanding that the assessed
9 value as reflected at that time continued to
10 reflect only the assessed value of the
11 underlying real estate and preexisting
12 inclusions as capped?

13 A: That's correct.

14 Q: Okay. Now, why was there no change in the tax
15 valuation and the capped valuation and the
16 assessed valuation of this property,
17 notwithstanding a reduction in the overall
18 value to \$9,000,000?

19 A: These documents, the notice of action
20 documents, utilized the database that was
21 originally used for the production of the
22 original assessment notices, and therefore any
23 incorrect taxable or capped values were just
24 simply duplicated on these notices to the
25 taxpayer. This was a static file that was used

1 for the assessment notice production. Only the
2 notice of change to the taxpayer again utilizes
3 this static file. It's not a interactive live
4 file based on correction. It just simply
5 duplicates, in this matter, an incorrect
6 taxable as well as a capped value.

7 Q: Did these values continue then to exclude the
8 value of the newly constructed inn?

9 A: The taxable value excluded the value of the
10 taxable inn as did the capped value.

11 Q: And again, that is explained by your earlier
12 comments concerning the computer program and
13 how those were supposed to carry over values
14 and in this instance did not?

15 A: Yes, sir.

16 Q: Okay. Did you attempt to notify the taxpayer
17 of the change in valuation in accordance with
18 his appeal?

19 A: We noticed a notice of action value change,
20 dated April 7, 2010.

21 Q: Which has been already identified as
22 Respondent's Exhibit Number 4 --

23 A: Yes, sir.

24 Q: -- correct?

25 A: Yes, sir.

1 preexisting taxable values that existed in tax
2 year 2008. The improvement at a capped value
3 of 211,082 and a land corresponding cap value
4 of 858,786. And then below is calculated,
5 using the default six percent assessment ratio,
6 the calculation of the assessed value. And at
7 the bottom of the tax roll you will see the
8 taxable assessed value in the amount of 64,190.

9 Q: Am I correct in understanding that this
10 document, Exhibit 6, which you've described as
11 the relevant original tax roll or tax
12 duplicate, represents the status of the roll
13 and the information set forth within that tax
14 roll as of the time you initially valued the
15 property for the tax year 2009?

16 A: Yes.

17 Q: Am I correct in understanding that this Exhibit
18 6, the initial tax roll, the initial tax
19 duplicate, does not include either the
20 structures or the valuation of the newly
21 constructed Holiday Inn?

22 A: It does not include that. Yes, sir.

23 Q: Okay. Now, you've told us how this document
24 relates to the initial valuations of the
25 property and the initial taxation of that

1 Q: Okay. Now, can you explain to me in what
2 particulars this corrected portion of the tax
3 roll differ from the original tax roll which
4 was utilized by the assessor in its initial
5 dealings with this property?

6 A: Certainly. As previously noted to the Court,
7 the property was appealed and there was a
8 resolution on the original appraised value from
9 \$11.7 million down to \$9,000,000. That
10 \$9,000,000 was inclusive of the valuation
11 associated with the new motel.

12 Correspondingly, as a result of the appraisal
13 review, there was a reapportionment or
14 revaluation of the two other components within
15 the property, and this corrected roll
16 represents that. And again, similar to the
17 original roll, there's divisions within the tax
18 roll of the both appraised capped as well as
19 assessed values. And I call your attention
20 particularly to the capping values section
21 where it will show cap other improvement in the
22 amount of 7,565,000. That is the valuation
23 associated with the previously omitted taxable
24 value associated with the motel. The
25 underlying land value was adjusted from 1.6

1 million down to 1.4, and there was a
2 corresponding adjustment to the small
3 restaurant in the amount from 211 down to
4 453,000.

5 Q: So am I correct in understanding that the
6 corrected tax roll as ultimately generated by
7 the auditor's office establishes that the value
8 of the previously omitted improvements was in
9 the amount of \$7,565,000?

10 MR. TWOMBLEY: I would object, Your Honor, to Mr.
11 Hughes testifying. Again, the question was
12 about as ultimately reflected by something in
13 the auditor's office, and Mr. Hughes has
14 already testified that he didn't have any
15 discussions with the auditor's office and he's
16 not the auditor. And if they want to get into
17 evidence what the auditor's office did or
18 didn't do or what information that office may
19 or may not have had, I think they need to put
20 up a different witness to do that.

21 THE COURT: I'm going to overrule your objection.
22 He's only been asked questions as to what his
23 office did and what these reports that were
24 generated between his office and the auditor's
25 office reflect. I haven't heard him ask for

1 question, Mr. Hughes. Isn't it true that
2 previously you and your lawyer took the
3 position --

4 THE COURT: Mr. Twombly, that's the question that I
5 just sustained the objection to.

6 MR. TWOMBLY: Your Honor, it's my understanding
7 that I've got to give the witness an
8 opportunity to first deny the statement before
9 I then show him the statement and impeach him
10 with a prior inconsistent statement. And so I
11 thought that the best way to do that would be
12 to --

13 THE COURT: We need to get to the facts that are
14 relevant to our de novo inquiry today. So it's
15 -- a proper question is not, you know, what did
16 you say before the Board or what did your
17 lawyer say before the Board, but to ask about
18 the facts.

19 MR. TWOMBLY: Well, we just respectfully disagree,
20 but I obviously accept your --

21 THE COURT: Well, I have ruled.

22 MR. TWOMBLY: Sure. Yes, ma'am. Well, we'll move
23 on. Thank you very much.

24 Q: Mr. Hughes, isn't it true that the terminology
25 used in the omitted tax statute is obsolete

1 given today's technology?

2 A: Not having the statute in front of me, Mr.
3 Twombly, I believe the reference is to some
4 sort of book. And yes, certainly any reference
5 to a book or a physical document would be
6 obsolete in today's environment.

7 Q: But previously you testified under oath that
8 the terminology is obsolete given today's
9 technology.

10 A: I don't understand your question, sir.

11 Q: I'll give you a copy of the deposition again in
12 this matter, and ask you if, upon reading it,
13 it refreshes your recollection --

14 A: Okay.

15 Q: -- of your testimony?

16 A: Certainly. This here?

17 Q: No, that's not it. I apologize. I showed you
18 --

19 A: And your question, sir?

20 Q: Is it --

21 A: I mean, what are you --

22 Q: My question is, isn't it true that the
23 terminology used in the omitted tax statute is
24 obsolete given today's technology? That's what
25 you testified to, right?

1 A: It says -- the answer is it has application,
2 but the terminology is obsolete given today's
3 technology.

4 Q: Right. So the terminology in the omitted tax
5 statute is obsolete?

6 A: There's a reference to a book, Mr. Twombly,
7 which is a physical document. There's no doubt
8 in my mind years ago that there was some
9 physical document that the auditor had in their
10 possession that they made a copy of and turned
11 that over to the treasurer for the collection
12 of the taxes.

13 Q: But didn't the auditor used to have the
14 responsibility for those things?

15 A: He still does.

16 Q: Mr. Hughes, do you have any personal knowledge
17 of anything the auditor's office did or didn't
18 do with respect to this parcel of property and
19 the resolution of the appeal?

20 A: No, I do not.

21 Q: You don't know if the auditor went out and
22 appraised the property?

23 A: That would not be under the umbrella of
24 responsibility of the auditor. That's strictly
25 the responsibility of the assessor.

1 certainly understand that, you know, the
2 statute is antiquated. And, you know, we've
3 got new technology here today, and some of the
4 things that the statute says don't really make
5 sense based on the way that the system operates
6 today. But that's not our fault. And at the
7 end of our argument, we'll get to the point
8 that I think you're required to construe this
9 statute strictly, and any ambiguity is supposed
10 to be construed against collecting the tax.

11 But first and foremost, 12-39-220 on its face,
12 it says if the county auditor discovers that
13 any real estate or new structure, then they
14 shall immediately charge it on the duplicate.

15 It also requires the county auditor to appraise
16 it, appraise the property immediately, file
17 such an appraisal in his office, and charge
18 it with the taxes of the current year and the
19 simple taxes of the preceding years that it may
20 have escaped taxation. There's no evidence
21 that the county auditor did any of that. I
22 understand that the system works differently
23 now and that the assessor's office believes
24 that they now have the authority to do that,
25 but that's not what the statute says. And, you

1 know, we're not supposed to read into the
2 statute, you know, how it may or may not apply
3 now. And let me just go ahead and address that
4 point, Your Honor, because I think that is
5 something of critical importance here. And I
6 would refer you first to a 1936 case, which is
7 Cooper River Bridge v South Carolina Tax
8 Commission. And if I may approach, Your Honor
9 --

10 THE COURT: Sure.

11 MR. TWOMBLEY: -- I've got a copy of that for you.

12 THE COURT: Thank you.

13 MR. TWOMBLEY: And I've also got another copy for
14 the clerk.

15 THE COURT: Okay. Thank you.

16 MR. TWOMBLEY: You're welcome. And in this case,
17 Your Honor, our South Carolina Supreme Court
18 said this: In construing the statutes under
19 which the tax has been assessed, our Supreme
20 Court has pointed out in numerous cases that
21 the taxpayer must receive the benefit of the
22 doubt in cases of doubt in the enforcement of
23 tax statute. And has said that where the
24 language relied to to bring a particular person
25 within a tax is ambiguous or is reasonably

1 answer would lead to all kinds of mischief,
2 uncertainty, and chaos. And that's exactly
3 what would be -- that's exactly what would
4 happen here. So, anyway, that's the Kansas
5 case. Your Honor, there is a statute that not
6 only -- I pointed it out to you that this
7 statute deals with auditors, but there's
8 another statute, and that is 12-39-250. And
9 I've got a -- it deals with the circumstances
10 under which -- there's one for you -- under
11 which the auditor can correct errors. And if
12 you see, the title of this statute -- first of
13 all, it's under Chapter 39 that deals with
14 county auditors, and it says the duty to
15 correct assessments and other errors. And so
16 this statute deals with the circumstances under
17 which a county auditor could go back and apply
18 the omitted tax statute. And if you read this
19 statute, every one of the exceptions say at any
20 time before the tax is paid. At any time
21 before the tax is paid. Every one of these
22 deal with situations before the tax is paid.
23 And here, the respondent concedes we had
24 already paid these taxes, we paid the full
25 amount that they wanted us to pay, and, you

1 know, we heard from them six months later that
2 they wanted \$100,000 more. So it's important,
3 I think, that you realize that the tax on this
4 property had been paid. Your Honor, if you go
5 back to the series of questions I asked Mr.
6 Hughes about when the assessment notice went
7 out and his duties and obligations to send out
8 assessment notices, the statute specifies what
9 his duties are. And as you would suspect,
10 there's a statute that says before you go
11 collect tax on property you've got to do
12 certain things. And one of the things they
13 have to do, and they have to mail it prior to
14 October 1st, is they have to mail the tax
15 holder an assessment notice, which they did
16 that here. That included the assessment that
17 was \$64,190. They were required to do that
18 under the law. That assessment notice was
19 required under 12-60-2510, it was required to
20 state what the property tax assessment was, and
21 it did, 69,000 -- or 65,190. And the
22 assessment notice under this section, it must
23 be in writing and it must include those things.
24 There is not a single -- there is no assessment
25 notice in the record anywhere, and that's

1 because one doesn't exist, that includes an
2 assessment of the \$540,000. If you go back and
3 look through all the evidence that were
4 admitted in, all the documents that were
5 admitted into evidence, in June of 2010 when
6 they found this out, Mr. Hughes sent a little
7 one-page letter, and he attached to that one-
8 page letter a property tax bill, but he never
9 sent an assessment. And under 12-60-2510, the
10 notice must include the property tax
11 assessment. So what we've got here, Your
12 Honor, and what it boils down to is they're
13 trying to collect -- they're trying to assess
14 this property for an assessment of \$540,000
15 with no assessment notice, none whatsoever.
16 They absolutely cannot do that. You have --
17 you are required to send this out to a taxpayer
18 before you go collect the taxes on it, and
19 there's not even one here today. You know, you
20 would think in June they would have sent us one
21 or after all this got started they would have.
22 They still haven't sent one. There's not a
23 notice in the record anywhere. And the notice
24 must be served upon the taxpayer personally or
25 by mailing it to the taxpayer at his last known

Beaufort County
 Assessor's Office
 PO Box 1508
 Beaufort, SC 29901
 (843) 255-2400
 www.bcgov.net

ASSESSMENT NOTICE
THIS IS NOT A TAX BILL

Date of Notice
 10/15/2009

Appeal Deadline Date
 01/13/2010



MITUL ENTERPRISES LP ECONO LODGE OF BEAU
 PO BOX 2146
 BEAUFORT SC 29901

PIN: R122 001 000 0001 0000
 AIN: 00129729
 PROPERTY CLASSIFICATION: ComImp
 HotelMotelBed&Breakfast
 TAX DISTRICT: 120

Notice of Classification, Appraisal & Assessment of Real Estate 2009 Tax Year

OWNER OCCUPIED RESIDENTIAL						X		=	
OTHER PROPERTY	4.4800	11,775,874		1,066,868	1,066,868	X	0.06	=	64,190
MARKET VALUE AGRICULTURAL						X			
USE VALUE AGRICULTURAL						X			
		11,775,874			1,066,868				64,190

2225 BOUNDARY ST
 PARCEL B "SCOTTISH INN" PB50 P4 *3/06 LOT LINE REVISED BY PB110 P109 SPLIT 1/88 2.20 AC 1/1A 0.06 AC TO US 21 R/V

IMPORTANT REASSESSMENT INFORMATION: *2009 TAXES BASED ON TAXABLE VALUE* Under the South Carolina Real Property Valuation Reform Act of 2006, the assessor is now required in reassessment years to notify property owners of both market and Capped (limited) valuations. The maximum capped (limited) value is a 15% increase from the previous tax year valuation. Exceptions to the limited value increase are: 1.) determination by the assessor the market value is less than 15% increase 2.) Assessable Transfer of Interest (Point of Sale) 3.) new construction and property first subject to taxation in tax year 2009. Further explanation of the information located above is found on the back of this notice. Additional information is available at the Beaufort County webpage www.bcgov.net/assessor. Look for the



Detach and return completed form if you wish to appeal.



APPEAL FORM

PLEASE COMPLETE FORM FOR EACH PARCEL YOU WISH TO APPEAL

MARKET VALUE: 11,775,874
 ASSESSED VALUE: 64,190
 PROPERTY CLASSIFICATION: ComImp HotelMotelBed&Breakfast
 AIN: 00129729
 TAX MAP NUMBER: R122 001 000 0001 0000

GROUND(S) FOR APPEAL: _____

(Include additional documentation as needed)

OWNER: MITUL ENTERPRISES LP ECONO LODGE OF BEAUFORT
 STREET ADDRESS: PO BOX 2146
 STREET ADDRESS2:
 CITY, STATE, ZIP: BEAUFORT SC 29901

PLEASE CORRECT YOUR NAME AND MAILING ADDRESS

TAXPAYER ESTIMATE OF VALUE:
 DAY PHONE:
 EVENING PHONE:
 EMAIL ADDRESS:

SIGNATURE: _____

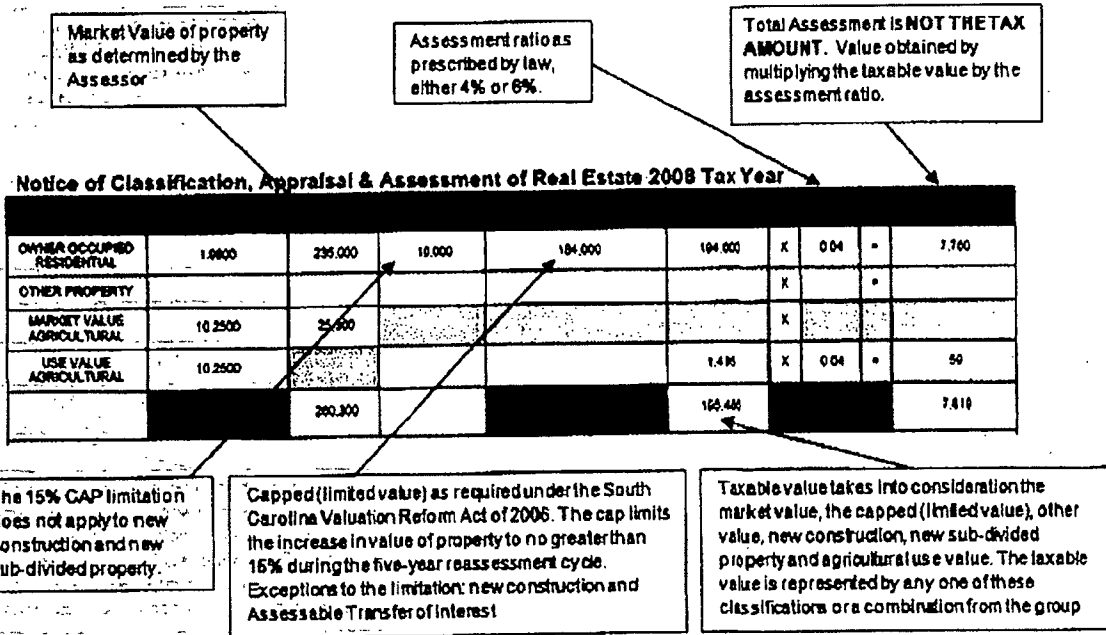
IF YOU WISH TO APPEAL THE ASSESSMENT ON YOUR PROPERTY:

If you disagree with the assessor's appraisal of your property and wish to appeal, state law provides the following procedures in Section 12-60-2510 et seq. of the 1976 Code of Laws, as amended.

- Step 1.** Request in writing to meet with the County Assessor within ninety (90) days of the Assessor's mail date on the assessment notice. **YOU MAY USE THE APPEAL FORM ON REVERSE SIDE**
- Step 2.** Upon receipt of your written objection, your appraisal will be reviewed for possible errors. If a correction is made you will receive a revised notice. Otherwise a conference will be scheduled with a staff appraiser to discuss your objection. Conferences will be held in person or by phone and scheduled at the convenience of the taxpayer. If the matter is resolved at the conference, no further action is necessary on the part of the taxpayer.
If the matter is not resolved at the conference, the property owner will be provided a protest form and will be advised of their right to file a protest. The property owner has thirty (30) days from the date of the conference to file a written protest with the assessor.

The Assessor's office **PROTEST FORM** may be used to file the written protest; however, other written forms of communication are acceptable. **The protest form MUST be timely filed**

- Step 3.** The Assessor will then respond to the taxpayer within thirty (30) days of the date of receipt of the taxpayer's protest or as soon thereafter as practical. The Assessor's written response will include a statement of the original assessment and any re-determined property assessment.
- Step 4.** If the taxpayer is not satisfied with the response of the Assessor, an appeal may be filed with the Beaufort County Tax Equalization Board. The appeal **MUST** be filed within thirty (30) days of the date of the County Assessor's Final Notice of Action. Upon request and within thirty (30) days of the date of the County Assessor's Final Notice of Action, the Assessor may extend the time period for filing a taxpayer's appeal. Failure to file within the appeal period constitutes a waiver of the owner's right of appeal for that tax year and the assessor is not required to review any request filed after that time.
- Step 5.** State law requires that your taxes be paid by January 15th without penalties. However, if you appealed your property value, and it is not settled by December 31st of the current tax year, the assessor shall notify the County Auditor to



Section 12-4-335 of the SC Code of Laws effectively specifies who can make a presentation for a taxpayer in the administrative tax process. This presentation includes the preparation and filing of necessary documents, correspondence with, and communications to state and local tax authorities, and the representation of a client at conferences, hearings, and meetings.

Only the following can make a presentation for a taxpayer: 1) The property owner. 2) A member of his immediate family without compensation. 3) The property owner's full time employee. 4) A partner or partnership. 5) An attorney. 6) A certified public accountant (CPA). 7) An Internal Revenue Service enrolled agent. 8) A real estate appraiser who is licensed by the South Carolina Real Estate Appraiser's Board.



BEAUFORT COUNTY ASSESSOR'S OFFICE
 PO Box 1508
 Beaufort SC 29901-1508
 (843) 470-2519 • (843) 470-2522
 www.bcgov.net

ASSESSMENT NOTICE

THIS IS NOT A TAX BILL

Reason for Change: Countywide Reassessment

Date of Notice	09/28/2009
Appeal Deadline Date	12/27/2009

5 1 AV 0.335 *****AUTO**5-DIGIT 29901
 000005
 MITUL ENTERPRISES LP ECONO LODGE OF BEAU
 PO BOX 2146 5
 BEAUFORT SC 29901-2146 1

PIN: R122 001 000 0001 0000
 AIN: 00129729
 PROP CLASS: ComImp HotelMotelBed&B
 TAX DISTRICT: 120-BEAUFORT CITY

Notice of Classification, Appraisal & Assessment of Real Estate 2009 Tax Year

CLASSIFICATION	LOTS/ACRES	MARKET VALUE	NEW CONSTRUCTION	CAPPED (LIMITED) VALUE	TAXABLE VALUE	X	RATIO	=	TOTAL ASSESSMENT
OWNER OCCUPIED RESIDENTIAL						x		=	
OTHER PROPERTY	4.480	11,775,674		1,069,868	1,069,868	x	0.060	=	64,190
MARKET VALUE AGRICULTURAL						x		=	
USE VALUE AGRICULTURAL						x		=	
	TOTAL MARKET VALUE ESTIMATE	11,775,674		TOTAL TAXABLE VALUE	1,069,868				TOTAL ASSESSMENT (NOT TAX AMOUNT) 64,190
PROPERTY LOCATION - SUBDIVISION - LEGAL DESCRIPTION									
PARCEL B *SCOTTISH INN* PB50 P4 *3/06 LOT LINE REVISED BY PB110 P109 SPLIT 1/88 2.20 AC 1/1A 0.06 AC TO US 21 R/W									

IMPORTANT REASSESSMENT INFORMATION: *2009 TAXES BASED ON TAXABLE VALUE* Under the South Carolina Real Property Valuation Reform Act of 2006, the assessor is now required in reassessment years to notify property owners of both MARKET and CAPPED (limited) valuations. The maximum capped (limited) value is a 15% increase from the previous tax year valuation. Exceptions to the limited value increase are: (1) Determination by the assessor the market value is less than 15% increase. (2) Assessable Transfer of Interest (Point of Sale) (3) New construction and property first subject to taxation in tax year 2009. Further explanation of the information located above is found on the back of this notice. Additional information is available on the Beaufort County webpage www.bcgov.net/assessor. Look for the Assessor's page which is found under the "Departments" tab on the home page.

Detach and return completed form if you wish to appeal.

APPEAL FORM PLEASE COMPLETE FORM FOR EACH PARCEL YOU WISH TO APPEAL



R12200100000010000

AIN: 00029729 TAX MAP NUMBER: R122 001 000 0001 0000 PROPERTY CLASSIFICATION: Com Emp Hotel Motel

OWNER: Mital Ent. L.P. DBA Holiday Inn & Suites

STREET ADDRESS: 2225 Boundary St. CITY, STATE, ZIP: Beaufort, SC 29902

PLEASE CORRECT YOUR NAME AND MAILING ADDRESS BELOW

Holiday Inn - Mital Ent. L.P. MARKET VALUE: 11,775,674

P.O. Box 2146, Beaufort, SC 29901-2146 TAXABLE VALUE: 11,775,674

GROUND(S) FOR APPEAL: _____ (include additional documentation as needed)

Revenue decreases + new appraised value

TAXPAYER ESTIMATE OF VALUE: \$9,000,000 SIGNATURE: M.A. Desai DATE: 11/23/09

DAY PHONE: 252-379-3100 EVENING PHONE: 252-379-3100 E-MAIL: Mahesh@HMUHotels.com

RECEIVED

DEC 18 2009

BEAUFORT COUNTY
ASSESSOR'S OFFICE



Beaufort County Assessor's Office
P.O. Box 1508
Beaufort, SC 29901-1508

(843) 470-2519 or (843) 470-2522 Fax: (843) 470-2512
www.bcgov.net E-Mail: Assessor@bcgov.net

MITUL ENTERPRISES LP ECONO LODGE OF BEAU
PO BOX 2146
BEAUFORT SC 29901

Notice Date: 04/07/2010 -
PIN: R122 001 000 0001 0000
Appeal Id: 2009-00129729
Classification: ComImp HotelMotelBed&Breakfast
Tax District: 120
Location: 2225 BOUNDARY ST
Description: PARCEL B "SCOTTISH INN" PB50 P4
*3/06 LO

Notice of Action - Value Change

Copy: TaxP

A review of the above referenced property has resulted in a change of value for Tax Year 2009

ORIGINAL VALUES

Market Value Effective 12/31/2007: 11,775,674
**Taxable Value: 1,069,868
Capped Value: 1,069,868
Total Assessment: 64,190

REVISED VALUES

Market Value Effective 12/31/2007: 9,000,000
**Taxable Value: 1,069,868
Capped Value: 1,069,868
Total Assessment: 64,190

**** IMPORTANT: PROPERTY TAXES ARE CALCULATED USING THE TAXABLE VALUE, NOT THE MARKET VALUE.**

If you are not satisfied with this decision, you may continue the administrative review process by either mailing or delivering the enclosed Real Property Protest Form or other supporting documentation to the address listed above.

The REAL PROPERTY PROTEST FORM or other documentation must be filed within thirty (30) days from the date of this letter. If the REAL PROPERTY PROTEST FORM is not returned within thirty (30) days, your right to continue the appeal in this matter will be waived and the appeal is closed for Tax Year 2009.

The Assessor's Office will respond in writing to your protest within thirty (30) days (or as soon thereafter as practical) of receipt of the REAL PROPERTY PROTEST FORM or other documentation.

Thank you for your cooperation.

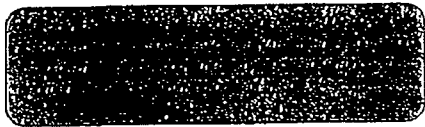
Beaufort County Assessor's Office – Division of Appeals



BEAUFORT COUNTY TREASURER
 PO DRAWER 487
 BEAUFORT SC 29901-0487

FORWARDING SERVICE REQUESTED

**2009 BEAUFORT COUNTY
 PROPERTY TAX BILL**



683 1 AV 0.335 *****AUTO**5-DIGIT 28901
 000883
 MITL ENTERPRISES LP ECONO LODGE OF BEAUFORT
 PO BOX 2146 683
 BEAUFORT SC 29901-2146 3

TAX YEAR	KEY/BILL #	PIN	TAG
2009	2236880	R122 001 000 0001 0000	120-BEAUFORT CITY

PROPERTY TYPE	CLASS CODE	MORTGAGE COUP
REAL PROPERTY	Commp Hotel/Motel/Bed&Breakfast	

BREAKDOWN			ACCOUNT DATA	
DESCRIPTION	MILL	TAX/FEE	DESCRIPTION	AMOUNT
COUNTY	45.98	2,950.17	MARKET VALUE	1,882,788
SCHOOL - OPERATI	90.28	5,793.79	CAPPED VALUE	1,069,888
SCHOOL - DEBT	24.43	1,568.16	TAXABLE VALUE	84,190
MUNICIPAL	60.62	3,891.20	ASSESSED VALUE	84,190
STORMWATER FEE		88.78	# OF ACRES	4.4800
TOTALS	221.27	14,290.10		

PRIOR YEAR TAX	
PRIOR YEAR TAX	13,228.75
- APPRAISED VALUE -	
APPRAISED VALUE	1,882,788
HOME STEAD EXEMPTION	0
OTHER EXEMPTION	
TAXABLE VALUE	84,190
ASSESSED VALUE	84,190
TAX AMOUNT	14,293.32
SCHOOL TAX CREDIT SAVINGS	0.00
FEES ADDED	86.78
PRIOR YEAR TAXES	0.00

TOTAL DUE 14,290.10

PAY AFTER	AMOUNT
IF RECEIVED AFTER 01/15/2010 (3%)	14,718.84
IF RECEIVED AFTER 02/01/2010 (10%)	16,719.11
IF RECEIVED AFTER 03/16/2010 (18%)	18,433.62
IF RECEIVED AFTER 03/31/2010 (\$75)	18,508.62
IF RECEIVED AFTER 06/30/2010 (\$50)	18,558.62

OUTSTANDING RECEIPTS				
TAX YEAR	TAX DUE	PENALTY	TREASURER FEES	TOTAL
2009	14,290.10	0.00		14,290.10
PRIOR		0.00		0.00
TOTAL	14,290.10	0.00		14,290.10

DESCRIPTION
 PARCEL B "SCOTTISH INN" PB50 P4 3/06 LOT LINE
 REVERSED BY PB110 P109 SPLIT 1/08 2.20 AC 1/1A 0.06
 AC TO US 21 RW

▲ RETAIN TOP PORTION FOR YOUR RECORDS ▲ ▼ Return below stub for change of address ▼
ADDRESS CHANGE (please print)

Property Owner: MITL ENTERPRISES LP ECONO LODGE OF BEAUFORT
 Account Key: 2236880
 Account Number: R122 001 000 0001 0000

New Address: _____

 Signature _____ Date _____

▼ Return this stub with payment ▼

2009 BEAUFORT COUNTY PROPERTY TAX BILL

TAX YEAR	KEY/BILL #	PIN	LOCATION	TOTAL DUE
2009	2236880	R122 001 000 0001 0000	2225 BOUNDARY ST	14,290.10

Owner as of Jan 1st 2009 MITL ENTERPRISES LP ECONO LODGE OF BEAUFORT
 PAYABLE NOW THRU 01/15/2010 14,290.10
 THEN PENALTIES APPLY...
 IF RECEIVED AFTER 01/15/2010 (3%) 14,718.84
 IF RECEIVED AFTER 02/01/2010 (10%) 16,719.11
 IF RECEIVED AFTER 03/16/2010 (18%) 18,433.62
 IF RECEIVED AFTER 03/31/2010 (\$75) 18,508.62
 IF RECEIVED AFTER 06/30/2010 (\$50) 18,558.62

This tax bill may be processed electronically.
 There will be a charge for any check returned by the bank.
 SEE REVERSE SIDE FOR INFORMATION REGARDING PAYMENT OPTIONS
 AND CONTACT INFORMATION.

MAKE CHECK PAYABLE & REMIT TO:

BEAUFORT COUNTY TREASURER
 JOY LOGAN
 P.O. DRAWER 487
 BEAUFORT SC 29901-0487

MITL ENTERPRISES LP ECONO LODGE OF BEAUFORT
 PO BOX 2146
 BEAUFORT SC 29901

00001297290001429010000147188000015719110001643362



COUNTY COUNCIL OF BEAUFORT COUNTY

Office of the Assessor

Multi Government Center • Post Office Box 458

Beaufort, South Carolina 29901-0458

Phone: (843) 255-2400 Fax: (843) 255-2416

Web Site: www.bcgov.net

June 23, 2010

Mitul Enterprises LP Econo Lodge of Beaufort
PO Box 2146
Beaufort, SC 29901
Attention: Mr. Desai

Re: R122 001 000 0001 0000
2009 Appeal – Tax Notice Correction

Dear Mr. Desai:

The 2009 appeal for the captioned parcel was resolved in the amount of 9,000,000; however, taxes paid January 11, 2010 in the amount of \$14,290.10 was on the taxable value of 1,069,868. The value associated with the newly built hotel was not included in this payment. Accordingly and in conjunction with the agreed upon valuation of 9,000,000; the remaining tax due of \$105,282.48 is shown on the enclosed tax notice. Please note that payment, without penalty in the amount of \$105,282.48 is due on or before July 26, 2010. Also enclosed is the 2009 tax notice for which payment was made on January 11, 2010.

Please contact me if you have any questions.

Sincerely,

Edward Hughes
Beaufort County Assessor

Enc.



BEAUFORT COUNTY TREASURER
 PO DRAWER 487
 BEAUFORT, SC 29901-0487

**2009 BEAUFORT COUNTY
 PROPERTY TAX BILL**

MITUL ENTERPRISES LP ECONO LODGE OF
 BEAUFORT
 IMPORTANT MESSAGE: Upon receipt of the
 2009 tax bill, we ask that you take a
 moment to carefully review the
 information listed on the bill and report
 any discrepancies or errors to the
 appropriate office listed on the back of
 the bill.

MITUL ENTERPRISES LP ECONO LODGE OF BEAU
 PO BOX 2146
 BEAUFORT SC 29901

2008 TAXES: 13,220.75

TAX YEAR	PROPERTY #	PIN	PARCEL	APPROXIMATE VALUE
2009	108818	R122 001 000 0001 0000	120-BEAUFORT CITY	9,000,000
PROPERTY TYPE		CLASS CODE	H. BEAUFORT CODE	
Real Property		Com/leg Hotel/Motel/Bed&Break		
MILLAGE RATES			MARKET VALUE	
DESCRIPTION	MILL	TAX/FEE	DESCRIPTION	AMOUNT
COUNTY	45.96	24,818.40	MARKET VALUE	9,000,000
SCHOOL - OPERATIONS	90.26	40,740.40	CAPPED VALUE	9,000,000
SCHOOL - DEBT	24.43	13,192.20	TAXABLE VALUE	540,000
MUNICIPAL	60.62	32,734.80	ASSESSED VALUE	540,000
STORMWATER FEE		86.78	# OF ACRES	4.4800
TOTALS		119,572.58		

DESCRIPTION	AMOUNT
APPRaised VALUE	9,000,000
LESS EXEMPTIONS	
HOMESTEAD EXEMPTION	0
OTHER EXEMPTIONS	0
TAXABLE VALUE	540,000
ASSESSED VALUE	540,000
TAX AMOUNT	119,485.80
SCHOOL TAX CREDIT SAVINGS	0.00
SPECIAL FEES ADDED	86.78
PRIOR YEAR TAXES	0.00
CURRENT YEAR PENALTY & FEE	15,792.37
TOTAL DUE	121,074.85

DESCRIPTION	AMOUNT
IF RECEIVED AFTER Aug 31, 2010 (\$50)	121,124.85

TAX YEAR	TAX DUE	PENALTY	TREASURER FEES	TOTAL
2009		15,792.37		121,074.85
PRIOR				0.00
TOTAL	105,282.48			121,074.85

TAX YEAR	PROPERTY #	PIN	PARCEL	TOTAL DUE
2009	108818	R122 001 000 0001 0000	2225 BOUNDARY ST	121,074.85

PAY BEFORE
JUL 26 2010
WITHOUT PENALTIES

PAY BEFORE
JUL 26 2010
WITHOUT PENALTIES

Return this stub with payment
2009 BEAUFORT COUNTY

PAYABLE NOW THROUGH Aug 31, 2010... 121,074.85
 THEN PENALTIES APPLY...
 (IF RECEIVED AFTER Aug 31, 2010 (\$50)) 121,124.85

This tax bill may be processed electronically.
 There will be a charge for any check returned by the bank.
 SEE REVERSE SIDE FOR INFORMATION REGARDING PAYING OPTIONS AND CONTACT INFORMATION.
 BEAUFORT COUNTY
 JOY LOGAN
 PO DRAWER 487
 BEAUFORT, SC 29901-0487

MITUL ENTERPRISES LP ECONO LODGE OF BEAU
 PO BOX 2146
 BEAUFORT SC 29901

MONDAY - FRIDAY

8:00 AM - 5:00 PM

HOMESTEAD EXEMPTION

Available to primary homeowners over age 65 or 100% disabled. Initial application to County Auditor is required to be filed between the dates of January 1st of the current year and January 15th of the following year. It is automatically renewed after the initial application. Contact County Auditor for details.

SPECIAL ASSESSMENT RATIO (4%)

Available to homeowners who occupy their homes as their legal residence prior to filing an application for the current tax year. The owner must file an application with the County Assessor between January 1st of the current year through January 15th of the following year. Once the initial application is filed, it will automatically be renewed each year, unless there is a change in ownership or occupancy. You are required by law to notify the Assessor of any change of address or occupancy within six months of the change. The Special assessment ratio of 4% exempts taxes levied for school operations by Beaufort County School district.

ESCROW / MORTGAGE ACCOUNTS

The property owner is responsible for ensuring full payment of this obligation. If funds are held in escrow to pay for this notice, forward to the appropriate mortgage holder.

CLERK OF SUPERIOR COURT

TELEPHONE: (843) 255-2500 (BEAUFORT COUNTY GOVERNMENT)
 (843) 842-4202 (HILTON HEAD)
 (843) 757-1500 ext. 229 (BLUFFTON)
 E-MAIL: auditor@bcgov.net

- 1) MAINTAINS APPRAISAL RECORDS ON PERSONAL PROPERTY (AUTOS, TRUCKS, AIRPLANES, BOATS, CAMPERS, ETC)
- 2) PROCESSES INFORMATION REGARDING TAXATION ON BOATS, AIRPLANES, AND BUSINESS PERSONAL PROPERTY, ETC)
- 3) PREPARES TAX NOTICES
- 4) PROCESSES APPLICATIONS FOR HOMESTEAD EXEMPTION (65 OR OLDER OR 100% DISABLED)
- 5) PROCESSES ADDRESS CHANGES FOR PERSONAL PROPERTY UPON WRITTEN REQUEST

ASSESSOR'S OFFICE

TELEPHONE: (843) 255-2400 (BEAUFORT COUNTY GOVERNMENT)
 (843) 841-8411 (HILTON HEAD)
 (843) 757-1500 ext. 236 (BLUFFTON)
 E-MAIL: assessor@bcgov.net

- 1) MAINTAINS REAL PROPERTY RECORDS (LAND, BUILDINGS, DOCKS, SWIMMING POOLS, TENNIS COURTS, MOBILE HOMES, ETC)
- 2) PROCESSES REAL PROPERTY TRANSFERS FOR TAX PURPOSES
- 3) PROCESSES 4% APPLICATIONS, AGRICULTURAL USE APPLICATIONS, DEVELOPER DISCOUNT APPLICATIONS AND PROPERTY OWNERS ASSOCIATION SPECIAL VALUATION APPLICATIONS
- 4) MAINTAINS AND UPDATES TAX MAPS FOR TAXATION PURPOSES
- 5) CONDUCTS COUNTYWIDE REASSESSMENT PROGRAM

PAY BY CHECK

IF MOBILE HOME OWNERSHIP CHANGES, PLEASE CONTACT BUILDING CODES AT (843) 255-2065

IT ALSO APPLIES TO

FOR STORMWATER UTILITY FEE QUESTIONS, PLEASE CALL STORMWATER ADMINISTRATION AT (843) 470-6432 OR EMAIL: stormwater@bcgov.net

MAPS INFORMATION AT:

CLERK OF SUPERIOR COURT

TELEPHONE: (843) 255-2600 (BEAUFORT COUNTY GOVERNMENT)
 (843) 842-4205 (HILTON HEAD)
 (843) 757-1500 ext. 226 (BLUFFTON)
 E-MAIL: treasurer@bcgov.net

- 1) COLLECTS CURRENT AND DELINQUENT PROPERTY AND VEHICLE TAXES
- 2) SAFEGUARDS ALL COUNTY MONEY
- 3) DISTRIBUTES TAX MONEY TO COUNTY, SCHOOL DISTRICT, AND MUNICIPALITIES
- 4) INVESTS FUNDS FOR THE COUNTY
- 5) RESPONSIBLE FOR MAILING TAX NOTICES
- 6) APPLIES TREASURER FEE ON TAXES NOT PAID PRIOR TO

METHOD OF PAYMENT (CHOOSE ONE)

There will be a convenience fee for any electronic credit/debit card payment.

PAY BY CHECK CHECK #

PAY BY CREDIT CARD

VISA (16 digits)

MASTERCARD (16 digits)

DISCOVER (16 digits)

AMERICAN EXPRESS (15 digits)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----

M	M	/	Y	Y
---	---	---	---	---

Signature of CARDHOLDER

Credit Card Billing Street Address

Credit Card Billing Zip Code

OR PAY ONLINE: www.bcgov.net (VISA, CHECK, OR MASTERCARD)

R122 001 000 0001 0000

Taxes Paid

Taxable Capped Value	1,069,868
Ratio	0.06
Assessed (rounded)	64,190
Millage	221.27
Tax	\$ 14,203.32
Stormwater	86.78
Total Paid	\$ 14,290.10

2009 Market Value	11,775,674
2009 Appeal Reduction	9,000,000

Omitted Tax Calculation

Appealed Value	9,000,000
Capped Value (land and small commercial bldg)	1,069,868
Difference	7,930,132
Ratio	0.06
Assessed	475,810
Millage	221.27
Tax	\$ 105,282.48

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CUMMINS

Beaufort County Assessor's Office Appeal 2009 Workflow

PIN: R122 001 000 0001 0000		AIN: 00129729	
DATE RECEIVED		12/18/2009	
DATE ASSIGNED		12-29-2009	
APPRaiser ASSIGNED		H. Caplan	
DATE COMPLETED		4-17-2010	
APPEAL ACTIONS			
Old Land Value	1,620,768	New Land Value	1,435,000
Old Imp Value	10,154,906	New Imp Value	7,565,000
Old Total	11,775,674	New Total	9,000,000
Original ATI	n/a	New ATI	n/a
No Change			
ADMINISTRATIVE ACTIONS CHECK APPROPRIATE BOX			
4% Application sent	<input type="checkbox"/>	Adjusted Bill to be sent	<input type="checkbox"/>
Agricultural use Application sent	<input type="checkbox"/>	Refund Due	<input type="checkbox"/>
Government Exemption	<input type="checkbox"/>	Entered in GRM	<input type="checkbox"/>
Developer Discount	<input type="checkbox"/>	Other * explain below	<input type="checkbox"/>
Letter to be sent (Response #)	NOA RR	Technician Initials	

NOTES:*

Inc. Approvals Applied, Data Chgs,
Val Changed, send NTA

APPRaiser ACTION REQUIRED

TECHNICIAN ACTION REQUIRED

DATE COMPLETED	NOA 4/7/10
----------------	---------------

Revised August 31, 2009



R12200100000010000

Acquire Appeal Data Via
 User Entry Import

Parcel Identification
Parcel ID (Tax Map): R122 001 000 0001 0000
Account Number: 00129729

Appeal Identification
ID: 2009 - 00129729
Type: INF - Appeal
Status: 08 09 CHG NO CH
CAS Date: 09/18/2009
Deadline: 12/27/2009
Rcvd Date: 12/18/2009
Via: M - Mail

Parcel Data
Classification: 612 - ComImp Hotel Commercial
Appraiser: 004 - H Copeland Final Resolution Date:
Location: 2225 BOUNDARY ST
District: 120 - BEAUFORT CTY Map:

Legal Description
PARCEL B "SCOTTISH INN" PB50 P4 *3/06 LD

Owner
Name1: MITUL ENTERPRISES LP ECONO LOD
Name2: ECONO LODGE
Addr1: PO BOX 2146
Addr2:
City: BEAUFORT St: SC
Zip: 29901
Day Phone:
Evening Phone:
E-Mail Address:

Taxpayer Appeal Basis
Reason: 01 - Value
Value Est: 0

Early Appeal
 Late Appeal

Last Update
By: LIZRIGG on: 06/29/2010 at: 13:33

Taxpayer Notes

Index
 Parcel ID
 Appeal ID
 Account
 Name
Appeal Year
 All Years
 Selected
2009
Refresh from Appraisal DB

Appeal Identification

Appeal ID: 2009 - 00129729 Type: INF Status: 09 CHG NO CH
 CAS: 09/18/2009 Deadline: 12/27/2009 Rcvd: 12/18/2009

Parcel ID: R122 001 000 0001 0000 Map:
 Acct: 00129729 District: 120
 Location: 2225 BOUNDARY ST

Owner

Name1: MITUL ENTERPRISES LP ECONO LOD
 Name2: ECONO LODGE
 Addr1: PO BOX 2146
 Addr2:
 City: BEAUFORT St: SC
 Zip: 29301

Index

Parcel ID
 Appeal ID
 Account
 Name

Appeal Year

All Years
 Selected
 2009

Imported CAS/NOA Values

Value Header Details

Code: CAS0 - Orig CAS Type: C - Class Values Date: 09/18/2009 Appr: 004 - H Copeland

Class	Lots/Acres	Market Val	New Const	Capped Val	Taxable Val	Assessment
Owner Occ	0.00	0	0	0	0	0
Other Prop	4.48	11,775,674	0	1,069,868	1,069,868	64,190
Mkt Val Ag	0.00	0				
Use Val Ag	0.00	0	0	0	0	0

Totals

Mkt: 11,775,674
 TaxV: 1,069,868
 Assd: 64,190

Update

Recalculate
 Refresh from Appraisal DB



Beaufort County Assessor's Office
P.O. Box 1508
Beaufort, SC 29901-1508

(843) 470-2519 or (843) 470-2522 Fax: (843) 470-2512
www.bcgov.net E-Mail: Assessor@bcgov.net

MITUL ENTERPRISES LP ECONO LODGE OF BEAU
PO BOX 2146
BEAUFORT SC 29901

Notice Date: 04/07/2010
PIN: R122 001 000 0001 0000
Appeal Id: 2009-00129729
Classification: ComImp HotelMotelBed&Breakfast
Tax District: 120
Location: 2225 BOUNDARY ST
Description: PARCEL B "SCOTTISH INN" PB50 PA
*3/06 LO

Notice of Action - Value Change

Copy: TaxP

A review of the above referenced property has resulted in a change of value for Tax Year 2009

ORIGINAL VALUES

Market Value Effective 12/31/2007: 11,775,674
**Taxable Value: 1,069,868
Capped Value: 1,069,868
Total Assessment: 64,190

REVISED VALUES

Market Value Effective 12/31/2007: 9,000,000
**Taxable Value: 1,069,868
Capped Value: 1,069,868
Total Assessment: 64,190

**** IMPORTANT: PROPERTY TAXES ARE CALCULATED USING THE TAXABLE VALUE, NOT THE MARKET VALUE.**

If you are not satisfied with this decision, you may continue the administrative review process by either mailing or delivering the enclosed Real Property Protest Form or other supporting documentation to the address listed above.

The REAL PROPERTY PROTEST FORM or other documentation must be filed within thirty (30) days from the date of this letter. If the REAL PROPERTY PROTEST FORM is not returned within thirty (30) days, your right to continue the appeal in this matter will be waived and the appeal is closed for Tax Year 2009.

The Assessor's Office will respond in writing to your protest within thirty (30) days (or as soon thereafter as practical) of receipt of the REAL PROPERTY PROTEST FORM or other documentation.

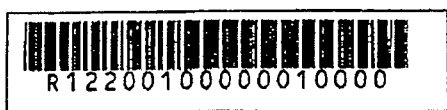
Thank you for your cooperation.

Beaufort County Assessor's Office – Division of Appeals

Beaufort County Assessor's Office, P.O. Box 1508, Beaufort, SC 29901-1508

(843) 470-2519

www.bcgov.net



REAL PROPERTY PROTEST FORM
BEAUFORT COUNTY ASSESSOR
(Use additional sheets if necessary)

PIN: R122 001 000 0001 0000
Appeal Id: I2009-00129729
Notice Date: 04/07/2010

A. (To be filled out only if you disagree with your values set forth in the Notice of Action)

1. The name, address and telephone number of the property taxpayer:

2. Description of the property at issue:

3. Statement of facts supporting taxpayer's position for appeal

4. Statement outlining the reasons for the appeal, including any law or other authority, upon which the taxpayer relies.

5. Value and classification which the property taxpayer considers the fair market value, special use value, if applicable, and proper classification.

Name Date

B. TAXPAYER AGREEMENT FORM (Sign below and return entire sheet)

To Whom It May Concern:
The undersigned property owner (or owner's representative) has reviewed the property values listed above with the Beaufort County Assessor's representative, finds the taxable value shown to be satisfactory, and hereby waives any further rights of appeal relating to the 2009 notice of valuation and assessment received from the Beaufort County Assessor.

Signature Name (Please print clearly)

Title or relationship to property owner Date

Complete section A if you wish to continue the appeal process. Use additional sheets if necessary and attach any documentation to support your argument for appeal.

Complete section B if you agree with your new value as determined by the Beaufort County Assessor's office. An adjusted bill will be sent upon receipt.

6/18/2010

Holiday Inn, 2225 Boundary Street, Beaufort, SC

R122 001 000 0001 0000

(2 commercial uses: a limited service hotel w/ 97 Rooms & a stand alone restaurant bldg)

As of December 31, 2007 (for TY 2008): PRIOR TO COUNTY-WIDE REASSESSMENT

Land (4.48 AC)	\$ 746,800	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 183,500	
Total Market Value:	\$ 930,300	(Mkt / Cost)

Taxable Value (2008): \$ 930,300

As of December 31, 2008 (for TY2009): REASSESSMENT NOTICE (SEPT 27, 2009)

Land (4.48 AC)	\$ 1,620,768	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 163,846	(apportioned imp val)
Bldg (C02: Commercial / Hotel - 85,124 sf)	\$ 9,991,060	(new const for 2009)

(according to file, CO for new Holiday Inn issued 4-2008)

Total Market Value: \$11,775,674 (using Mkt / Cost) *

New Construction (2009): \$ 9,991,060

Capped Value (2009): \$ 1,069,868

Taxable Value (2009): \$11,060,928 (Total Taxable Value) *

* Reason for Change: County-Wide Reassessment, Cap Applied & New Construction Added for 2009

As of December 31, 2008 (for TY2009): FOLLOWING APPEAL REVIEW

Land (4.48 AC)	\$ 1,434,691	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 163,846	
Bldg (C02: Commercial / Hotel - 85,124 sf)	\$ 7,980,989	

(according to file, CO for new Holiday Inn issued 4-2008)

Total Market Value: \$ 9,579,526 (using Mkt / Cost) **

New Construction (2009): \$ 7,980,989

Capped Value (2009): \$ 1,069,868

Taxable Value (2009): \$ 9,050,857 (Total Taxable Value) **

** Reason for Change: Owner Appealed; Data Error Corrections Applied

As of December 31, 2008 (for TY2009): COST APPROACH ADJ TO MKT - APPEAL RESOLVED

Land (4.48 AC)	\$ 1,435,000	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 163,846	
Bldg (C02: Commercial / Hotel - 85,124 sf)	\$ 7,401,154	

(according to file, CO for new Holiday Inn issued 4-2008)

Total Market Value: \$ 9,000,000 (Total Taxable Value) ***

New Construction (2009): \$ 7,401,154

Capped Value (2009): \$ 1,069,868

Taxable Value (2009): \$ 8,471,022 (Capped Value) ***

Note: Unit/Rm val = \$8,536,000 (\$9M, less \$464,000 for improved "outparcel")/97 Rms = \$88K per room

*** Reason for Change: Cost Approach adjusted for hotel mkt = Market Value (2009 Appeal Resolved)

6/18/2010

2

NOTICES & VALUES SENT TO OWNER (showing taxable values w/ errors)

As of June 16, 2010 (for TY2009): VIEW APPEAL SHOWS LETTER TO OWNER W/ TAXABLE VAL CHG IN ERROR

Land (4.48 AC)	\$ 1,435,000	
Improvements / Bldgs *	\$ 7,565,000	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 163,846	
Bldg (C02: Commercial / Hotel - 85,124 sf)	\$ 7,401,154	
Total Market Value:	\$ 9,000,000	(Mkt Val / Cost, adj)
New Construction (2009):	\$ 0	
Capped Value (2009):	\$ 1,069,868	
Taxable Value (2009):	\$ 1,069,868	(Capped Value)

As of December 18, 2009 (for TY2009): OWNER FILED WRITTEN OBJECTION TO 1st ASSESSMENT NOTICE
Based on Assessment Notice sent to owner on or about September 27, 2009

Market Value (as per owner's written objection):	\$11,775,674	
Taxable Value (as per owner's written objection):	\$11,775,674	(doesn't reflect partial cap)
Owner's Estimate of Value (as per owner's written objection):	\$ 9,000,000	

As of November 7, 2009 (for TY2009): ORIGINAL TAX BILL TO OWNER W/ TAXABLE VALUE IN ERROR

Land (4.48 AC)	\$ 1,620,768	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 163,846	
Bldg (C02: Commercial / Hotel - 85,124 sf)	\$ 9,991,060	
<i>(according to file, CO for new Holiday Inn issued 4-2008)</i>		
Total Market Value:	\$11,775,674	(Mkt Val / Cost, not adj)
New Construction (2009):	\$ 0	
Capped Value (2009):	\$ 1,069,868	
Taxable Value (2009):	\$ 1,069,868	(Taxable Value)

As of November 6, 2009 (for TY2009): 2ND REASSESSMENT NOTICE GENERATED W/ ERRORS

Market Value (2 nd notice does not reflect new const):	\$ 1,882,768	
Taxable Value (as per owner's written objection):	\$ 1,069,868	

As of September 27, 2009 (for TY2009): 1st REASSESSMENT NOTICE GENERATED

Market Value (includes new const):	\$11,775,674	
Taxable Value (according to owner's objection notice):	\$11,775,674	(doesn't reflect partial cap)

Rigg, Elizabeth

From: Hughes, Ed
Sent: Friday, June 18, 2010 12:01 PM
To: Rigg, Elizabeth
Cc: Copeland, Henry; Reames, Robert
Subject: FW: Holiday Inn (R122 001 000 0001 0000) Taxable Value Error
Attachments: Holiday Inn cap analysis R122 001 000 0001 0000.doc

Liz,
Scan this email into VA...Ed

Ed Hughes
Beaufort County Assessor
PO Box 458
Beaufort, SC 29901-0458
Office: 843-255-2394
Fax: 843-255-2416
Email: Edhughes@bcgov.net

From: Reames, Robert
Sent: Friday, June 18, 2010 10:34 AM
To: Hughes, Ed
Subject: FW: Holiday Inn (R122 001 000 0001 0000) Taxable Value Error

From: Copeland, Henry
Sent: Friday, June 18, 2010 10:15 AM
To: Reames, Robert
Subject: Holiday Inn (R122 001 000 0001 0000) Taxable Value Error

Bobby:

After carefully reviewing the office data and the owner's appeal file, I used the cost approach, not the income approach, to establish a value change for this property.

57

The owner's estimate of value was \$9,000,000 based on the owner's original objections to the values posted on our original reassessment notice dated September 27, 2009. After reviewing the data in CAMA and making appropriate changes to more accurately reflect the physical property as of the target date, I ran the file through cost with a resulting value of \$9,579,526. The breakdown would show \$1,434,691 for land & \$8,144,835 for improvements.

Based on income and expense statements submitted by other comparable or nearly comparable hotels occupancy and daily room rates (ADR) also declined for the reassessment cycle. It would be highly probably that an income analysis for this property would have resulted in a reduction in the market value that would have been significantly below the market value using the cost approach. The income stream would have supported a value that would have been below the owner's estimate of value which was \$9,000,000. I selected the owner's estimate of value which is supported by the cost approach adjusted downward for market conditions that take into account lower occupancy rates and the lower ADR.

What is important to not about this appeal is the owner appears to have responded to the original assessment notice dated September 27, 2009, which is believed to have shown a market value equal to the taxable value. Though this may have included a slight error by not reflecting a partial cap on the existing land and smaller commercial building, it would have been easily corrected. What appears to have been the wrench in the machinery was the 2nd assessment notice generated just before the tax bills were printed. This assessment notice failed to recognize the new construction and instead included it under the cap thereby making the capped value equal to the taxable value. It should have shown a capped value plus new construction to equal a taxable value only slightly lower than the corrected market value.

It is also important to note that the owner completed the original objection to the reassessment notice showing clearly his was an objection to the market value. Furthermore, the owner completed the form by providing an estimate of value. In the end, I reviewed the supporting data at my disposal and agreed with his estimate of value relying mainly on the cost method. The owner was notified with a change in value letter subsequently sent out as part of the 2009 appeal program. It is a key element in this particular example that the owner did complete the request that he provide this office with an estimate of market value as part of his formal appeal. He also restated the market and taxable values within the form provided as they appeared on the original assessment notice.

I have attached the results of my research of the taxable value error that involves this property. This was a mistake I found after comparing my data for closed 2009 appeals with what is on the office records. So far I haven't found any others related to new construction, though there appear to be some questions about the accuracy of some ATI's which still appear to be capped.

Henry

Henry de Saussure Copeland, CG # 1869
Commercial Appraiser, Office of the Assessor
Beaufort County Government
PO Box 458, 100 Ribaut Rd, Beaufort, SC 29901

Main Tele: 843.255.2400
Fax: 843.255.2416
Direct: 843.255.2381

e-mail: hcopeland@bcgov.net
web site: <http://www.bcgov.net/>



COUNTY COUNCIL OF BEAUFORT COUNTY

Office of the Assessor

Multi Government Center • Post Office Box 458

Beaufort, South Carolina 29901-0458

Phone: (843) 255-2400 Fax: (843) 255-2416

Web Site: www.bcgov.net

June 23, 2010

Mitul Enterprises LP Econo Lodge of Beaufort
PO Box 2146
Beaufort, SC 29901
Attention: Mr. Desai

Re: R122 001 000 0001 0000
2009 Appeal – Tax Notice Correction

Dear Mr. Desai:

The 2009 appeal for the captioned parcel was resolved in the amount of 9,000,000; however, taxes paid January 11, 2010 in the amount of \$14,290.10 was on the taxable value of 1,069,868. The value associated with the newly built hotel was not included in this payment. Accordingly and in conjunction with the agreed upon valuation of 9,000,000, the remaining tax due of \$105,282.48 is shown on the enclosed tax notice. Please note that payment, without penalty in the amount of \$105,282.48 is due on or before July 26, 2010. Also enclosed is the 2009 tax notice for which payment was made on January 11, 2010.

Please contact me if you have any questions.

Sincerely,

Edward Hughes
Beaufort County Assessor

Enc.



BEAUFORT COUNTY TREASURER
 PO DRAWER 487
 BEAUFORT, SC 29901-0487

**2009 BEAUFORT COUNTY
 PROPERTY TAX BILL**

MITUL ENTERPRISES LP ECONO LODGE OF
 BEAUFORT
 IMPORTANT MESSAGE: Upon receipt of the
 2009 tax bill, we ask that you take a
 moment to carefully review the
 information listed on the bill and report
 any discrepancies or errors to the
 appropriate office listed on the back of
 the bill.

MITUL ENTERPRISES LP ECONO LODGE OF BEAU
 PO BOX 2146
 BEAUFORT SC 29901

2008 TAXES: 13,220.75

TAX YEAR	KEY/BILL #	PIH	206	APPRAISED VALUE	
2009	108818	R122 001 000 0001 0000	120-BEAUFORT CITY	APPRAISED VALUE	9,000,000
PROPERTY TYPE		CLASS CODE		LESS EXEMPTIONS	
Real Property		Com/Imp Hotel/Motel/Buds&Break		HOMESTEAD EXEMPTION	0
				OTHER EXEMPTIONS	0
				TAXABLE VALUE	540,000
				ASSESSED VALUE	540,000
				TAX AMOUNT	119,485.80
				SCHOOL TAX CREDIT SAVINGS	0.00
				SPECIAL FEES ADDED	86.78
				PRIOR YEAR TAXES	0.00
				CURRENT YEAR PENALTY & FEE	15,792.37
				TOTAL DUE	121,074.85
				PAY AFTER	AMOUNT
				IF RECEIVED AFTER Aug 31, 2010 (\$50)	121,124.85
PAYER/OWNER		ACCOUNT DGT			
DESCRIPTION	MILL	TAX/FEE	DESCRIPTION	AMOUNT	
COUNTY	45.96	24,818.40	MARKET VALUE	9,000,000	
SCHOOL - OPERATIONS	90.26	48,740.40	CAPPED VALUE	9,000,000	
SCHOOL - DEBT	24.43	13,192.20	TAXABLE VALUE	540,000	
MUNICIPAL	60.62	32,734.80	ASSESSED VALUE	540,000	
STORMWATER FEE		86.78	1 OF ACRES	4.4800	
TOTALS	221.27	119,572.58			
PAY BEFORE					
JUL 26 2010					
WITHOUT PENALTIES					
OUTSTANDING RECAP					
TAX YEAR	TAX DUE	PENALTY	TREASURER FEES	TOTAL	
2009	105,282.48	15,792.37		121,074.85	
PRIOR				0.00	
TOTAL	105,282.48			121,074.85	
2225 BOUNDARY ST PARCEL B "SCOTTISH INN" PB50 P4 #3/06 LOT LINE REVISED BY PB110 P109 SPLIT 1/88 2.20 AC 1/1A 0.06 AC TO US 21 R/W					

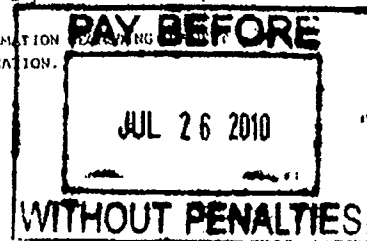
Return this stub with payment
2009 BEAUFORT COUNTY

TAX YEAR	KEY/BILL #	PIH	LOCATION	TOTAL DUE
2009	108818	R122 001 000 0001 0000	2225 BOUNDARY ST	121,074.85

PAYABLE NOW THROUGH Aug 31, 2010... 121,074.85
 THEN PENALTIES APPLY...
 IF RECEIVED AFTER Aug 31, 2010 (\$50) 121,124.85

MITUL ENTERPRISES LP ECONO LODGE OF BEAU
 PO BOX 2146
 BEAUFORT SC 29901

This tax bill may be processed electronically.
 There will be a charge for any check returned by the
 bank.
 SEE REVERSE SIDE FOR INFORMATION REGARDING
 OPTIONS AND CONTACT INFORMATION.
 BEAUFORT COUNTY
 JOY LOGAN
 PO DRAWER 457
 BEAUFORT, SC 29901-0497





BEAUFORT COUNTY TREASURER
 PO DRAWER 487
 BEAUFORT, SC 29901-0487

**2009 BEAUFORT COUNTY
 PROPERTY TAX BILL**

MITUL ENTERPRISES LP ECONO LODGE OF
 BEAUFORT
 IMPORTANT MESSAGE: Upon receipt of the
 2009 tax bill, we ask that you take a
 moment to carefully review the
 information listed on the bill and report
 any discrepancies or errors to the
 appropriate office listed on the back of the
 bill.

MITUL ENTERPRISES LP ECONO LODGE OF BEAU
 PO BOX 2146
 BEAUFORT SC 29901

2008 TAXES: 13,220.75

TAX YEAR	KEY/BILL #	FIN	TAG	APPRAISED VALUE	
2009	108818	R122 001 000 0001 0000	120-BEAUFORT CITY	APPRAISED VALUE	1,882,766
PROPERTY TYPE		CLASS CODE	MORTGAGE CODE	LESS EXEMPTIONS	
Real Property		Comfap HotelMotelBed&Break		HOMESTEAD EXEMPTION	0
				OTHER EXEMPTIONS	0
				TAXABLE VALUE	64,190
				ASSESSED VALUE	64,190
				TAX AMOUNT	14,203.32
				SCHOOL TAX CREDIT SAVINGS	0.00
				SPECIAL FEES ADDED	86.78
				PRIOR YEAR TAXES	0.00
				CURRENT YEAR PENALTY & FEE	0.00
				TOTAL DUE	0.00
				PAY AFTER	AMOUNT
				DESCRIPTION	
				2225 BOUNDARY ST	
				PARCEL R "SCOTTISH INN" PD50 P4 *3/06	
				LOT LINE REVISED BY PD110 P109 SPLIT	
				1/83 2.20 AC 1/1A 0.06 AC TO US 21	
				R/W	
OUTSTANDING RECAP					
TAX YEAR	TAX DUE	PENALTY	TREASURER FEES	TOTAL	
2009	0.00			0.00	
PRIOR				0.00	
TOTAL	0.00			0.00	

Return this stub with payment
2009 BEAUFORT COUNTY

TAX YEAR	KEY/BILL #	FIN	LOCATION	TOTAL DUE
2009	108818	R122 001 000 0001 0000	2225 BOUNDARY ST	0.00

This tax bill may be processed electronically.
 There will be a charge for any check returned by the
 bank.
 SEE REVERSE SIDE FOR INFORMATION REGARDING PAYMENT
 OPTIONS AND CONTACT INFORMATION.
 BEAUFORT COUNTY
 JOY LOGAN
 PO DRAWER 487
 BEAUFORT, SC 29901-0487

MITUL ENTERPRISES LP ECONO LODGE OF BEAU
 PO BOX 2146
 BEAUFORT SC 29901

6/17/2010

1

Holiday Inn, 2225 Boundary Street, Beaufort, SC

R122 001 000 0001 0000

(2 commercial uses: a limited service hotel w/ 97 Rooms & a stand alone restaurant bldg)

As of December 31, 2007 (for TY 2008):

Land (4.48 AC)	\$ 746,800	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ <u>183,500</u>	
Total Market Value:	\$ 930,300	(Mkt / Cost)

Taxable Value (2008): \$ 930,300

As of December 31, 2008 (for TY2009):

Land (4.48 AC)	\$ 1,620,768	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 163,846	
Bldg (C02: Commercial / Hotel - 85,124 sf)	\$ <u>9,991,050</u>	
(according to file, CO for new Holiday Inn issued 4-2008)		
Total Market Value:	\$11,775,674	(Mkt Val / Cost) *

New Construction (2009): \$ 9,991,060

Capped Value (2009): \$ 1,069,868

Taxable Value (2009): \$11,060,928 (Capped Value) *

* Reason for Change: County-Wide Reassessment, Cap Applied & New Construction Added for 2009

As of December 31, 2008 (for TY2009): UNDER APPEAL REVIEW

Land (4.48 AC)	\$ 1,434,691	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 163,846	
Bldg (C02: Commercial / Hotel - 85,124 sf)	\$ 7,980,989	
(according to file, CO for new Holiday Inn issued 4-2008)		
Total Market Value:	\$ 9,579,526	(Mkt Val / Cost) **

New Construction (2009): \$ 7,980,989

Capped Value (2009): \$ 1,069,868

Taxable Value (2009): \$ 9,050,857 (Capped Value) **

** Reason for Change: Owner Appealed; Data Error Corrections Applied

As of December 31, 2008 (for TY2009): INCOME APPROACH APPLIED - APPEAL RESOLVED

Land (4.48 AC)	\$ 1,435,000	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 163,846	
Bldg (C02: Commercial / Hotel - 85,124 sf)	\$ 7,401,154	
(according to file, CO for new Holiday Inn issued 4-2008)		
Total Market Value:	\$ 9,000,000	(Mkt Val / Income) ***

New Construction (2009): \$ 7,401,154

Capped Value (2009): \$ 1,069,868

Taxable Value (2009): \$ 8,471,022 (Capped Value) ***

*** Reason for Change: Income Approach = Market Value (2009 Appeal Resolved)

6/17/2010

2

NOTICES & VALUES SENT TO OWNER (showing taxable values w/ errors)

As of June 16, 2010 (for TY2009): VIEW APPEAL SHOWS LETTER TO OWNER W/ VAL CHG IN ERROR

Land (4.48 AC)	\$ 1,435,000	
Improvements / Bldgs *	\$ 7,565,000	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 163,846	
Bldg (C02: Commercial / Hotel - 85,124 sf)	\$ 7,401,154	
Total Market Value:	\$ 9,000,000	(Mkt Val / Income)
New Construction (2009):	\$ 0	
Capped Value (2009):	\$ 1,069,868	
Taxable Value (2009):	\$ 1,069,868	(Capped Value)

As of December 18, 2009 (for TY2009): OWNER FILED WRITTEN OBJECTION TO 1st ASSESSMENT NOTICE
Based on Assessment Notice sent to owner on or about September 27, 2009

Market Value (as per owner's written objection):	\$11,775,674
Taxable Value (as per owner's written objection):	\$11,775,674
Owner's Estimate of Value (as per owner's written objection):	\$ 9,000,000

As of November 7, 2009 (for TY2009): ORIGINAL TAX BILL TO OWNER W/ TAXABLE VALUE IN ERROR

Land (4.48 AC)	\$ 1,620,768	
Bldg (C01: Commercial / Restaurant - 2,760 sf)	\$ 163,846	
Bldg (C02: Commercial / Hotel - 85,124 sf)	\$ 9,991,060	
<i>(according to file, CO for new Holiday Inn issued 4-2008)</i>		
Total Market Value:	\$11,775,674	(Mkt Val / Cost)
New Construction (2009):	\$ 0	
Capped Value (2009):	\$ 1,069,868	
Taxable Value (2009):	\$ 1,069,868	(Capped Value)

As of November 6, 2009 (for TY2009): 2ND REASSESSMENT NOTICE GENERATED W/ ERRORS

Market Value (2 nd notice does not include new const):	\$ 1,882,768
Taxable Value (as per owner's written objection):	\$ 1,069,868

As of September 27, 2009 (for TY2009): 1st REASSESSMENT NOTICE GENERATED

Market Value (includes new const):	\$11,775,674
Taxable Value (according to owner's objection notice):	\$11,775,674

Beaufort County Assessor's Office Appeal 2009 Workflow

12-29-2009
SC00111
SC00111

PIN: R122 001 000 0001 0000		AIN: 00129729	
DATE RECEIVED		12/18/2009	
DATE ASSIGNED		12-29-2009	
APPRaiser ASSIGNED		H. Campbell	
DATE COMPLETED		4-17-2010	
APPEAL ACTIONS			
Old Land Value	1,620,768	New Land Value	1,435,000
			No Change
Old Imp Value	10,154,906	New Imp Value	7,565,000
			No Change
Old Total	11,775,674	New Total	9,000,000
			No Change
Original ATI	n/a	New ATI	n/a
			No Change
ADMINISTRATIVE ACTIONS CHECK APPROPRIATE BOX			
4% Application sent	<input type="checkbox"/>	Adjusted Bill to be sent	<input type="checkbox"/>
Agricultural use Application sent	<input type="checkbox"/>	Refund Due	<input type="checkbox"/>
Government Exemption	<input type="checkbox"/>	Entered in GRM	<input type="checkbox"/>
Developer Discount	<input type="checkbox"/>	Other * explain below	<input type="checkbox"/>
Letter to be sent (Response #)	NOA	RR	Technician Initials

NOTES:*

Inc. Approach Applied, Data Chgs,
Val Changed, send NTD

APPRaiser ACTION REQUIRED

TECHNICIAN ACTION REQUIRED

DATE COMPLETED	NOA 4/7/10
----------------	---------------

Revised August 31, 2009



R12200100000010000

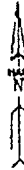


MARSHES OF BEAUFORT RIVER

LOT LINE CORRECTION PLAT
 PREPARED FOR
MITLL ENTERPRISES, LP
 BEAUFORT TAX MAP 1, PARCEL 1 & 1A
 BEAUFORT COUNTY SOUTH CAROLINA

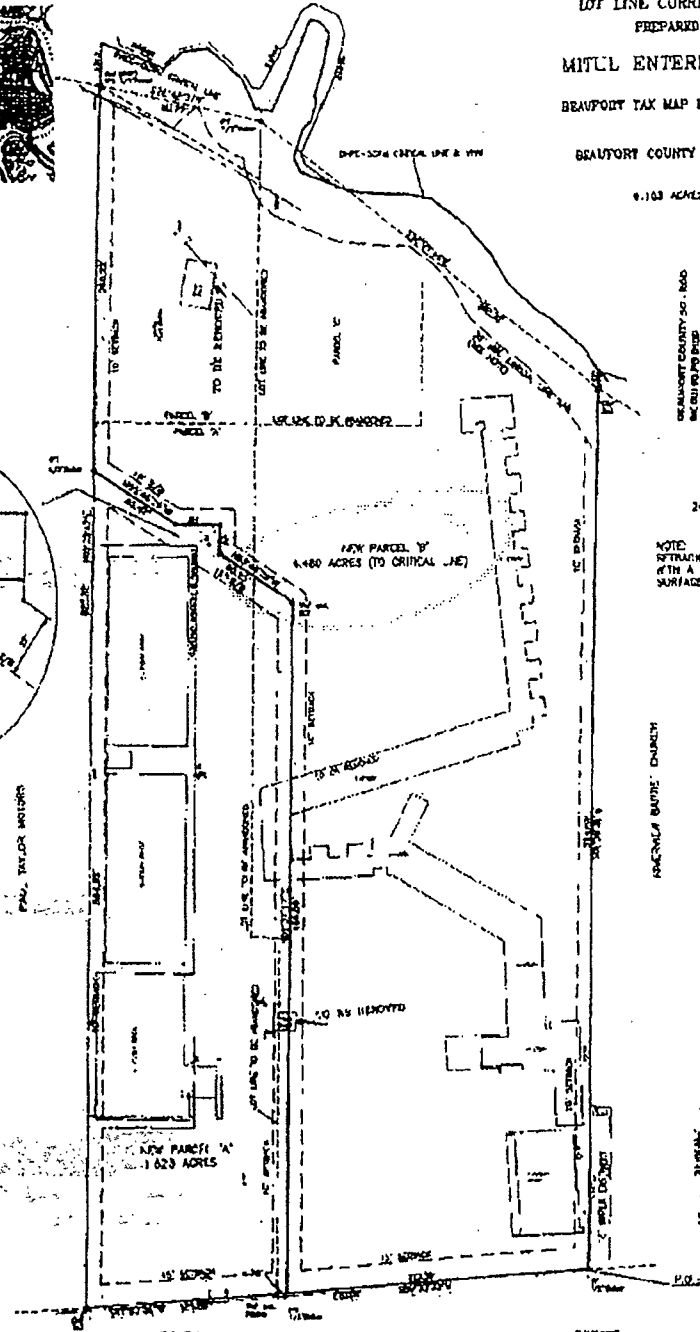
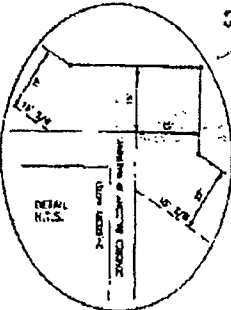
6.103 ACRES TOTAL

BEAUFORT COUNTY SO. 1840
 PLAT 1840-1840-0000
 43-10000 000000 0000
 BEING THE LAND BEING SURVEYED
 RECORDED IN THE PUBLIC RECORDS



ZONED HIGHWAY COMMERCIAL

NOTE:
 STRIP FROM CRITICAL LINE IS 50' AVERAGE
 WITH A 35' MINIMUM FOR ALL IMPERVIOUS
 SURFACES ON PROPERTY.

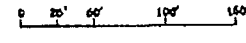


LIN	BEARING	DIST.
1	N 89° 20' 00" E	10.00
2	S 89° 20' 00" W	10.00
3	S 00° 00' 00" W	10.00
4	N 89° 20' 00" E	10.00

THIS PLAT IS A CORRECTIVE PLAT TO PLAT 1840-1840-0000, BEING THE LAND BEING SURVEYED RECORDED IN THE PUBLIC RECORDS OF BEAUFORT COUNTY, SOUTH CAROLINA, DATED 9-26-88.

THIS PROPERTY IS LOCATED IN ZONE A-11 (D. 1.0)
 AS DETERMINED BY FEMA FIRM COMM-811-PW11
 NUMBER 430224 0003 D, DATED 9-26-88.

8122-001-000-0001-0000
 8122-001-000-001A-0000



SCALE 1" = 60'
 FEBRUARY 21, 2000

PROB-81/1000

REVISED 9-26-88 - ADDED SURVEY INFORMATION
 CORRECTED 11-11-88 - ADJUSTED BY SURVEY
 ENGINEER 11-11-88 - ADJUSTED BOUNDARY FOR 1/4" 1/4"

U.S. HWY 91 BOUNDARY STREET

BEARPT
 I have examined this plat and find it correct in accordance with the requirements of the S.C. Code, Title 46, Chapter 11, and the provisions of the Act of 1956, Chapter 457, Section 11-11-11, as amended.



1.4000000000000000 IS THE BEST OF MY KNOWLEDGE
 INFORMATION AND WHERE THE SURVEY DOWN HEREIN
 WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF
 THE JOHNS HENNINGSEN MAPS FOR THE PURPOSE OF
 LAND SURVEYING IN SOUTH CAROLINA, AND THESE OR
 EXCEPTS THE REQUIREMENTS FOR A CLASS B SURVEY AS
 SPECIFIED THEREIN.
 ALSO THAT I AM NOT AWARE OF ANY FACTS OR
 CIRCUMSTANCES WHICH MIGHT AFFECT THE VALIDITY OF THIS PLAT.

DAVID S. YOUNG
 BEAUFORT SURVEYING, INC.
 1510 FAIRBANKS AVENUE
 BEAUFORT, S.C. 29508
 PHONE (843) 824-0200 585-1175

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature: <i>XIN A...</i></p> <p>B. Received by (Printed Name): <i>MARSH A...</i></p> <p>C. Date of Delivery: <i>JUN 28 2010</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p><i>Mitul Enterprises LLC Econo Lodge of Bft P.O. Box 2146 Beaufort, SC 29901 Att: Mr. Desai</i></p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label)</p>	<p><i>1060-2146</i></p> <p>RECEIVED</p> <p><i>JUN 28 2010</i></p> <p>BEAUFORT COUNTY ASSESSOR'S OFFICE</p>
<p>7005 3110 0000 3116 4154</p>	

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

Beaufort County Assessor
P.O. Box 458
Beaufort, SC 29901
Attention: Ed Hughes

Beaufort County Assessor's Office Appeal 2009 Workflow

0-12
SCOMM
3/3/10

PIN: R122 001 000 0001 0000		AIN: 00129729	
DATE RECEIVED		12/18/2009	
DATE ASSIGNED		12-29-2009	
APPRaiser ASSIGNED		H. Copeland	
DATE COMPLETED		4-17-2010	
APPEAL ACTIONS			
Old Land Value	1,620,768	New Land Value	1,435,000
			No Change
Old Imp Value	10,154,906	New Imp Value	7,565,000
			No Change
Old Total	11,775,674	New Total	9,000,000
			No Change
Original ATI	n/a	New ATI	n/a
			No Change
ADMINISTRATIVE ACTIONS CHECK APPROPRIATE BOX			
4% Application sent	<input type="checkbox"/>	Adjusted Bill to be sent	<input type="checkbox"/>
Agricultural use Application sent	<input type="checkbox"/>	Refund Due	<input type="checkbox"/>
Government Exemption	<input type="checkbox"/>	Entered in GRM	<input type="checkbox"/>
Developer Discount	<input type="checkbox"/>	Other * explain below	<input type="checkbox"/>
Letter to be sent (Response #)	NOA RR	Technician Initials	

NOTES:*

Inc. Approach Applied, Data Chgs,
Val Changed, send NTD

New letter sent with additional Bill 6/23/10

APPRaiser ACTION REQUIRED

TECHNICIAN ACTION REQUIRED

Letter - sent notified

DATE COMPLETED	NOA 4/7/10	Letter 6/23/10
----------------	---------------	-------------------

Revised August 31, 2009

SCANNED

RR



IMPROVEMENT DATA

01
02



PHYSICAL CHARACTERISTICS

ROOFING

Shingle

WALLS

Frame	B	1	2	U
Brick				
Metal				
Guard				

FRAMING

F Res	B	1	2	U
	0	2760	0	0

FINISH

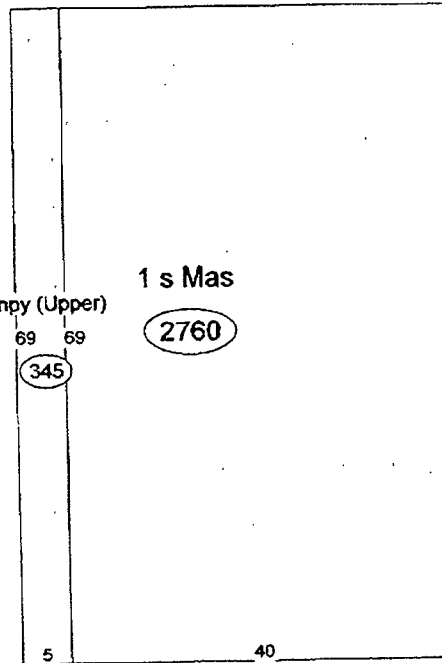
	CF	SF	FO	FD
1	2760	0	0	0
Total	2760	0	0	0

HEATING AND AIR CONDITIONING

Heat	B	1	2	U
	0	2760	0	0

PLUMBING Residential Commercial

	#	TF	#	TF
Full Baths				
Half Baths			3	6
Extra Fixtures				
TOTAL	0			6



69

(LCM: 100.00)

SPECIAL FEATURES

SUMMARY OF IMPROVEMENTS

Description	Value	ID	Use	Stry Const		Year Eff		Base Rate	Feat-ures	Adj Rate	Size or Area	Computed Value	Phys Depr	Obsol Depr	Market Adj	Comp	Value
				Hgt	Type Grade	Const	Year										
C : Remod 1990		C	RESTART	1.00	Avg	1954	1985	AV	0.00	N	0.00	2760	0	0	0	100	115446
		01	OMP	0.00	Avg	1990	1990	AV	0.00	N	0.00	345	0	25	0	100	0
		02	PAVING	0.00	85	Good	1986	1986	AV	1.45	N	1.81	200x191	69140	30	0	100

Data Collector/Date

Appraiser/Date

Neighborhood
Neigh 180 AV

Supplemental Cards
TOTAL IMPROVEMENT VALUE

163846

R122 001 000 0001 0000
ADMINISTRATIVE INFORMATION

MITUL ENTERPRISES LP ECONO LODGE OF 2225 BOUNDARY ST

612

OWNERSHIP

Tax ID 00129729

Printed 08/25/2010 Card No. 2 of 2

TRANSFER OF OWNERSHIP

Date

VALUATION RECORD

Assessment Year

Reason for Change

VALUATION

Site Description

LAND DATA AND CALCULATIONS

Land Type	Rating	Measured	Table	Prod. Factor	Base	Adjusted	Extended	Influence	Value
	Soil ID	Acreage		-or-					
	-or-	-or-	Effective	Depth Factor	Rate	Rate	Value	Factor	
	Actual	Effective	Effective	-or-					
	Frontage	Frontage	Depth	Square Feet					

Supplemental Cards
TOTAL LAND VALUE

70

R122 001 000 0001 0000

MITUL ENTERPRISES LP ECONO LODGE OF 2225 BOUNDARY ST

612

ADMINISTRATIVE INFORMATION

PARCEL NUMBER
R122 001 000 0001 0000
Parent Parcel Number

Property Address
2225 BOUNDARY ST

Neighborhood
180 BEAUFORT WEST COMM & NEW TOWN

Property Class
612 ComImp HotelMotelBed&Breakfast

TAXING DISTRICT INFORMATION

Jurisdiction 07
Area 001
District 120

Site Description

Topography:

Public Utilities:
Water, All

Street or Road:
Sidewalk

Neighborhood:
Improving

Zoning:

Legal Acres:
4.4800

OWNERSHIP

MITUL ENTERPRISES LP ECONO LODGE OF
PO BOX 2146
BEAUFORT, SC 29901

Tax ID 00129729

PARCEL B "SCOTTISH INN" PB50 P4 *3/06 LOT LINE REVISED
BY PBL10 P109 SPLIT 1/88
2.20 AC 1/LA 0.06 AC TO US 21 R/W

Printed 08/25/2010 Card No. 1 of 2

TRANSFER OF OWNERSHIP

Date			
09/09/1999	DESAI FAMILY PARTNERSHIP #1 LP 2227	Bk/Pg: 1212, 1516	\$1
07/31/1997	DESAI MAHESHCHANDRA & SCOTTISH INNS	Bk/Pg: 969, 2439	\$1
06/01/1980	DESAI MAHESHCHANDRA & SCOTTISH INNS	Bk/Pg: 303, 164	\$0
12/31/1776		Doc #: CONV000000147672	\$0

COMMERCIAL

VALUATION RECORD

Assessment Year	12/31/2002	12/31/2003	12/31/2006	12/31/2007	12/31/2008	12/31/2008	12/31/2008
Reason for Change				CONVERTCAP	REVAL	NEWCONST	CORRECTION
VALUATION	I 390900	746800	746800	746800	1620768	1620768	1435000
0	E 704390	644600	183500	183500	10154906	10154906	7565000
	T 1095290	1391400	930300	930300	11775674	11775674	9000000
VALUATION	I 0	0	0	0	0	0	0
0	E 704390	644600	183500	183500	10154906	10154906	7565000
	T 704390	644600	183500	183500	10154906	10154906	7565000

LAND DATA AND CALCULATIONS

Land Type	Rating	Measured Soil ID	Table	Prod. Factor	Base Rate	Adjusted Rate	Extended Value	Influence Factor	Value
		Acres	Effective Depth	-or- Depth Factor					
		Frontage	Effective Depth	-or- Square Feet					

09AP: 2009 Appeal Chng
TY09: Inc Approach applied: Val Chgd, send NTO; #04-KC
4/7/2010.
NC09: NEW CONSTRUCTION FOR 2009
08/25/2009 MD

Supplemental Cards

TRUE TAX VALUE 1434691

Supplemental Cards
TOTAL LAND VALUE

1434691

71

IMPROVEMENT DATA

03 04

PHYSICAL CHARACTERISTICS

ROOFING

Built-up

WALLS

Frame	B	1	2	U
Brick		Yes	Yes	Yes
Metal				
Guard				

FRAMING

F Res	B	1	2	U
	0	24614	19398	41112

FINISH

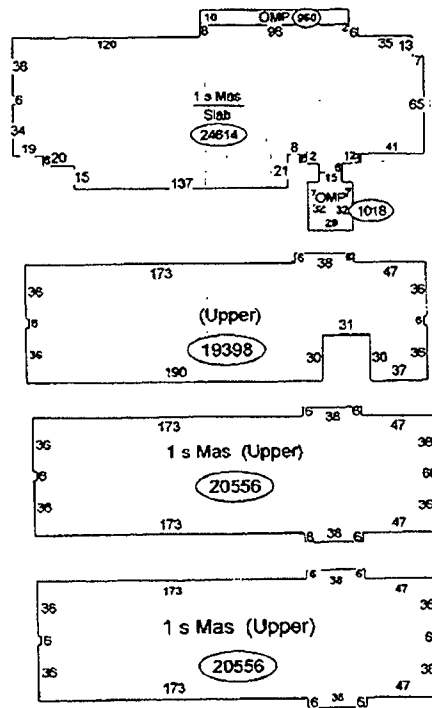
	UF	SF	FO	FD
1	24614	0	0	0
2	19398	0	0	0
U	41112	0	0	0
Total	85124	0	0	0

HEATING AND AIR CONDITIONING

Heat	B	1	2	U
Sprink	0	24614	19398	41112

PLUMBING Residential Commercial

	#	TF	#	TF
Full Baths			99	297
Half Baths				
Extra Fixtures				
TOTAL	0		297	



Item Description Units Cost Total

M & S Cost Database Date: 01/2008

Basic Structure Cost	85124	59.15	5035085
Basic Structure Cost	85124	59.15	5035085
Undefined code	85123	15.85	1349200
Undefined code	85123	15.85	1349200
Undefined code	85124	13.99	1190884
Undefined code	85124	13.99	1190884
Undefined code	85124	2.91	248110
Undefined code	85124	2.91	248110
Basic Structure Cost	85124	91.90	7823279
Basic Structure Cost	85124	91.90	7823279
Rounded Total		0.00	7823279
Rounded Total	0	0.00	7823279
Total Exterior Features Value			
Total Exterior Features Value			
Total Before Adjustments			7823279
Total Before Adjustments			7823279
Neighborhood Adjustment			
Neighborhood Adjustment			
TOTAL VALUE			7823279
TOTAL VALUE			7823279

(LCH: 100.00)

SPECIAL FEATURES

SUMMARY OF IMPROVEMENTS

Description	Value	ID	Use	Sty Hgt	Const Type	Grade	Year	Eff Year	Base Rate	Feat-ures	Adj Rate	Size or Area	Computed Value	Phys Depr	Obsol Depr	Market Adj	% Comp	Value
C HOTEL 1S	0.00						2007	2007	VG	0.00	N	0.00	85124	0	0	0	100	7823279
01 OMP	1.00						2007	2007	AV	0.00	N	0.00	1x1018	26790	2	0	0	26250
02 OMP	1.00						2007	2007	AV	0.00	N	0.00	1x960	25260	2	0	0	24760
D3 COMPOOL	0.00						2007	2007	AV	55.20	N	71.76	20x 36	51670	2	0	100	50640
04 PAVING	1.00	6					2007	2007	AV	2.60	N	2.60	1x22000	57200	2	0	100	56060

Data Collector/Date

Appraiser/Date

Neighborhood
Neigh 180 AV

Supplemental Cards
TOTAL IMPROVEMENT VALUE

7980989



September 23, 2005

Mr. James Boswell
Regions Bank
910 Bay Street
Beaufort, South Carolina 29902

Re: Appraisal of the Proposed 100-Room Holiday Inn Hotel & Suites
2221 Boundary Street
Beaufort, South Carolina

Dear Mr. Boswell:

Per your request, we have prepared an appraisal of the above-referenced property to be located in Beaufort, South Carolina. The purpose of our valuation has been to estimate the prospective market value of the fee simple estate in the subject hotel as of January 1, 2007, the anticipated date of completion. We also estimated the prospective market value of the property as of the date of anticipated stabilization, January 1, 2011, and the market value of the property "as is" (hotel site of 3.522 acres and excess land of 0.965 acres). Our latest date of inspection was August 16, 2005.

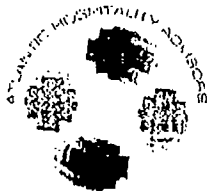
The following is a complete appraisal communicated by a self-contained report. It includes property and market information and the appraisal procedures used for valuation. The report is made in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of The Appraisal Foundation, and Title XI of the Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA). The certification and assumptions and limiting conditions that may limit or qualify the value opinions are presented on pages i through vi, and a summary of salient facts and conclusions is presented on page 1.

It is our opinion that the market value of the fee simple estate in the subject 3.522-acre hotel site, expressed in terms of financial arrangements equivalent to cash, as of August 16, 2005 was:

ONE MILLION FIVE HUNDRED THOUSAND (\$1,500,000) DOLLARS

Further, it is our opinion that the market value of the fee simple estate for the 0.965 acre of excess land, expressed in terms of financial arrangements equivalent to cash, as of August 16, 2005 was:

3475 Lenox Road, NE • Suite 670 • Atlanta, Georgia 30326
Phone: 404-262-0704 • Fax: 404-266-8080



Mr. James Boswell
September 23, 2005
Page 2

FIVE HUNDRED THIRTY THOUSAND (\$530,000) DOLLARS

Additionally, it is our opinion that the prospective market value of the fee simple estate in the proposed hotel, as of January 1, 2007, the anticipated date of completion, will be:

SEVEN MILLION THREE HUNDRED THOUSAND (\$7,300,000) DOLLARS

Furniture, fixtures and equipment are an integral part of the operations of a hotel and are estimated to account for \$840,00 of the value opinion. No deduction has been made for business value which is estimated to be negligible in the overall market value opinions for the subject.

Lastly, it is our opinion that the prospective market value of the fee simple estate in hotel as of January 1, 2011, the anticipated date of stabilization, will be:

EIGHT MILLION SEVEN HUNDRED THOUSAND (\$8,700,000) DOLLARS

The furniture, fixtures and equipment contribution at stabilization is estimated at \$480,000.

We have enjoyed completing this assignment and appreciate your consideration of Atlantic Hospitality Advisors for professional services. Please contact us should you have any questions about this report.

Sincerely,

ATLANTIC HOSPITALITY ADVISORS

Tony M. Jenkins, MAI, CCIM
Partner
South Carolina Temporary Practice
Permit Number 2005116

TMJ/mrk (05-067)

TWENGE + TWOMBLEY LAW FIRM

311 CARTERET STREET
BEAUFORT, SOUTH CAROLINA 29902
PH: 843.982.0100 • FX: 843.982.0103

WEB: TWLAWFIRM.COM

J. ASHLEY TWOMBLEY
KARL D. TWENGE

July 22, 2010

Via Hand-Delivery

Mr. Edward Hughes
Beaufort County Assessor
100 Ribaut Road
Admin Building, Rm #210
Beaufort, SC 29902

RECEIVED

JUL 22 2010

BEAUFORT COUNTY
ASSESSOR'S OFFICE

RE: Mitul Enterprises, L.P. / R122 001 000 0001 0000

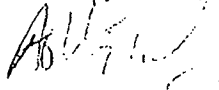
Dear Mr. Hughes:

This firm has been engaged by Mitul Enterprises, L.P. with respect to R122 001 000 0001 0000 and, *inter alia*, your letter of June 23, 2010. This letter will serve as notice that Mitul Enterprise hereby appeals the assessment made by your office. The property in question has already been assessed and the taxes have been paid and accepted. We reject your recent notices as a supplemental tax bill. We further object because you have failed to accurately cap the value of the property pursuant to applicable law. The June 23, 2010 letter from your office amounts to an unwarranted reassessment and we request the opportunity to state our case to you.

Please provide my office with a complete copy of your file related to this matter, including you View Appeal File. If you have any questions please let me know. Otherwise, I look forward to hearing from you.

With kindest personal regards, I remain,

Cordially,



J. Ashley Twombley

cc: Mitul Enterprises, L.P.



COUNTY COUNCIL OF BEAUFORT COUNTY
Office of the Assessor
Multi Government Center • Post Office Box 458
Beaufort, South Carolina 29901-0458
Phone: (843) 255-2400 Fax: (843) 255-9404
Web Site: www.bcgov.net

September 27, 2010

J. Ashley Twombly
Twenge & Twombly Law Firm, LLC
311 Carteret St
Beaufort, SC 29902

Re: Mitul Enterprises, L.P. – R122 001 000 0001 0000 – Final Action

Dear Mr. Twombly:

I am in receipt of your letter dated September 8, 2010 in regard to the captioned protest related to the subsequent billing of 2009 property taxes for omitted property. Although I clearly understand your client's position, I respectfully disagree with the premises on which you claim the county erred and is prohibited from collecting additional 2009 taxes.

The protest filed for tax year 2009 is denied.

If this action is unsatisfactory, you may appeal in writing to the Beaufort County Tax Equalization Board. This process will be initiated upon receipt of your written notice of intent to appeal in the Assessor's office. Notice of intent to appeal must be received in the Office of the Assessor within thirty (30) days of the date of this final action letter. Failure to appeal in writing will constitute a waiver of your rights to further appeal this matter for the 2009 tax year.

Sincerely,

Edward Hughes
Beaufort County Assessor

c. Stephen Hughes - Howell, Gibson & Hughes

TWENGE + TWOMBLEY LAW FIRM, LLC

311 CARTERET STREET
BEAUFORT, SOUTH CAROLINA 29902
PH: 843.982.0100 • FX: 843.982.0103

WEB: TWLAWFIRM.COM

J. ASHLEY TWOMBLEY
KARL D. TWENGE

LICENSED IN SC : 0A

October 15, 2010

Via U.S. Mail, Certified, Return Receipt
7009 2820 0002 6793 3509

Mr. Edward Hughes
Beaufort County Assessor
100 Ribaut Road
Admin Building, Rm #210
Beaufort, SC 29902

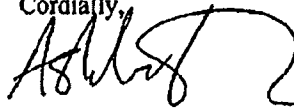
RE: Mitul Enterprises, L.P. / R122 001 000 0001 0000 - Protest

Dear Mr. Hughes:

Please allow this letter to serve as my client's written notice that he appeals your office's denial of his protest with respect to referenced property to the Beaufort County Tax Equalization Board. Should your office need anything more to memorialize our intent to appeal please let me know.

With kindest personal regards, I remain,

Cordially,



J. Ashley Twombley

cc: Mitul Enterprises, L.P.

Rigg, Elizabeth

From: Hughes, Ed
Sent: Friday, June 18, 2010 12:01 PM
To: Rigg, Elizabeth
Cc: Copeland, Henry; Reames, Robert
Subject: FW: Holiday Inn (R122 001 000 0001 0000) Taxable Value Error
Attachments: Holiday inn cap analysis R122 001 000 0001 0000.doc

Liz,
Scan this email into VA...Ed

Ed Hughes
Beaufort County Assessor
PO Box 458
Beaufort, SC 29901-0458
Office: 843-255-2394
Fax: 843-255-2416
Email: EHughes@bcgov.net

From: Reames, Robert
Sent: Friday, June 18, 2010 10:34 AM
To: Hughes, Ed
Subject: FW: Holiday Inn (R122 001 000 0001 0000) Taxable Value Error

From: Copeland, Henry
Sent: Friday, June 18, 2010 10:15 AM
To: Reames, Robert
Subject: Holiday Inn (R122 001 000 0001 0000) Taxable Value Error

Bobby:

After carefully reviewing the office data and the owner's appeal file, I used the cost approach, not the income approach, to establish a value change for this property.

The owner's estimate of value was \$9,000,000 based on the owner's original objections to the values posted on our original reassessment notice dated September 27, 2009. After reviewing the data in CAMA and making appropriate changes to more accurately reflect the physical property as of the target date, I ran the file through cost with a resulting value of \$9,579,526. The breakdown would show \$1,434,691 for land & \$8,144,835 for improvements.

Based on income and expense statements submitted by other comparable or nearly comparable hotels occupancy and daily room rates (ADR) also declined for the reassessment cycle. It would be highly probably that an income analysis for this property would have resulted in a reduction in the market value that would have been significantly below the market value using the cost approach. The income stream would have supported a value that would have been below the owner's estimate of value which was \$9,000,000. I selected the owner's estimate of value which is supported by the cost approach adjusted downward for market conditions that take into account lower occupancy rates and the lower ADR.

What is important to not about this appeal is the owner appears to have responded to the original assessment notice dated September 27, 2009, which is believed to have shown a market value equal to the taxable value. Though this may have included a slight error by not reflecting a partial cap on the existing land and smaller commercial building, it would have been easily corrected. What appears to have been the wrench in the machinery was the 2nd assessment notice generated just before the tax bills were printed. This assessment notice failed to recognize the new construction and instead included it under the cap thereby making the capped value equal to the taxable value. It should have shown a capped value plus new construction to equal a taxable value only slightly lower than the corrected market value.

It is also important to note that the owner completed the original objection to the reassessment notice showing clearly his was an objection to the market value. Furthermore, the owner completed the form by providing an estimate of value. In the end, I reviewed the supporting data at my disposal and agreed with his estimate of value relying mainly on the cost method. The owner was notified with a change in value letter subsequently sent out as part of the 2009 appeal program. It is a key element in this particular example that the owner did complete the request that he provide this office with an estimate of market value as part of his formal appeal. He also restated the market and taxable values within the form provided as they appeared on the original assessment notice.

I have attached the results of my research of the taxable value error that involves this property. This was a mistake I found after comparing my data for closed 2009 appeals with what is on the office records. So far I haven't found any others related to new construction, though there appear to be some questions about the accuracy of some ATI's which still appear to be capped.

Henry

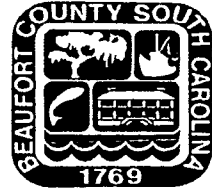
Henry de Saussure Copeland, CG # 1869
Commercial Appraiser, Office of the Assessor
Beaufort County Government
PO Box 458, 100 Ribaut Rd, Beaufort, SC 29901

Main Tele: 843.255.2400
Fax: 843.255.2416
Direct: 843.255.2381

e-mail: hcopeland@bcgov.net
web site: <http://www.bcgov.net/>

COUNTY COUNCIL OF BEAUFORT COUNTY
TAX EQUALIZATION BOARD

Post Office Box 1267
Beaufort, South Carolina 29901-1267
Phone (843) 255-2262 Fax (843) 255-9425



February 3, 2012

J. Ashley Twombly
Twenge & Twombly, LLC
311 Carteret Street
Beaufort, SC 29902

Dear Mr. Twombly:

Re: Tax Equalization Board Conference
For: R122 001 000 0001 0000

The appeals process is a procedure that is afforded every property owner in the state of South Carolina. Since the amount of taxes relates directly to property value (market value), it is important for property owners to be aware of valuation concepts as they relate to their property, as well as surrounding properties. We understand the concerns of taxpayers in watching how and where their hard-earned money is spent.

The Beaufort County Tax Equalization Board has given careful consideration to the facts concerning the issues at hand in the appeal of the above-described property which was presented to the board on Wednesday, January 25, 2012. After examining the available written information and hearing the oral presentations from you, the legal representative for the property owner, and the legal representative for the Beaufort County Assessor, the board upholds the assessor's position that he acted in accordance with S.C. Law, Section 12-39-220. The taxpayer's appeal is denied.

If this ruling is unsatisfactory, the right of appeal is granted to **Administrative Law Court**. The appeal must be made in writing within thirty (30) days from the date of this letter and sent to the **Administrative Law Court, Edgar A. Brown Building, 1205 Pendleton Street, Suite 224, Columbia, SC 29201**.

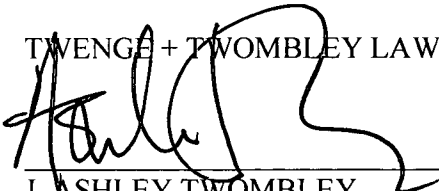
Sincerely,

Robert Cummins, Jr.
Robert Cummins, Jr., Chairman

C: Gary Kubic
Ed Hughes
Stephen Hughes
Eunice Wynn

CERTIFICATE OF COUNSEL

The undersigned, J. Ashley Twombly, hereby certifies that the Record on Appeal contains all material proposed to be included by any of the parties and not any other material.

TWENGE + TWOMBLY LAW FIRM
BY: 
J. ASHLEY TWOMBLY
311 Carteret Street
Beaufort, SC 29902
Telephone: (843) 982-0100
Facsimile: (843) 982-0103
twombly@twlawfirm.com
Attorney for Appellant
www.twlawfirm.com