

BEFORE THE IDAHO BOARD OF TAX APPEALS

ZACHARY SNELL,)	
)	
Appellant,)	APPEAL NO. 19-A-1408
)	
v.)	FINAL DECISION
)	AND ORDER
BANNOCK COUNTY,)	
)	
Respondent.)	
)	
)	
)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Bannock County Board of Equalization modifying an appeal of the valuation for taxing purposes on property described by Parcel No. RPRCPH1008300. The appeal concerns the 2019 tax year.

This matter came on for hearing March 30, 2020, before Board Member Leland Heinrich and Hearing Officer Cindy Pollock. Appellant Zachary Snell was self-represented. County Assessor Sheri Davies represented Respondent.

Board Members David Kinghorn, Leland Heinrich, and Kenneth Nuhn join in issuing this decision.

The issue on appeal concerns the market value of an improved residential property.

The decision of the Bannock County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$16,402, and the improvements' value is \$79,823, totaling \$96,225. Appellant contends the correct assessed value is \$93,000, with no detail given as to allocation between land and improvements.

The subject property is a .02 acre lot located in the Pheasant Ridge townhome complex within the city limits of Chubbuck, Idaho. The residence is a 1,271 square foot townhouse built

in 2003. The dwelling consists of 630 square feet on the main floor and 641 square feet on the upper floor. The lot is further improved with a 287 square foot detached garage.

Appellant challenged subject's recent valuation increase and contends the 2019 assessment is in excess of fair market value when compared to recent sales. In support of a lower valuation, Appellant provided fifteen (15) sales from the Pheasant Ridge complex which occurred in 2017 and 2018. Townhomes ranged in size from 1,215 to 1,272 square feet and contained sale prices between \$88,000 and \$96,000, or \$69 to \$79 per square foot. The average sale price was \$93,000, which equates to the value requested by Appellant.

Respondent presented information on ten (10) sales from 2018 in support of its 2019 assessment. These sales were not directly compared to subject, but instead were provided to represent market trends in subject's neighborhood. Sales were all 1,271 square foot townhomes located in subject's same complex. Sale prices ranged from \$92,000 to \$96,000; once adjusted for time, they ranged from \$94,692 to \$101,806, or \$74 to \$80 per square foot.

Respondent selected three (3) of these ten (10) neighborhood sales to directly compare to subject. All three (3) sale properties were nearly identical in lot size, dwelling effective age, square footage and quality of construction, necessitating less than \$100 in adjustments for property characteristics. Sale No. 1 sold on March 19, 2018 for \$93,000. Sale No. 2 sold on August 3, 2018 for \$95,000. Sale No. 3 sold on May 8, 2018 for \$92,500. Respondent first applied time adjustments to bring the sale prices relevant to the assessment date of January 1, 2019. Respondent calculated value indications of \$99,671 to \$101,707, or \$78 to \$80 per square foot. In comparison, subject is assessed at \$96,225, or \$76 per square foot.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value in fee simple interest, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all the testimony and documentary evidence, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2019 in this case. Market value is always estimated as of a precise point in time. Market value is defined in Idaho Code § 63-201, as,

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Market value is estimated according to recognized appraisal methods and techniques. There are three (3) approaches to value: the sales comparison approach, the cost approach, and the income approach. The sales comparison approach is commonly used in the valuation of a residential property. In general terms, the approach examines recent sales of similar property and considers differences in the property characteristics between the subject and the sale properties.

Both parties developed a valuation utilizing the sales comparison approach. Appellant provided information on fifteen (15) sales of townhomes in subject's same development with sale prices ranging from \$88,000 to \$96,000. Respondent provided ten (10) sales of townhomes in subject's same development with prices ranging from \$92,000 to \$96,000. Sales from both parties were well received by the Board. All properties were nearly identical to

subject in location and characteristics.

In accordance with Idaho Code § 63-511, the burden is with the Appellant to establish Respondent's valuation is erroneous by a preponderance of the evidence. After review, the Board noted that seven (7) sales were utilized by both parties, with the only variance being that Respondent applied time adjustments to bring sale prices relevant to the assessment date of January 1, 2019. It is well understood by the Board that, when utilizing past sales to calculate current fair market value, time adjustments are necessary in an inflating market. After time adjustments, the Board found subject's assessed value was supported by the sales evidence in record. Overall, the Board found Respondent's analysis better supported and best represents subject's current market value.

Based on the above, the decision of the Bannock County Board of Equalization is affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Bannock County Board of Equalization concerning the subject parcel be, and the same hereby is, AFFIRMED.

DATED this 22nd day of April, 2020.