

BEFORE THE IDAHO BOARD OF TAX APPEALS

RONALD LINDSEY,	)	
	)	
Appellant,	)	APPEAL NO. 21-A-1053
	)	
v.	)	FINAL DECISION AND ORDER
	)	
BONNEVILLE COUNTY,	)	
	)	
Respondent.	)	
	)	
	)	
	)	

---

**RESIDENTIAL PROPERTY APPEAL**

This appeal is taken from a decision of the Bonneville County Board of Equalization denying an appeal of the valuation for taxing purposes on property described by Parcel No. RPA0540062010B. The appeal concerns the 2021 tax year.

This matter came on for telephonic hearing November 9, 2021, before Board Member Kenneth Nuhn. Appellant Ronald Lindsey was self-represented. County Chief Deputy Assessor Dustin Barron represented Respondent.

Board Members Leland Heinrich, David Kinghorn, 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 Bonneville County Board of Equalization is affirmed.**

FINDINGS OF FACT

The assessed land value is \$32,138, and the improvements' value is \$125,910, totaling \$158,048. Appellant contends the correct land value is \$26,775, and the improvements' value is \$84,880, totaling \$111,655.

The subject property is a .17 acre residential parcel located in the Crows neighborhood of Idaho Falls, Idaho. The property is improved with a 1,546 square foot residence built in 1949, which includes 773 square feet on the main floor and 773 square feet in the basement, of which 350 square feet are finished. The residence additionally has a 273 square foot attached garage.

Appellant's main concern was subject's assessment increasing despite there being no improvements to the property since 2013, when the roof was replaced. Appellant stated subject had been "downgraded," since the driveway was recently removed due to deterioration. Appellant additionally shared condition concerns regarding the residence including the cracking foundation, a crack in the wall which leaks inside, exterior walls in need of a paint job, a chimney which needs replaced, and the separation of bricks on the exterior wall. Appellant also explained subject does not have a walkway and instead has spaced-out pavers leading to the front entrance of the residence.

Appellant next described the properties surrounding subject. There is a storage structure behind and diagonal to subject whose only access is through the shared alley behind subject. Appellant stated the business is accessible 24/7, and an exterior light stays on all night long. The light does not shine directly on subject, but it lights up the area. Lastly, Appellant shared the property next door to subject is a rental property, and the residents of this property crowd the street with their vehicles.

Respondent stated subject was due for reappraisal for the 2021 assessment year. Respondent shared subject's grade changed from "Average-" to "Average+" to better align with similar residences. The condition was also changed, from "Average" to "Good," based on subject's overall appearance. Respondent described subject's residence as a

solid brick structure with a hip roof which is better constructed than many residences from the time. Respondent also noted the windows have been replaced since the residence was built, subject appeared maintained, and there were no signs of deferred maintenance. Respondent reported all land values increased in the Crows neighborhood, and most improvement values did as well. Grades and conditions of properties throughout Crows were corrected like subject to maintain equity and consistency throughout the area.

Respondent was not able to perform an interior inspection, nor did it receive information from Appellant during the initial Board of Equalization appeal process. Therefore, Respondent relied on information from previous appraisal records and a 2015 survey from Appellant to determine subject's market value. In the survey, Appellant stated the only issue with the residence was plumbing, which Respondent stated is common in properties of subject's age. Respondent described the other issues such as the foundation and brick separation as cosmetic and asserted they are also typical in residences of subject's age. Respondent testified there is no indication these issues have an impact on market value unless they were particularly severe. Respondent pointed to a comparable property which sold for approximately \$204 per square foot whose residence had similar foundation condition issues and separation of bricks as subject to demonstrate sale prices are not necessarily negatively impacted by these characteristics in the current market.

Respondent stated it routinely conducts market research to determine if sales are affected by commercial or other high-traffic properties and areas and stated there was nothing to indicate nearby properties sell for less in the market. Respondent additionally shared no other residents near the storage facility had commented on it in their

reappraisal surveys. Overall, Respondent acknowledged subject's issues but asserted the residence is in good condition considering its age and the updates conducted over the years.

Respondent additionally supplied information on seven (7) sales which occurred during 2020 in support of subject's 2021 assessment. Respondent shared location, sale date, price, grade, condition, year built, square footage, basement finish, garage square footage, and price per square foot for each property. Overall, the properties sold between \$173,000 and \$240,000, or approximately \$155 to \$208 per square foot for the 1,736 square foot to 1,980 square foot residences. The conditions of all the residences except one (1) were "good," the other of which was "average." Four (4) of the sales residences were graded "average" while three (3) were graded "average+." The residences were built between 1950 and 1959. In comparison, subject is assessed at \$158,048, or approximately \$169 per square foot, the residence is in "good" condition with an "average+" grade, and the residence was built in 1949.

#### 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, 2021, 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 subject and the sale properties.

Appellant focused on describing adverse conditions subject experiences. Appellant noted subject's foundation is cracking, there is interior leaking, the exterior walls need fresh paint, the chimney needs replaced, there is no driveway, and exterior bricks are separating from the mortar. Appellant also discussed the nearby storage business which is only accessible through a shared alley behind subject and is open all hours of the day and night. Appellant lastly noted a neighboring property is a rental.

Respondent explained the driveway was removed from the property record when Appellant informed the assessor's office it was no longer present; therefore, there is no driveway value on the 2021 assessment. Regarding the other condition and location issues, where Appellant offered no cost-to-cure estimates for the adverse conditions or comparable sales to demonstrate effects on market value, the Board was hesitant to decrease the value to accommodate for these items. Additionally, Respondent shared sales information which demonstrated these conditions do not necessarily cause lower sale prices in the current market.

Respondent provided sales information regarding seven (7) properties which sold in 2020. It was not entirely clear exactly how the properties were compared to subject, as the sale prices were approximately \$15,000 to \$82,000 more than subject's assessment. Additionally, while details such as square footage, sale date, and condition were shared, no adjustments were made between subject and the comparable sales. Despite this, Respondent's sales comprised the only market information in the record.

In accordance with Idaho Code § 63-511, the burden is with Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. In this case, the burden of proof was not satisfied. Appellant described subject's deteriorating condition but supplied no market evidence the assessment does not reflect market value. Respondent's sales demonstrated the deterioration has been taken into consideration, as the sales included residences of similar age and condition, with similar issues as subject. Considering all the evidence on record, the Board upholds the decision of the Bonneville County Board of Equalization.

#### FINAL ORDER

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

DATED this 1<sup>st</sup> day of March, 2022.