

BEFORE THE IDAHO BOARD OF TAX APPEALS

GEM 2000, LP,	)	
	)	
Appellant,	)	APPEAL NOS. 24-A-1083,
	)	24-A-1084, and 24-A-1085
v.	)	
	)	FINAL DECISION AND ORDER
CUSTER COUNTY,	)	
	)	
Respondent.	)	
_____	)	

**COMMERCIAL PROPERTY APPEALS**

These appeals are taken from decisions of the Custer County Board of Equalization denying appeals of the valuations for taxing purposes on properties described by Parcel Nos. RPA00530010040A, RPA00530010030A, and RP14N19E330605A. The appeals concern the 2024 tax year.

These matters came on for hearing November 21, 2024, in Challis, Idaho, before Board Member Doug Wallis. George McQuiston appeared at hearing for Appellant. Custer County Assessor Jacquiel Bruno represented Respondent.

Board Members Leland Heinrich, Kenneth Nuhn, and Doug Wallis join in issuing this decision.

**The issues on appeal concern the market values of three (3) commercial properties.**

**The decisions of the Custer County Board of Equalization are affirmed.**

FINDINGS OF FACT

RPA00530010040A (Appeal #24-A-1083)

The assessed value is \$40,390. Appellant contends the correct value is \$25,660.

This subject property is a 1.85 acre unimproved commercial lot located in Challis, Idaho.

RPA00530010030A (Appeal #24-A-1084)

The assessed value is \$45,960. Appellant contends the correct value is \$31,830.

This subject property is a 1.26 acre unimproved commercial property adjacent to the above lot.

RP14N19E330605A (Appeal #24-A-1085)

The assessed land value is \$40,540, and the improvements' value is \$154,840, totaling \$195,380. Appellant contends the correct total value is \$180,480.

This subject property is a 1.87 acre commercial parcel located less than one (1) mile south of the above lots. This parcel is improved with a 2,808 square foot service garage constructed in 1992 and a 2,291 square foot storage building constructed in 1995. The property is further improved with a small general purpose outbuilding.

After broadly discussing appraisal terms and concepts, Appellant disclosed the reason for appealing subjects' assessed values was due to Appellant's dissatisfaction with the assessor's valuation of an improved residential parcel that is not part of this matter. Appellant generally suggested activity in the local commercial market did not support subjects' valuations but offered no specific market information.

Respondent disagreed subjects' respective valuations were unsupported by the local marketplace. In this regard, Respondent offered information on nine (9) recent local improved commercial sales and two (2) vacant lot sales. Several of the sales transpired in 2020 and 2021, though the bulk of the sales closed in 2022 and 2023. The vacant sales concerned 5.6 and 1.5 acre commercial lots which sold for \$170,000 and \$75,000, or

\$0.69 and \$1.16 per square foot, respectively. For comparison, the unimproved subject lots are 1.26 and 1.85 acres in size and are assessed at \$45,960 and \$40,390, or \$0.84 and \$0.50 per square foot, respectively.

Respondent's improved sales involved buildings ranging in size from 1,020 to 26,890 square feet situated on lots from .07 to 3.15 acres in size. Sale prices stretched from \$122,000 to \$820,000, or roughly \$30 to \$183 per square foot. Respondent maintained subject's valuation of \$195,380, or \$38.32 per square foot, which was lower than all but one (1) price rate, was reasonable.

### CONCLUSIONS OF LAW

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

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2024, in this case. Market value is always estimated as of a precise point in time. Idaho Code § 63-201 provides the following definition,

“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. *Merris v. Ada Cnty.*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979).

As the party seeking affirmative relief, Idaho Code § 63-511 places the burden on Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. That burden was not met in this instance. At hearing, Appellant revealed there was no legitimate dispute regarding subjects' respective assessments. Rather, these appeals were filed as an act of retaliation due to Appellant's disagreement with the assessment of an unrelated property. As Appellant offered nothing in support of lower values, nor otherwise demonstrated error in subjects' assessments, the Board found no good cause to disturb the valuations.

The decisions of the Custer County Board of Equalization are affirmed.

#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decisions of the Custer County Board of Equalization concerning the subject parcels be, and the same hereby are, AFFIRMED.

DATED this 4<sup>th</sup> day of March, 2025.