

BEFORE THE IDAHO BOARD OF TAX APPEALS

DEREK LESLIE,)	
)	
Appellant,)	APPEAL NOS. 25-A-1197
)	through 25-A-1200
v.)	
)	FINAL DECISION AND ORDER
BANNOCK COUNTY,)	
)	
Respondent.)	
_____)	

RESIDENTIAL PROPERTY APPEALS

These appeals are taken from decisions of the Bannock County Board of Equalization denying appeals of the valuations for taxing purposes on properties described by Parcel Nos. RPRPAP2000405, RPRPAP2000506, RPRPAP3000405, and RPRPAP3000500. These appeals concern the 2025 tax year.

These matters came on for hearing November 14, 2025, in Pocatello, Idaho, before Board Member Doug Wallis. Appellant Derek Leslie was self-represented. Bannock County Assessor Anita Hymas represented Respondent.

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

The issues on appeal concern the market values of four (4) improved residential properties.

The decisions of the Bannock County Board of Equalization are modified.

FINDINGS OF FACT

Parcel No. RPRPAP2000405 (Appeal No. 25-A-1197)

The assessed land value is \$55,000, and the improvements' value is \$637,873, totaling \$692,873. Appellant agrees with the land value but contends the correct value of the improvements is \$565,759, for a total value of \$620,759.

Parcel No. RPRPAP2000506 (Appeal No. 25-A-1198)

The assessed land value is \$55,000, and the improvements' value is \$674,659, totaling \$729,659. Appellant agrees with the land value but contends the correct value of the improvements is \$599,294, for a total value of \$654,294.

Parcel No. RPRPAP3000405 (Appeal No. 25-A-1199)

The assessed land value is \$55,000, and the improvements' value is \$650,577, totaling \$705,577. Appellant agrees with the land value but contends the correct value of the improvements is \$580,863, for a total value of \$635,863.

Parcel No. RPRPAP3000500 (Appeal No. 25-A-1200)

The assessed land value is \$55,000, and the improvements' value is \$648,000, totaling \$703,000. Appellant agrees with the land value but contends the correct value of the improvements is \$585,471, for a total value of \$640,471.

The subject properties are adjacent fourplex buildings located in Pocatello, Idaho. The buildings, constructed in 2001, are each comprised of four (4) two-level townhouse-style units, with 552 square feet on the main level and 552 square feet on the upper floor. Each unit also comes with an attached garage. The subject buildings were characterized as identical to each other with the exception of garage size, which varied somewhat between the properties.

Appellant was concerned with the 20% average increase in subjects' assessed values over the 2024 valuations which, according to Appellant, contrasted sharply with the reported .37% local real estate appreciation rate over the past year. In Appellant's view, subjects' assessed values were not supported by recent activity in the market.

In support of lower valuations, Appellant offered information on six (6) sales of fourplex properties in Pocatello. The sales, four (4) of which occurred in 2024 and two (2) in 2025, were used to develop a comparative valuation model for each subject property. None of the 2024 sales were townhouse designs like subjects, but one (1) of the 2025 sales was comprised of townhouse-style units. All the sale units were multi-level designs. The sale buildings, constructed between 1950 and 1998, ranged in size from 1,768 to 4,072 square feet. None of the sale properties included attached garages, with the exception of the above-referenced 2025 townhouse-style sale. Sale prices ranged from \$425,000 to \$562,650.

In each valuation model, the sales were directly compared to the respective subject properties, with adjustments made for differences in square footage, condition, and garage size. This resulted in adjusted sale price ranges as follows:

Parcel No. RPRPAP2000405: \$558,176 to \$642,920

Parcel No. RPRPAP2000506: \$591,712 to \$676,456

Parcel No. RPRPAP3000405: \$573,280 to \$658,024

Parcel No. RPRPAP3000500: \$577,888 to \$676,456

Appellant contended the above analyses demonstrated the subject properties are overvalued and the assessments should be reduced.

To support subjects' respective assessed values, Respondent provided information on three (3) recent fourplex sales. Sale No. 1 concerned a 3,826 square foot fourplex constructed in 2023, which sold for \$700,000 in November 2023. Sale No. 2 was the November 2024 purchase of a completely renovated 3,640 square foot fourplex constructed in 1970 for \$569,000. Sale No. 3 was a 4,192 square foot fourplex constructed

in 2023 with an October 2023 purchase price of \$540,000. Though details were not shared, Respondent applied time adjustments to the sale prices to reflect pricing levels on the January 1, 2025, assessment date. The result was time-adjusted sale prices of \$730,800, \$571,276, and \$569,160, respectively. Respondent maintained subjects' assessed values accurately reflected the unique characteristics of the properties. It was noted that, in addition to a townhouse design style, a rarity in the local market, the subject fourplex units come with an attached garage and an additional one-half ($\frac{1}{2}$) bathroom, which were also characterized as rare amenities.

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, 2025, 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. The sales comparison approach, the cost approach, and the income approach comprise the three (3) primary methods for determining market value. *Merris v.*

Ada Cnty., 100 Idaho 59, 63, 593 P.2d 394, 398 (1979). 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 the differences in property characteristics between subject and the sale properties.

Both parties offered recent sales information, which efforts were appreciated by the Board. That being said, there were concerns with some of the sale properties. To begin, two (2) of Appellant's sales transpired in 2025 and were thus untimely. Developing an estimate of value as of a particular date is necessarily dependent on sales and market data available as of the date of valuation, because information from beyond the valuation date is unknown to market participants at the time. Accordingly, Appellant's 2025 sales were excluded from the Board's consideration.

Another concern was the comparability of Respondent's sales to the subject properties. Sale Nos. 1 and 3 were both constructed in 2023, so are more than twenty (20) years newer than the subject fourplexes, yet no adjustments were made for the vast age difference. It is also noteworthy that both sale properties were not only constructed in 2023 but were also sold in 2023. No details regarding the sale terms were shared, so it is unclear whether the reported sale prices represent arm's-length fee simple sales or something different like a sale-leaseback transaction. On a related note, a couple of Appellant's sales involved considerably older fourplex buildings, though at least one (1) had been extensively renovated prior to sale.

The parties offered different sales for comparison with the subject fourplexes, but the primary difference between the parties was in the respective analyses of the sales. Respondent made no direct comparisons between subjects and the sale properties, so

no appraisal adjustments were made for differences in property characteristics. The only analysis involved the application of an unknown time-adjustment factor to the respective sale prices. It was also not clear how the adjusted sale prices of \$730,000, \$571,276, and \$569,160 correlated to subject's assessed values, which vary from approximately \$690,000 to \$730,000.

Better received by the Board was Appellant's comparative sales analysis. Though the characteristics of the sale properties varied from the subject fourplexes, Appellant made adjustments in an effort to account for several key differences. Most notably, Appellant made adjustments for finished living area at \$109 per square foot, which rate was obtained from the assessor's office. Appellant also adjusted for differences in condition and garage size. Interestingly, the \$32 per square foot adjustment rate Appellant utilized for differences in garage size was higher than the assessed values of subjects' attached garages, which vary from \$21 to \$27 per square foot. Appellant also made condition adjustments to most of the sales.

Overall, the parties provided a wide range of potential value for the subject properties, with unadjusted sale prices from \$425,000 to \$700,000, and adjusted sale prices from roughly \$500,000 to \$730,000. Of the seven (7) reported 2024 sale prices, the clear outlier was Respondent's Sale No. 1 at \$700,000, with a time-adjusted price of \$730,000, which exceeded the next highest sale price by roughly \$130,000 and the next highest adjusted price by \$90,000. It was not lost on the Board that the only other values in the record approaching \$700,000 were the assessed values of the subject properties. Removing the \$700,000 sale from the data set, which the Board finds appropriate under the circumstances, notably tightens the indicated range of value from roughly \$569,000

to \$643,000, which strongly supports the conclusion subjects' assessed values are above market and should be reduced.

As the party initiating this matter, Appellant bears the burden of establishing subjects' valuations are erroneous by a preponderance of the evidence. Idaho Code § 63-511. Given the record in this matter, the Board found the burden of proof satisfied. Of the eight (8) total sales offered by the parties, only one (1) sold above \$570,000, yet the subject properties are assessed from roughly \$690,000 to \$730,000. In short, the sales data, both adjusted and unadjusted, did not support subjects' assessed values.

Based on the above, the decisions of the Bannock County Board of Equalization are modified, as detailed below.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decisions of the Bannock County Board of Equalization concerning the subject parcels be, and the same hereby are, MODIFIED, as follows:

Parcel No. RPRPAP2000405 (Appeal No. 25-A-1197)

Land:	\$ 55,000
<u>Improvements:</u>	<u>\$555,000</u>
Total Value:	\$610,000

Parcel No. RPRPAP2000506 (Appeal No. 25-A-1198)

Land:	\$ 55,000
<u>Improvements:</u>	<u>\$575,000</u>
Total Value:	\$630,000

Parcel No. RPRPAP3000405 (Appeal No. 25-A-1199)

Land:	\$ 55,000
<u>Improvements:</u>	<u>\$560,000</u>
Total Value	\$615,000

Parcel No. RPRPAP3000500 (Appeal No. 25-A-1200)

Land:	\$55,000
<u>Improvements:</u>	<u>\$565,000</u>
Total Value:	\$620,000

IT IS FURTHER ORDERED, pursuant to Idaho Code § 63-1305, any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

Idaho Code § 63-3813 provides that under certain circumstances the above-ordered values for the current tax year shall not be increased in the subsequent assessment year.

DATED this 12th day of January, 2026.