

BEFORE THE IDAHO BOARD OF TAX APPEALS

WALTER KIMBROUGH,)	
)	
Appellant,)	APPEAL NOS. 15-A-1176
)	and 15-A-1177
v.)	
)	FINAL DECISION
CANYON COUNTY,)	AND ORDER
)	
Respondent.)	
)	
)	
_____)	

RESIDENTIAL PROPERTY APPEAL

These appeals are taken from two (2) decisions of the Canyon County Board of Equalization denying protests of valuation for taxing purposes of properties described by Parcel Nos. 149100000 and 149140000. The appeals concern the 2015 tax year.

These matters came on for hearing November 10, 2015 in Caldwell, Idaho before Board Member Leland Heinrich. Appellant Walter Kimbrough was self-represented. Brian Stender represented Respondent.

Board Members David Kinghorn, Linda Pike and Leland Heinrich participated in this decision.

The issue on appeal concerns the market value of two (2) residential fourplexes.

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

FINDINGS OF FACT

Appeal No. 15-A-1176 (Parcel No. 149100000)

The assessed land value is \$25,000, and the improvements' value is \$241,800, totaling \$266,800. Appellant contends the correct total value is \$247,000.

Appeal No. 15-A-1177 (Parcel No. 149140000)

The assessed land value is \$25,500, and the improvements' value is \$241,800,

totaling \$267,300. Appellant contends the correct total value is \$247,000.

Because the subject properties are nearly identical and the parties presented the same market value evidence for both, the Board will consolidate these appeals for purposes of issuing this decision.

The subject properties are identical fourplex buildings facing each other, with the only variance being a .01 acre differential in lot size. Each subject fourplex totals 4,752 square feet, with each unit therein containing three (3) bedrooms and one and one-half (1 ½) bathrooms. The subject improvements were constructed in 2003, in Nampa, Idaho.

Appellant provided information concerning six (6) sales of fourplex properties. With the exception of one (1) sale, each involved fourplex units with fewer bedrooms than subject. The sale fourplexes totaled between 3,072 and 4,806 square feet in size. Sale prices ranged from \$165,000 to \$212,000. Respondent noted all the sales were from 2013 and all except one (1) were distressed. Respondent argued the sales should not be used in valuing subjects.

Respondent explained subjects were relatively large for the market in terms of square footage, which made finding similar sized comparable sales more difficult. Respondent did offer information regarding three (3) fourplex sales from 2014. The first two (2) sales involved fourplexes similar to subject in age, size, design, bedroom and bathroom count, and location. These properties sold for \$255,000 and \$277,750 ,or \$54.86 and \$60.22 per square foot, respectively. The remaining sale involved a fourplex constructed in 2006 and situated on a .36 acre parcel. The fourplex was comprised of two

(2) bedroom, one (1) bathroom units. The fourplex totaled 3,516 square feet in size. The property sold in December 2014 for \$269,900, or \$76.76 per square foot. Subjects were assessed \$56.25 per square foot.

Respondent also considered an income approach for valuing subjects. Respondent used a market rental rate of \$600 per unit, rather than subjects' actual \$550 per month rate. Applying a gross rent multiplier of 9.4, Respondent calculated a total value of \$270,720 for each subject property.

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, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2015 in this case. 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.

There are three (3) primary methods of determining market value: the cost approach, the income approach, and the sales comparison approach. *Merris v. Ada*

County, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979).

Appellant's value evidence consisted of six (6) sales. Sale prices ranged from \$165,000 to \$212,000. The Board had several concerns with the Appellant's sales information. Of primary importance is five (5) of the sales were distressed and all the sales were from 2013. Certainly there are occasions when using distressed or older sale information would be relevant and proper, however, in this case no consideration was given to non-distressed and more current sales, despite the availability of such data. Further, only one (1) of Appellant's sale properties involved a fourplex similar in size to subject, with the bulk being roughly 1,000 square feet smaller. Lastly, a couple of the sale properties were constructed in the 1970s, compared to subjects which were constructed in 2003. Appellant did not account for these notable differences in advocating reductions in subjects' values.

Respondent's sales information was found to be well-supportive of subjects' current valuations. This is particularly true with respect to Sale Nos. 1 and 2, which closely resembled subjects in terms of age, size, design, and individual unit characteristics. Respondent additionally offered support for subjects' values in the form of an income approach analysis using a gross rent multiplier applied to market rents. The value conclusion using this approach was approximately \$270,000, which adds further support for subjects' values of \$266,800 and \$267,300.

Idaho Code § 63-511 places the burden on Appellant to prove error in subjects' valuations by a preponderance of the evidence. Given the record in this case, the burden

of proof was not satisfied. Respondent's value evidence and market analysis was more thorough, detailed, and supportive of subjects' assessed values than that offered by Appellant. Based on this, the decisions of the Canyon County Board of Equalization are affirmed.

FINAL ORDER

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

DATED this 29th day of January, 2016.