

BEFORE THE IDAHO BOARD OF TAX APPEALS

SID LEZAMIZ, JR.,)	
)	
Appellant,)	APPEAL NO. 17-A-1254
)	
v.)	FINAL DECISION
)	AND ORDER
TWIN FALLS COUNTY,)	
)	
Respondent.)	
)	
_____)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Twin Falls County Board of Equalization modifying the protest of valuation for taxing purposes of property described by Parcel No. RPT51860020060A. The appeal concerns the 2017 tax year.

This matter came on for hearing October 24, 2017 in Twin Falls, Idaho before Board Member Leland Heinrich. Appellant Sid Lezamiz, Jr. was self-represented. Assessor Gerry Bowden 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 a residential duplex.

The decision of the Twin Falls County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$33,094, and the improvements' value is \$232,648, totaling \$265,742. Appellant contends the correct improvements' value is \$121,733, with no change to the land value of \$33,094, totaling \$154,827.

The subject property is a 2,682 square foot duplex situated on a .26 acre lot. The property is located in Twin Falls, Idaho. The single-level duplex, constructed in 2007,

includes a total of six (6) bedrooms and four (4) bathrooms. Other improvements include two (2) attached double garages.

Appellant provided information on three (3) 2016 duplex sales located in subject's general area. The sale properties were built in 1960, 1995 and 1978. Sale prices ranged from \$148,000 to \$197,500 and the duplexes consisted of between 2,600 and 3,232 square feet. Appellant used these sales to compare with subject. First, Appellant subtracted subject's assessed land value of \$33,094 from the sale prices to calculate price-per-square-foot rates for the sale properties' improvements. After extracting the land value, the improvements had indicated price rates from \$38.34 to \$53.64 per square foot. Appellant used the average price rate of \$45.39 and applied it to subject's 2,682 square feet to conclude a value for the improvements of \$121,733. Respondent noted no appraisal adjustments were made for differences between the subject and the sale properties, including none for the age differences.

On appeal Respondent updated its cost approach analysis for the subject after performing an exterior inspection of the property. Respondent estimated a depreciated replacement cost new for the improvements of \$249,096, which together with the land value totaled \$282,190.

Respondent, in a sales comparison approach, presented three (3) duplex sales to compare with subject. The sale dates were not listed. The sale prices ranged from \$148,000 to \$350,000 for duplexes ranging in size from 2,584 to 3,140 square feet. Respondent made adjustments to the sale prices for differences between the sale

properties and the subject. Adjustments considered differences in design and appeal, quality of construction, age, condition, gross living area, functional utility, and garage size. The adjusted prices ranged from \$194,000 to \$360,800. Respondent explained Comparable No. 3 was close in age and had a reasonable amount of adjustments and therefore was the best comparable sale. This sale property was built in 2009, contained 2,584 square feet and sold for \$265,000. After adjustments, Comparable No. 3 indicated a subject value of \$287,300. A final value of \$287,300 was concluded in the sales comparison approach.

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, 2017 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.

Market value is estimated according to recognized appraisal methods and

techniques. The three (3) primary approaches for determining market value include the sales comparison approach, the cost approach, and the income approach. *Merris v. Ada County*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979). Residential property is often valued using the sales comparison approach. Both parties looked to the sales comparison approach. Respondent also looked to an updated cost approach, which yielded a valuation of \$282,190.

Both parties offered sales and other information relevant to the sales comparison approach. Key differences centered on the age and condition of the sale properties. Appellant used three (3) sales to compare with subject, two (2) of which were found to be much older than the subject duplex. Further Appellant presented no adjustments for differences between the sale properties and subject. Respondent, on the other hand, made adjustments to its comparable sales for a number of property differences. Sale dates were absent in record. Respondent offered testimony that its Comparable No. 3 closely matched the subject property. The adjusted sale price was \$287,300. Although a question existed on the precise sale date, we nonetheless found the sale to support subject's current assessed value which was somewhat lower at \$265,742. Respondent's updated cost approach also offered good support for the assessment.

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. We did not find the burden of proof satisfied here. Sales of much older duplexes would need considerable adjustments to compare with subject, not just in age but in building quality

and for other value factors. Appellant presented a valuation that was not deemed superior to the valuation offered by Respondent, nor was Appellant's evidence found to prove error in subject's assessment. Given the record in this matter, we did not find cause to disturb subject's assessed value. Accordingly, the value decision of the Twin Falls County Board of Equalization is affirmed.

FINAL ORDER

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

DATED this 5th day of February, 2018.