

BEFORE THE IDAHO BOARD OF TAX APPEALS

SID LEZAMIZ, JR.,)	
)	
Appellant,)	APPEAL NO. 17-A-1255
)	
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. RPT5551001005AA. 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 an improved residential property.

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

FINDINGS OF FACT

The assessed land value is \$31,474, and the improvements' value is \$147,620, totaling \$179,094. Appellant contends the correct improvements' value is \$94,977, with no change to the land value of \$31,474, totaling \$126,451.

The subject property is a single level zero lot line multi-residence home built in 1993. The property is located in Twin Falls, Idaho. The two (2) living units both include two (2)

bedrooms and one (1) bathroom, and each have a single-car garage. One (1) residence contains 952 square feet, and the other contains 960 square feet, for a total of 1,912 square feet.

Appellant testified the subject property was purchased as a duplex and has been utilized as such ever since. Appellant provided information on three (3) duplex sales situated in subject's general area. The sale properties were built in 1920, 1979 and 2000. The sale prices ranged from \$114,000 to \$139,000 and the duplex sizes were between 1,886 and 2,000 square feet. Appellant used these sales to compare with subject. The subject's assessed land value of \$31,474 was subtracted from each sale price to calculate price per-square-foot rates for the sale properties' improvements. After extracting the land value, the improvements ranged in indicated price rates from \$44 to \$56 per square foot. Appellant used an average price per square foot of about \$49.67 and applied it to subject's 1,912 square feet to conclude a value of \$94,977 for subject's improvements. Respondent noted Appellant's analysis made no appraisal adjustments for differences between the subject and the sale properties.

Respondent explained subject is considered a multi-residence home, or a zero lot line residence versus a duplex. Respondent further explained subject was built to the standard of zero lot line homes and the two (2) residences could be split apart and sold off separately. Therefore similar zero lot line sales were analyzed to compare with subject. Respondent contended subject should be valued on the basis of individual single-homes and not as a duplex.

On appeal Respondent updated its cost approach on the subject property to derive a depreciated replacement cost new value of \$184,036. This value included the land.

Looking to the sales comparison approach, Respondent provided information on three (3) sales. Sale dates were not provided. The sale prices ranged from \$91,300 to \$115,000 for residences ranging from 876 to 1,228 square feet in size. Comparable No. 2 was said to be most similar to subject as it was the same size as subject's residences and required the least amount of adjustments. This sale property contained 952 square feet and sold for \$102,500.

Respondent's Comparable No. 3 was the same sale as one of the ones used in Appellant's presentation. In Respondent's analysis, large adjustments were made for differences between this sale property compared to each of subject's residences. Respondent made adjustments to its sale properties for differences in multi-home versus single-home design, site and view, age, quality of construction, garage size, fireplace and gross living area. The adjusted prices generally ranged from about \$70,000 to \$84,000. Using two (2) sales comparison approaches, Respondent concluded improvement values for subject's residences of \$79,500 and \$79,700. Adding land value yielded a total value of \$190,674.

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. There are three (3) approaches to value, the sales comparison approach, the cost approach, and the income approach. Residential property is typically valued using the sales comparison approach. Both parties looked to the sales comparison approach. Respondent also provided a cost approach.

Both parties offered sales for the Board’s review, and in one (1) instance both referenced the same sale, a duplex sale. The major difference between the parties analyses was Respondent made adjustments for differences between its sale properties and the subject. Appellant provided all duplex sales and used an average price per square foot to apply to subject’s square footage. Appellant made no attempt at an adjustment for some large age differences between sale properties and the subject improvements. One (1) sale property was 34 years older than the subject. Lacking adjustments for property differences or more information in this regard, the Board was unable to make meaningful

comparisons between Appellant's sales and the subject. The Board found Appellant's value request of \$126,451 was not well supported by the evidence in record.

Respondent's comparable sales and accompanying analyses were focused on sale properties more similar to subject and adjustments were made for property differences. The Board found the results from this analysis better supported. The final value in Respondent's sales comparison approach was higher than subject's assessed value.

Idaho Code § 63-511 places the burden on Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. We did not find the burden of proof satisfied here. Respondent's information and analysis was narrowly focused on subject's specific attributes, whereas Appellant's sales and market information fell short. On the record before us, we found subject's assessed value of \$179,094 was a supported estimation of market value. Accordingly, the 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 6th day of February, 2018.