

BEFORE THE IDAHO BOARD OF TAX APPEALS

SID LEZAMIZ, JR.,)	
)	
Appellant,)	APPEAL NO. 17-A-1261
)	
v.)	FINAL DECISION
)	AND ORDER
TWIN FALLS COUNTY,)	
)	
Respondent.)	
)	
_____)	

VACANT LAND 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. RPT4257002004AA. 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 vacant commercial parcel.

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

FINDINGS OF FACT

The assessed land value is \$166,344. Appellant contends the correct land value is \$150,010. Subject is a 1.636 acre vacant commercial parcel located on a main arterial road in Twin Falls, Idaho.

Appellant provided information concerning two (2) vacant commercial lots which sold in 2015 and 2016. The first sale was a .43 acre parcel which sold in July 2016 for \$57,500,

or \$3.07 per square foot. This property appeared to include asphalt parking at the time of sale. The second sale was a 1-acre lot which sold in October 2015 for \$49,500, or for \$1.14 per square foot. Appellant used a simple average of \$2.11 per square foot and applied it to subject's size to calculate a land value of \$150,010. Respondent argued the sale properties were not located in subject's area, which area typically sells for higher prices. In valuing commercial land Respondent uses land value tables for different neighborhoods. It appeared one of the parcels had parking improvements in place at the time of sale.

Respondent presented information related to nine (9) commercial sales. The sales were generally located in close proximity to subject and two (2) of them involved property purchased by Appellant. Details concerning the sales' improvements and land characteristics were not provided. The sale prices ranged from \$84,900 to \$1,250,000. In general, the sale properties' assessed values were lower compared to the same property's sale prices, being on average about 76% of the market prices. This was the basis for all commercial property being trended upward for 2017. Following the trend, the nine (9) sale prices were still higher, on average, than the property's 2017 assessed values.

Respondent physically inspected the subject property and updated its property record. Subject was appraised at \$4.25 per square foot for the main frontage area, with the excess land valued at \$2.25 per square foot. A 45% downward adjustment (plottage adjustment) was applied to the excess area as it totaled over an acre in size and was tied

in with related parcels. Next, an upward 15% adjustment was applied for the 2017 commercial property trend, resulting in a final value of \$166,344.

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. For vacant land, the sales comparison approach is most often used.

Appellant provided information on two (2) mostly vacant sales. Appellant calculated an average price-per-square foot rate from the sales and applied it to subject's overall land size. The Board had some concerns with the relative locations and the comparative sizes

of these sale properties, albeit the sales bracketed the subject in terms of size. Appellant's consideration lacked adjustments for differing value factors. Had adjustments for size, location, and time of sale been applied to the sales, they may have provided a more consistent and reliable indication of subject's current market value.

Respondent presented relatively complete information on the subject property including photographs, location maps, and property characteristics including a consideration of the street frontage. In support of its derived land schedule value, Respondent analyzed nine (9) 2016 sales and explained the assessed values were generally low compared to the sale prices. Therefore, Respondent trended land values in subject's area upward by 15%, whereupon the ratio study analysis showed an average assessed value above 90% of the market price levels, but still several points below 100%. Further, in looking specifically at the subject, a downward 45% adjustment was applied in relation to an overall size consideration for the excess land area (non frontage area) which ran to several acres when related parcels were factored in.

Although the Board would have preferred more detailed property information from Respondent, we did not find an error proven in subject's valuation. In appeals to this Board, pursuant to Idaho Code § 63-511, the burden is with Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. Appellant's valuation was only lightly supported and ultimately not deemed to provide a reliable indication of subject's current market value. While Respondent's appraisal evidence was also thin, the consideration was judged to be more sensitive to the effective date of valuation and

subject's frontage and other property characteristics. Given the evidence presented in this matter, we did not find the burden of proof satisfied. Therefore 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 12th day of February, 2018.