

BEFORE THE IDAHO BOARD OF TAX APPEALS

|                    |   |                      |
|--------------------|---|----------------------|
| SID LEZAMIZ, JR.,  | ) |                      |
|                    | ) |                      |
| Appellant,         | ) | APPEAL NO. 17-A-1263 |
|                    | ) |                      |
| 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. RPT00107093910A. 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 \$73,132. Appellant contends the correct land value is \$37,779. Subject is a .395 acre tract of vacant commercial land located in Twin Falls, Idaho.

Appellant provided information concerning three (3) 2016 vacant land sales. The first sale was a .27 acre lot which sold in April 2016 for \$57,500, or \$4.89 per square foot.

The second sale was a .46 acre lot which sold in May 2016 for \$36,000, or \$1.80 per square foot. The third sale was a .28 acre lot which sold in May 2016 for \$23,000, or \$1.89 per square foot. Appellant used an approximate average of \$2.94 per square foot and applied it to subject's size to calculate a land value of \$37,779. Respondent noted two (2) of the sale properties were cash sales, which typically equate to relatively lower selling prices. Respondent also explained subject is located near a major arterial road, whereas Appellant's sale properties were not in a comparable location.

Respondent physically inspected the subject property and updated its property record. Subject was appraised at \$5 per square foot for the main frontage area, with the excess land valued at \$2.75 per square foot. An upward 15% adjustment was applied for the 2017 commercial property trend, resulting in a final value of \$73,132.

Respondent explained 2016 commercial sales were analyzed in connection with the 2017 assessment cycle, and the analysis indicated assessed values were low compared to sale price levels. The sales indicated an adjustment factor of 15% needed to be applied to commercial land values in order to reach within the acceptable range of full market value. The 15% adjustment was applied consistently to subject and the other similar commercial property located within the same neighborhood.

For further support of subject's land value, Respondent offered information on four (4) sales located near subject. The first sale involved three (3) vacant parcels which sold for \$237,500, or \$8.24 per square foot. Two (2) more sales involved vacant lots which sold in 2015 for \$6.07 and \$7.69 per square foot. The remaining sale was an improved parcel

which sold for \$90,000 in August 2014. Subject is assessed at an overall average rate of \$5.70 per square foot.

### 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 to estimate market value.

Appellant provided information on three (3) vacant sales. Appellant calculated an average price-per-square foot rate from the sales and applied it to subject's land size. The Board had some concerns with the relative location of the sale properties and the

calculated average relied on a data error. Appellant's consideration presented no adjustments for differences between the subject and sale properties.

Respondent presented relatively complete information on the subject property including photographs, location maps, and property characteristics. In support of its land value schedule, Respondent explained the assessed values were generally low compared to the sale prices. Therefore, Respondent trended commercial land values in subject's area upward by 15%. The analysis also gave consideration to subject's frontage area and excess land area not associated with the more valuable frontage.

For further support, Respondent analyzed multiple sales located in subject's area. The sales reflected higher prices per square foot than subject's assessed value indicated. Generally the sales better reflected subject's market value as they were commercial sales located in subject's immediate area.

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 of subject was not deemed to be well supported, nor did it provide a reliable indication of subject's current market value. Respondent's appraisal evidence was judged to be the best evidence in record. We did not find Appellant met the requisite burden of proof. 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 13<sup>th</sup> day of February, 2018.