

10-1131  
LOCALLY ASSESSED COMMERCIAL PROPERTY  
TAX YEAR: 2009  
SIGNED: 11-17-2010  
COMMISSIONERS: R. JOHNSON, M. JOHNSON, D. DIXON, M. CRAGUN

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BEFORE THE UTAH STATE TAX COMMISSION

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<p>PETITIONER,  Petitioner,  v.  BOARD OF EQUALIZATION OF RURAL COUNTY, UTAH,  Respondent.</p>	<p><b>INITIAL HEARING ORDER</b></p> <p>Appeal No. 10-1131</p> <p>Parcel Nos. Multiple-##### Tax Type: Property Tax/Locally Assessed Tax Year: 2009</p> <p>Judge: Phan</p>
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**This Order may contain confidential “commercial information” within the meaning of Utah Code Sec. 59-1-404, and is subject to disclosure restrictions as set out in that section and Utah Admin. Rule R861-1A-37. The rule prohibits the parties from disclosing commercial information obtained from the opposing party to nonparties, outside of the hearing process. However, pursuant to Utah Admin. Rule R861-1A-37 the Tax Commission may publish this decision, in its entirety, unless the property taxpayer responds in writing to the Commission, within 30 days of this order, specifying the commercial information that the taxpayer wants protected.**

**Presiding:**

Jane Phan, Administrative Law Judge

**Appearances:**

For Petitioner: PETITIONER REP. 1, Attorney at Law  
PETITIONER REP. 2, Attorney at Law  
PETITIONER REP. 3, Managing Director  
For Respondent: RESPONDENT REP. 1, Deputy County Attorney  
RESPONDENT REP. 2, RURAL COUNTY Assessor  
RESPONDENT REP. 4, RURAL COUNTY Appraiser

STATEMENT OF THE CASE

Petitioner brings this appeal from the decision of the County Board of Equalization. This matter was argued in an Initial Hearing pursuant to the provisions of Utah Code Sec. 59-1-502.5, on August 24, 2010. Petitioner (the “Property Owner”) is appealing the assessed value as established for the subject properties by the RURAL COUNTY Board of Equalization, as of the lien date January 1, 2009. The County Assessor had set the combined values for all ##### parcels that are at issue in this appeal at \$\$\$\$\$, and the County Board of Equalization reduced the

values to a combined total of \$\$\$\$\$. The Property Owner requests that the value be lowered further, to a combined total value of \$\$\$\$\$. At the hearing, Respondent (the “County”) requested that the value set by the County Board of Equalization be sustained.

APPLICABLE LAW

All tangible taxable property shall be assessed and taxed at a uniform and equal rate on the basis of its fair market value, as valued on January 1, unless otherwise provided by law. (Utah Code Ann. Sec. 59-2-103 (1).)

“Fair market value” means the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts. (Utah Code Ann. 59-2-102(12).)

(1) Any person dissatisfied with the decision of the county board of equalization concerning the assessment and equalization of any property, or the determination of any exemption in which the person has an interest, may appeal that decision to the commission by filing a notice of appeal specifying the grounds for the appeal with the county auditor within 30 days after the final action of the county board. . . . (4) In reviewing the county board’s decision, the commission shall adjust property valuations to reflect a value equalized with the assessed value of other comparable properties if: (a) the issue of equalization of property values is raised; and (b) the commission determines that the property that is the subject of the appeal deviates in value plus or minus 5% from the assessed value of comparable properties. (Utah Code Ann. Sec. 59-2-1006(1)&(4).)

To prevail in a real property tax dispute, the Petitioner must (1) demonstrate that the County's original assessment contained error, and (2) provide the Commission with a sound evidentiary basis for reducing the original valuation to the amount proposed by Petitioner. *Nelson v. Bd. of Equalization of Salt Lake County*, 943 P.2d 1354 (Utah 1997). See also Utah Code Sec. 59-1-1417 which provides, “In a proceeding before the commission, the burden of proof is on the petitioner . . .”

DISCUSSION

The subject properties consist of ##### vacant residential lots and ##### lots improved with residences under construction on the lien date, for a total of #####<sup>1</sup> individual parcels. All lots are located in a development known as PETITIONER, a master planned community with

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<sup>1</sup> When this appeal was opened it originally indicated there were ##### parcels at issue. From the Property Owner’s introductory statement and Exhibits C and F the correct number is the ##### vacant residential lots and ##### lots on which there was a residence under construction, for a total of ##### parcels.

more than ##### acres of land. The community currently has ( WORDS REMOVED ). The development is only 35% to 45% built up, but most of the subdivision infrastructure, including roadways, have been installed. There are plans for three additional golf courses to be constructed in the future and additional residential developments.

Since commencement of the development in 2001, more than ##### residential building lots have been sold. There are a number of different subdivisions located within the development. Some of the subdivisions have smaller lots with restrictions on the size of the residence that can be constructed. Other Subdivisions have owner association fees that pay for all yard care and snow removal. One subdivision, SUBDIVISION 1, restricts the use of the residences to second homes. Some subdivisions have larger lots, referred to as estate lots, and large residences may be constructed on these properties. The market values of the lots vary between the different subdivisions within the development due to differences in location, views and proximity to ( WORDS REMOVED ). Further, for these same reasons, in some subdivisions there are differences in value between the lots within the subdivision. Some of the subdivisions are more homogeneous. Because of differences and the number of lots at issue, both parties have valued the property using s an average value, high end lot value and low end lot value per subdivision.

In YEAR the development went into bankruptcy and was sold ( WORDS REMOVED ) for \$\$\$\$\$ in early YEAR. Purchased for this price were not only all the parcels at issue in this appeal, but also the ( WORDS REMOVED ) but entitled acres of land. The current infrastructure is sized to handle future development.

The County presented a history of lot sales in the PETITIONER development. Sale prices were steady from 2002 through 2004, with the average lot prices just under \$\$\$\$\$ per lot. The volume of sales increased in 2004 and by the end of 2005, the average lot prices had increased to \$\$\$\$\$. In 2006 there was a high volume of sales and the average price had increased to \$\$\$\$\$ by the end of the year. In 2007 the volume remained strong with more than ##### lot sales, but the prices peaked about midyear and by the end of the year the average sale price was again at \$\$\$\$\$. In 2008 the sales nearly stopped altogether. There were only ##### lot sales during the entirety of 2008. Additionally, in 2009 there was only one sale prior to June 1.

The Property Owner also pointed out that the subject lots are have remained unsold and tended to be less desirable than the lots that have been sold.

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Taxpayer's Petitioner's Exhibits E and F are incorporated herein. They list the parcel number for each lot that is at issue in this matter and the values set for each lot by the County Board of Equalization.

The Property Owner’s requested value is based on an appraisal minus an additional equalization adjustment to some of the lots that will be discussed further below. The appraisal had been prepared by APPRAISER 1, MAI on March 29, 2010 (“Second APPRAISER 1 Appraisal”), with a retrospective valuation date of the January 1, 2009. In the appraisal APPRAISER 1 developed average lot values, high end lot values and low end lot values for each subdivision at issue in PETITIONER. The Property Owner then applied these values to each individual lot in the respective subdivisions on the basis of whether the County had valued the individual lot low, average or high for that subdivision. The conclusion, based on the values from the Second APPRAISER 1 Appraisal for all six lots combined was \$\$\$\$\$.

In the Second APPRAISER 1 Appraisal, APPRAISER 1 considered all six lot sales in PETITIONER that occurred in 2008 and the six sales that occurred in 2009. In addition he considered sales of properties outside the PETITIONER development. Some of these comparables came from other ( WORDS REMOVED ) and some from subdivisions that lacked any of the amenities found at PETITIONER. The property sales from the PETITIONER development considered by APPRAISER 1 in the appraisal are as follows:

Subdivision/Lot #	Acreage	Sale Date	Sale Price
2008 PETITIONER Sales			
SUBDIVISION 2 #1	1.21	1/7/08	\$\$\$\$\$
SUBDIVISION 3 #1	0.71	1/22/08	\$\$\$\$\$
SUBDIVISION 4 #1	0.66	7/21/08	\$\$\$\$\$
SUBDIVISION 5 #1	0.82	8/8/08	\$\$\$\$\$
SUBDIVISION 6 #1	2.63	8/22/08	\$\$\$\$\$
SUBDIVISION 7 #1	1.33	12/1/08	\$\$\$\$\$
2009 PETITIONER Sales			
SUBDIVISION 8 #1	0.42	2/2/09	\$\$\$\$\$
SUBDIVISION 9 #1	1.12	6/26/009	\$\$\$\$\$
SUBDIVISION 10 #1	1.11	6/30/09	\$\$\$\$\$
SUBDIVISION 11 #1	1.24	7/2/09	\$\$\$\$\$
SUBDIVISION 12 #1	0.67	7/29/09	\$\$\$\$\$
SUBDIVISION 13 #1	1.10	7/31/09	\$\$\$\$\$

The additional comparables, properties located outside of the PETITIONER Development (“outside sales”), occurred in 2008 and were as follows:

SUBDIVISION 14 #1	0.86	1/15/08	\$\$\$\$\$
SUBDIVISION 15 #1	0.73	1/31/08	\$\$\$\$\$
SUBDIVISION 16 #1	1.80	4/29/08	\$\$\$\$\$
SUBDIVISION 17 #1	0.79	8/1/08	\$\$\$\$\$
SUBDIVISION 17 #2	0.53	9/9/08	\$\$\$\$\$
SUBDIVISION 17 #3	1.15	11/1/08	\$\$\$\$\$

SUBDIVISION 18 #1	0.50	11/15/08	\$\$\$\$
SUBDIVISION 14 #2	1.01	11/21/08	\$\$\$\$

After consideration of these sales, APPRAISER 1 concluded the following values were appropriate for each of the subdivisions at issue. For a comparison the average values set by the County Board and typical lot sizes are included with APPRAISER 1's conclusions as follows:

Conclusions Subdivision	Number of Lots	Typical Size	BOE Avg. For Subject Lots	APPRAISER Low End	1's High End	Appraisal Average
SUBDIVISION 1 \$\$\$\$	#####		0.17-0.22	\$\$\$\$	\$\$\$\$	\$\$\$\$
SUBDIVISION 2 \$\$\$\$	#####		1.04-2.65	\$\$\$\$	\$\$\$\$	\$\$\$\$
SUBDIVISION 19 \$\$\$\$	#####		0.50-0.82	\$\$\$\$	\$\$\$\$	\$\$\$\$
SUBDIVISION 6 \$\$\$\$	#####		1.11-3.25	\$\$\$\$	\$\$\$\$	\$\$\$\$
SUBDIVISION 20 \$\$\$\$	#####		0.32-0.80	\$\$\$\$	\$\$\$\$	\$\$\$\$
SUBDIVISION 21 \$\$\$\$	#####		1.17-1.94	\$\$\$\$	\$\$\$\$	\$\$\$\$
SUBDIVISION 9 \$\$\$\$	#####		1.04-1.15	\$\$\$\$	\$\$\$\$	\$\$\$\$
SUBDIVISION 22 \$\$\$\$	#####		0.95-2.60	\$\$\$\$	\$\$\$\$	\$\$\$\$
SUBDIVISION 22 \$\$\$\$	#####		1.12-3.80	\$\$\$\$	\$\$\$\$	\$\$\$\$

The Property Owner also argued that the County Board of Equalization had valued the subject lots higher than it had for other lots in the same subdivisions that had been appealed by the individual owners. The Property Owner is the developer, and the subject lots are basically the unsold inventory. There were a number of lots that had been purchased by individual owners on which there had been no construction as of the lien date.

In the appraisal, APPRAISER 1 provided an analysis of other individually owned lots in PETITIONER that were not subject to this appeal, but which had been appealed to the County Board of Equalization by the individual owners. He provided the value determined by the County Board and the percentage of decrease for these properties. In SUBDIVISION 2 six individually owned lots were appealed and the County Board had reduced these to values ranging from \$\$\$\$ to \$\$\$\$\$. In SUBDIVISION 19 eleven lots were appealed by individual owners. Of these the County Board reduced six to \$\$\$\$\$. The others were reduced to values in a range of \$\$\$\$\$ to \$\$\$\$\$. In SUBDIVISION 6 there had been eight individual appeals. The County Board reduced

these lots values to a range of \$\$\$\$\$ to \$\$\$\$\$. Eight SUBDIVISION 20 lots had been appealed by individual owners and these were reduced by the County Board of Equalization to a range of \$\$\$\$\$ to \$\$\$\$\$. In SUBDIVISION 21 there had been fifteen individual lot appeals. Nine of these lots were reduced by the County Board to \$\$\$\$\$ per lot. The remaining lots ranged in value from \$\$\$\$\$ to \$\$\$\$\$. In the SUBDIVISION 9 subdivision, eight individually owned lots had been appealed to the County Board and the values had been reduced to a range of \$\$\$\$\$ to \$\$\$\$\$. In the PETITIONER subdivision four individual lots were appealed and all four were reduced to \$\$\$\$\$ by the County Board. For SUBDIVISION 7 subdivision there had been eleven individual lot appeals and the County Board reduced these values to a range of \$\$\$\$\$ to \$\$\$\$\$.

The Property Owner made an equalization argument that there should be additional downward adjustments to some of the appraisal lot values based on the reductions made by the County Board to the individually appealed lots. By using this further equalization adjustment, the Property Owner's value conclusion went from the appraisal value of \$\$\$\$\$ to the requested value of \$\$\$\$\$. This additional downward adjustment was made to lots in four of the subdivisions: SUBDIVISION 19; SUBDIVISION 20; SUBDIVISION 21; and SUBDIVISION 24.

At the hearing the County requested that the values for the subject lots remain as set by the County Board of Equalization. The County explained that the Board had used as the basis for its value determination an earlier appraisal prepared by APPRAISER (First APPRAISER 1 Appraisal). This appraisal had an effective date of May 18, 2009. APPRAISER 1 concluded that as of that date the total bulk sale value of the subject lots, plus an additional 11 lots that were not part of this appeal, was \$\$\$\$\$. This value was determined by using a Subdivision Development method, which establishes a single value for a number of lots, in this case #####, that would be sold in bulk through a single transaction at a single price. The valuation process involves a discounted cash flow model ("DCF"), which assumes that the individual lots would be sold over time. Key in determining this bulk sale value was APPRAISER 1's assumption that to sell all of the lots would require a 10 year absorption period. He determined an average retail finished lot value for each of the subdivisions, and then applied an absorption discount rate to determine the present value of the lot sales over a ten-year period. In the appraisal APPRAISER 1 indicated that the appraisal was being prepared for tax purposes. At the hearing it was clarified that this was income tax, not property tax for which the appraisal had been prepared.

The County did not accept or rely on the bulk sale value of \$\$\$\$\$, but instead argued that the values should be based on the average retail value conclusions in the appraisal without the absorption, or bulk sale, discount. The County Board had accepted the average retail values for

subdivision lots and had made its adjustments according to those values. Overall the County Board had lowered the values from a total of \$\$\$\$\$ to \$\$\$\$\$ based on the First APPRAISER 1 Appraisal. However, by applying the appraisal, the County Board actually raised the value of ##### of the lots.

In determining the retail value in the First APPRAISER 1 Appraisal, APPRAISER 1 had considered sales in PETITIONER that occurred in 2007. The one sale shown in the appraisal that occurred in 2008 was actually from a different development altogether, Lot #1 in SUBDIVISION 14, which had sold for \$\$\$\$\$ on November 12, 2008.<sup>2</sup> The 21 sales from the PETITIONER development relied on in the First APPRAISER 1 Appraisal were as follows:

Subdivision/Lot #	Sq. Ft.	Sale Date	Sale Price
SUBDIVISION 19 #2	21,529	10/31/07	\$\$\$\$\$
SUBDIVISION 19 #3	21,869	4/16/07	\$\$\$\$\$
SUBDIVISION 19 #4	25,623	4/26/07	\$\$\$\$\$
SUBDIVISION 19 #5	24,047	5/16/07	\$\$\$\$\$
SUBDIVISION 6 #2	52,412	8/31/07	\$\$\$\$\$
SUBDIVISION 6 #3	50,920	12/3/07	\$\$\$\$\$
SUBDIVISION 23 #1	36,816	8/20/07	\$\$\$\$\$
SUBDIVISION 23 #2	20,236	12/6/07	\$\$\$\$\$
SUBDIVISION 23 #3	16,137	11/15/07	\$\$\$\$\$
SUBDIVISION 24 #1	47,511	10/5/07	\$\$\$\$\$
SUBDIVISION 24 #2	54,549	9/13/07	\$\$\$\$\$
SUBDIVISION 24 #3	44,962	10/5/07	\$\$\$\$\$
SUBDIVISION 24 #4	45,242	10/9/07	\$\$\$\$\$
SUBDIVISION 24 #5	46,909	10/10/07	\$\$\$\$\$
SUBDIVISION 9 #2	60,440	12/31/07	\$\$\$\$\$
SUBDIVISION 9 #3	52,705	4/26/07	\$\$\$\$\$
SUBDIVISION 9 #4	58,696	3/13/07	\$\$\$\$\$
SUBDIVISION 7 #2	46,716	10/3/07	\$\$\$\$\$
SUBDIVISION 7 #3	52,337	10/11/07	\$\$\$\$\$
SUBDIVISION 7 #4	55,793	10/15/07	\$\$\$\$\$
SUBDIVISION 7 #5	59,360	10/11/07	\$\$\$\$\$

The average retail lot prices in the First APPRAISER 1 Appraisal and the average bulk sale lot values for each subdivision were as follows<sup>3</sup>:

Subdivision	Average Retail Price	Bulk Sale Value
SUBDIVISION 1	\$\$\$\$\$	\$\$\$\$\$

<sup>2</sup> There were some additional comparables outside the PETITIONER Development used to determine values for lots in SUBDIVISION 24 which are not lots subject to this appeal and are not comparable to other PETITIONER subdivisions because they are ##### to ##### acres in size per lot.

<sup>3</sup> See First APPRAISER 1 Appraisal, pg. 171.

SUBDIVISION 2	\$\$\$\$	\$\$\$\$
SUBDIVISION 19	\$\$\$\$	\$\$\$\$
SUBDIVISION 6	\$\$\$\$	\$\$\$\$
SUBDIVISION 20	\$\$\$\$	\$\$\$\$
SUBDIVISION 21	\$\$\$\$	\$\$\$\$
SUBDIVISION 9	\$\$\$\$	\$\$\$\$
SUBDIVISION 1	\$\$\$\$	\$\$\$\$
SUBDIVISION 22	\$\$\$\$	\$\$\$\$

The average retail prices were used as the base values in the DFC model. The County argued that the Commission should place the most weight on the average retail price used in the First APPRAISER 1 Appraisal, because this appraisal was performed closer to the lien date. The County argued that the Second APPRAISER 1 Appraisal gave too much weight to post lien date sales and post lien date information, asserting that APPRAISER 1 had the benefit of hindsight because he knew by March 2010 that values had continued to decline. Further, the County argued that in the Second APPRAISER 1 Appraisal, the outside sales considered by APPRAISER 1 that were in other developments were the lowest priced sales in those developments. The County asserted there had been other, higher priced sales in the subdivisions outside of PETITIONER but did not provide them at the hearing. The County also argued that APPRAISER 1 should not have made negative adjustments to the outside sales because the subject development had many superior characteristics. However the County did not provide the other sales, specify the specific negative adjustments, nor identify the offsetting superior characteristics.

After considering the evidence and information presented by the parties in this matter, a reduction in value for the subject lots is warranted. The County has not prepared its own appraisal for the subject property. Although the County argues that the Property Owner relied on post lien date sales and information, the County itself is relying on an appraisal conclusion that considers only significantly pre-lien date information -sales in 2007. The County made no time adjustments to the First APPRAISER 1 Appraisal to account for the difference in value from the effective valuation date of May 18, 2009 to the January 1, 2009 lien date.

Furthermore, while the County used the undiscounted estimated average retail price for individual lots, rather than the single bulk sale value, it failed to recognize the fundamental nature of the subdivision development appraisal method. The purpose of this method is not to establish the current fair market value of individual lots, as required by Utah Code Ann. § 59-2-103. Rather, the purpose is to estimate a single fair market value for a group of lots sold in bulk under a single transaction. The DCF model used to determine the bulk fair market value is based on



average retail prices, as opposed to average estimated selling prices or fair market value estimates. Although the techniques used to estimate retail prices are similar to those used to estimate fair market value, they are not the same. More specifically, APPRAISER 1 used a “value conclusion” for average lots in one subdivision, SUBDIVISION 2, as the basis for deriving the average retail prices for each of the subject subdivisions. He derived his average retail prices for the other subdivisions by adjusting his value conclusion for the SUBDIVISION 2 lots for the differences between SUBDIVISION 2 and the other subdivisions. He did not use the average sale prices from the other subdivisions directly to reach either a value conclusion or an estimated retail price for any of the other subject subdivisions. The differences between the average retail prices used in the DCF model and the average selling prices used in the base value for SUBDIVISION 2 are as follows:

Subdivision	Average Retail Price	Adjusted <sup>4</sup> Average Selling Price
SUBDIVISION 1	\$\$\$\$\$	\$N/A
SUBDIVISION 2	\$\$\$\$\$	\$N/A
SUBDIVISION 19	\$\$\$\$\$	\$\$\$\$\$
SUBDIVISION 6	\$\$\$\$\$	\$\$\$\$\$
SUBDIVISION 20	\$\$\$\$\$	\$\$\$\$\$
SUBDIVISION 21	\$\$\$\$\$	\$\$\$\$\$
SUBDIVISION 9	\$\$\$\$\$	\$\$\$\$\$
SUBDIVISION 1	\$\$\$\$\$	\$N/A
SUBDIVISION 22	\$\$\$\$\$	\$\$\$\$\$

As can be seen, the two approaches, average retail price and average selling price, vary by as much as 30%.

The County Board of Equalization’s values were based on the average retail prices used in the DCF model in the First APPRAISER 1 Appraisal. Because of the purpose of the subdivision development method itself, as well as the valuation techniques used in establishing retail lot prices, the County’s value has been called into question.

In the Second APPRAISER 1 Appraisal, APPRAISER 1 considered all sales that occurred in 2008 within the subject development and some sales outside the subject development. Sales in the area had nearly ceased altogether by the end of 2008. There was only 1 sale in the entire development during the last four months of 2008, a 1.33 acre lot in SUBDIVISION 7 that sold December 1, 2008 for \$\$\$\$\$. In his Second Appraisal, APPRAISER 1 concluded that the market value for even the low end lots in SUBDIVISION 7 subdivision were higher than the

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<sup>4</sup> The average selling price incorporates a 20% time adjustment used by APPRAISER 1 to account for the decline in values from 2007 to the May 18, 2009 appraisal date.

sale, valuing them at . He then valued the high end lots in that subdivision at . Both parties acknowledged a lack of sales in 2008 due to what was referred to as a market disconnect, which they described as a disconnect between what sellers were willing to sell their properties for and what buyers were willing to pay for the properties. Accordingly, it is appropriate to consider 2009 sales to corroborate market trends in 2008. In 2009 there was only one sale between January and June 1, a 0.42-acre SUBDIVISION 8 Lot that sold for . There are no SUBDIVISION 8 lots subject to this appeal, but all of the subject lots were valued higher than this sale in the Second APPRAISER 1 Appraisal, except for the SUBDIVISION 1 lots. SUBDIVISION 1 lots were the smallest, at only 0.17 to 0.22 of an acre, and have the most restrictions regarding the size of the residence that can be constructed. Although more weight should be given sales in PETITIONER because they reflect the specific problems within PETITIONER at that time, it is reasonable to consider sales in competing developments.

APPRAISER 1, in the second appraisal, did not value each individual lot. Instead he used an approach similar to a mass appraisal method, using comparable sales to estimate average fair market values for classes of lots within each subdivision. Overall the Second APPRAISER 1 Appraisal presents a reasonable analysis and conclusion regarding the value of these properties and supports a basis for a lower value. With respect to criticisms from the County, it failed to even provide examples to quantify specific concerns or to provide corrected value estimates. A cursory review of the sales suggests that by the January 1, 2009 lien date, property values in the development had declined by more than 20%.

Regarding the additional equalization adjustment requested by the Property Owner, the County did not refute that the County Board lowered the values for other properties in the development lower than some of the subject properties. The County points out that those decisions had to be made in each individual appeal based on the information submitted at that hearing. During this hearing it was apparent that even within a subdivision there were differences that affect the value; view and size being primary factors. The evidence presented is insufficient to determine if the individual lots lowered by the County Board were comparable to the subject lots that APPRAISER 1 concluded had a higher fair market value. For example in SUBDIVISION 19 there had been eleven individual appeals. In six of these the lot values were lowered to . However, for the remaining five lots the County Board's values were all higher than APPRAISER 1's second appraisal values. This indicates that if relying on equalization, some of the values may need to be lowered, but others may need to be raised. It was just not readily apparent how the Property Owner's equalization adjustment was applied and what

was made to which specific lot. Further it would be up to the Property Owner to provide the information on the equalization properties' characteristics including view, size, or other factors and prove that they were actually comparable to the subject lots for purposes of an equalization adjustment pursuant to Utah Code Sec. 59-2-1006(4).

In conclusion, the value of the subject parcels should be reduced based on the Second APPRAISER 1 Appraisal which supports a combined value for the ##### parcels that are at issue in the amount of \$\$\$\$ for the lien date January 1, 2009. A further reduction based on equalization was not sufficiently supported.

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Jane Phan  
Administrative Law Judge

DECISION AND ORDER

Based upon the foregoing, the Tax Commission finds that as of January 1, 2009, the total combined value for all ##### lots is \$\$\$\$\$. The County Auditor is hereby ordered to adjust its records in accordance with this decision. It is so ordered.

This Decision does not limit a party's right to a Formal Hearing. Any party to this case may file a written request within thirty (30) days of the date of this decision to proceed to a Formal Hearing. Such a request shall be mailed to the address listed below and must include the Petitioner's name, address, and appeal number:

Utah State Tax Commission  
Appeals Division  
210 North 1950 West  
Salt Lake City, Utah 84134

Failure to request a Formal Hearing will preclude any further appeal rights in this matter.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2010.

R. Bruce Johnson  
Commission Chair

Marc B. Johnson  
Commissioner

D'Arcy Dixon Pignanelli  
Commissioner

Michael J. Cragun  
Commissioner

Appeal No. 10-1131

*JKP/10-1131.int*