

BEFORE THE IDAHO BOARD OF TAX APPEALS

ENLOW TRUST,)	
)	
Appellant,)	APPEAL NO. 19-A-1009
)	
v.)	FINAL DECISION
)	AND ORDER
BONNER COUNTY,)	
)	
Respondent.)	
)	
)	
)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Bonner County Board of Equalization denying an appeal of the valuation for taxing purposes on property described by Parcel No. RP59N04W056040A. The appeal concerns the 2019 tax year.

This matter came on for telephonic hearing on November 21, 2019 before Hearing Officer Cindy Pollock. Trustee Fred Enlow appeared at hearing for Appellant. Bonner County Assessor Donna Gow 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 Bonner County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$280,825, and the combined value of the improvements is \$259,271, totaling \$540,096. Appellant agrees with the value assigned to the improvements, however, contends the correct land value is \$217,500.

The subject property is a .48 acre parcel located in Priest River, Idaho. Subject contains 75 feet of waterfront on the outlet of Priest Lake. The parcel is improved with two (2) residences and a dock.

Appellant noted subject's assessed land value increased over 25% for the 2019 tax year. Appellant argued this increase was out of line when compared to other front foot values in other areas of the lake. Subject's assessment was compared to other areas for properties containing approximately the same assessed land value as subject. It was argued most of these properties contained beach frontage and easy access. The assessed value-per-front foot for these assessments ranged from \$1,465 to \$2,650.

Respondent explained for 2019 an extensive analysis was conducted and most of the county saw sizable increases in values attributable to improvements. Further, it was noted some land values were examined, and based on recent sales, some land value increases were also made.

Respondent explained each waterfront parcel on the lake is rated according to waterfront type. The four (4) different site ratings are good, average, fair, or low according to each property's unique characteristics. Subject, being on the outlet, was rated as "low", and valued accordingly.

Respondent's analysis for subject specifically focused on one (1) 2019 sale of vacant land located .29 miles distant from subject, on Priest Lake's outlet. This vacant .48 acre parcel, which contained 100 feet of waterfront, sold for \$350,000, or \$3,500 per front foot. Comparatively, subject's land is assessed at \$254,825, or \$3,398 per front foot. Appellant argued the sale was not comparable to subject, as the property had a level piece of land at the end of Match Bay Court, which in Appellant's opinion was superior to subject.

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 in fee simple interest, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all the testimony and documentary evidence submitted by the parties, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2019 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 often valued using the sales comparison approach, which considers recent sales of nearby similar property.

Appellant argued subject's assessed value was excessive and out of line with other assessed values around Priest Lake. Subject's land assessment was compared to neighboring properties, as well as other areas on the lake. Appellant argued many other properties had their own beach areas, and no requirement for stairs to reach the lake. Appellant provided front foot assessed value rates for properties located in the outlet area to compare with subject's front foot assessed value of \$3,398. Appellant specifically argued subject was assessed inequitably compared to other specific areas in the neighborhood and around the lake. While the Board understands Appellant's concerns, the record did not indicate subject's assessed value was the result of an arbitrary or capricious method of valuation. Respondent explained

its rating system for lakefront homesite. Subject's site was rated low and the Board did not find the rating system unreasonable. In all, there was insufficient evidence and legal basis to adjust subject's assessed value on uniformity grounds.

Respondent explained an extensive analysis was conducted on the 2018 sales throughout Bonner county. It was noted most of the county saw sizable increases in improvement values for 2019. Further, Respondent explained some increases to land values were made to bring neighborhoods up to market value levels, as required by statute.

Respondent provided specific information concerning one (1) sale from subject's general area which sale occurred during 2018. This sale property contained 100 lake front feet and sold for \$350,000, or \$3,500 per front foot. By comparison subject's current assessed land value reflects \$3,398 per front foot. The Board found this sale information to be the best market value evidence in record. It did not demonstrate an over-assessment.

In appeals to this Board, Appellant bears the burden of proving error in subject's assessed value by a preponderance of the evidence. Idaho Code § 63-511. As only Respondent offered market data for the Board's consideration, we did not find the burden of proof satisfied. Respondent's conducted an analysis of subject's area, and provided a sale which took place in subject's immediate neighborhood. We found Respondent's evidence to offer a more reliable estimate of subject's current market value than that offered by Appellant. Accordingly, the decision of the Bonner County Board of Equalization is affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Bonner County Board of Equalization concerning the subject parcel be, and the same

hereby is, AFFIRMED.

DATED this 13th day of December, 2019.