

BEFORE THE IDAHO BOARD OF TAX APPEALS

NAIDA KELLEHER,	)	
	)	
Appellant,	)	APPEAL NO. 20-A-1075
	)	
v.	)	FINAL DECISION
	)	AND ORDER
PAYETTE COUNTY,	)	
	)	
Respondent.	)	
	)	
	)	
	)	

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**RESIDENTIAL PROPERTY APPEAL**

This appeal is taken from a decision of the Payette County Board of Equalization denying an appeal of the valuation for taxing purposes on property described by Parcel No. 06N04W139571. The appeal concerns the 2020 tax year.

This matter came on for telephonic hearing October 8, 2020, before Board Member Leland Heinrich. Appellant Naida Kelleher was self-represented. Assessor Mark Harvey 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 Payette County Board of Equalization is affirmed.**

FINDINGS OF FACT

The assessed land value is \$36,627, and the improvements' value is \$161,771, totaling \$198,398. Appellant agrees with the land value, but contends the improvements' value is \$113,368, totaling \$149,995.

The subject property is a .80 acre parcel located roughly fifteen (15) miles north of Caldwell, Idaho. The property is improved with a 1,296 square foot manufactured home constructed in 2001, with a 240 square foot covered wooden deck. The property is further

improved with a 1,450 square foot concrete pad and a 1,740 square foot quonset constructed in 2018. Appellant clarified the original quonset was constructed around 2003; however, nearly 45% of the structure was collapsed by heavy snow some years ago. The quonset was reconstructed in 2018.

Appellant highlighted the nearly fifty percent (50%) increase in subject's assessed value for the current year despite no physical changes being made to the property in more than ten (10) years, and questioned whether the market supported such a valuation. Focusing on the sales data provided by Respondent, Appellant pointed out several of the sale residences were notably larger than the subject residence. Appellant also detailed additional improvements included in some of Respondent's sales, such as detached shops, storage buildings, and sheds. It was further noted the residence associated with one (1) of the sales was razed after purchase in January 2019. In all, Appellant regarded the subject property as inferior to Respondent's sale properties and argued subject's assessed value should be reduced.

Respondent explained demand for manufactured homes increased dramatically during 2019, which Respondent contended was evidenced by escalating sale prices. Respondent provided limited details concerning six (6) manufactured home sales; five (5) were from 2019 and one (1) was from December 2018. The sale residences ranged in size from 924 to 2,280 square feet and in year built from 1976 to 2020. Sale prices were not shared, though a column on the spreadsheet titled "AdjSales Price" reported figures ranging from \$179,000 to \$350,000. Another column titled "Price per SF" listed prices from \$87.81 to \$148.51 per square foot, with a median price of \$119.68 per square foot. The subject manufactured home was assessed at \$143,712, or \$110.89 per square foot, which Respondent maintained was reasonable given

the median price of the sales.

### 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, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2020, in this case. Market value is always estimated as of a precise point in time. 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. The three (3) primary methods for determining market value include the sales comparison approach, the cost approach, and the income approach. *Merris v. Ada Cnty.*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979). Residential property is commonly valued using the sales comparison approach, which in basic terms examines recent sales of similar property and considers adjustments for differences in property characteristics.

Appellant argued the nearly fifty percent (50%) increase in subject's assessed value was unreasonable and unsupported by the available sales data. In this regard, Appellant highlighted differences between the subject property and some of Respondent's sales, such as square footage, garage size, outbuildings, and other improvements. In Appellant's view, the

sales were unsupportive of subject's current valuation.

Respondent explained the market saw a notable increase in demand for manufactured homes during 2019, which contributed to higher sale prices for manufactured homes. In support of subject's valuation, Respondent provided limited details concerning six (6) recent manufactured home sales. Respondent maintained the assessed value of subject's manufactured home, at roughly \$110 per square foot, was reasonable considering the median price of the sales was nearly \$120 per square foot.

Though Respondent did provide sales information, the data was incomplete and difficult to correlate to subject's assessed value. Most critically, actual sale prices were not shared, only adjusted sale prices with no indication of the adjustments made. Nor was it clear whether the reported prices-per-square-foot reflected the actual sale price rates, or the adjusted price rates based on the adjusted prices reported on the spreadsheet. Further, there were no details concerning the size of the sale parcels, nor details related to any additional improvements or amenities included with the respective sales. In all, the Board was strained to reconcile the incomplete sales data with subject's current valuation.

Despite the above concerns with the sales data, Appellant did not offer any competing sales or other market information to counter the value conclusion reached by Respondent. Appellant's argument was simply that a 49% increase in assessed value is unreasonable. While the Board appreciates Appellant's concerns with the percentage increase, subject's assessed value must be supported by relevant market data. And in this case, Respondent's sales data represented the only market value evidence in the record.

Pursuant to Idaho Code § 63-511, the Appellant bears the burden of demonstrating

error in subject's valuation by a preponderance of the evidence. Given the thin record in this case, the Board did not find the burden of proof satisfied, nor adequate support for an adjustment in subject's current valuation.

Based on the above, the decision of the Payette County Board of Equalization is affirmed.

#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Payette County Board of Equalization concerning the subject parcel be, and the same hereby is, AFFIRMED.