

BEFORE THE IDAHO BOARD OF TAX APPEALS

CHARLES & SUSAN BRIETIGAM LIVING TRUST,	)	
	)	
Appellant,	)	APPEAL NO. 22-A-1069
	)	
v.	)	FINAL DECISION AND ORDER
	)	
ADA COUNTY,	)	
	)	
Respondent.	)	
	)	

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**RESIDENTIAL PROPERTY APPEAL**

This appeal is taken from a decision of the Ada County Board of Equalization denying an appeal of the valuation for taxing purposes on property described by Parcel No. R6206430130. The appeal concerns the 2022 tax year.

This matter came on for hearing October 26, 2022, in Boise, Idaho, before Board Member Leland Heinrich. Susan and Charles Brietigam appeared at hearing for Appellant. Ada County Assessor Bob McQuade represented Respondent.

Board Members Leland Heinrich, Kenneth Nuhn, and Doug Wallis join in issuing this decision.

**The issue on appeal concerns the market value of an improved residential property.**

**The decision of the Ada County Board of Equalization is affirmed.**

FINDINGS OF FACT

The assessed land value is \$471,200, and the improvements' value is \$1,368,700, totaling \$1,839,900. Appellant contends the correct land value is \$328,320, and the improvements' value is \$1,216,000, totaling \$1,544,320.

The subject property is a .48 acre parcel located in the Spurwing Greens subdivision in Meridian, Idaho. The property is improved with a 4,426 square foot residence with three (3) bedrooms and three and one-half (3½) bathrooms built in 2016. The residence also has a 2,023 square foot attached garage.

Appellant first described some of subject's features for the record. Appellant stated residences on subject's street were required to have side-facing garages instead of front-facing, which Appellant suggested was detracting from value, though no market data to support this claim was provided. Appellant explained the area above the garage is a 400 square foot storage space with plywood flooring, unfinished drywall, and a low ceiling. Appellant opined this area is not living space.

Appellant next shared information regarding the comparable properties Respondent presented at the county board of equalization hearing, which are the same three (3) sales Respondent provided in this appeal. Appellant did not agree with Respondent's use of two (2) properties from the Spurwing Greens Estates section of subject's subdivision, located less than a quarter mile from subject, claiming there are key differences which make the area incomparable to subject. First, Appellant explained the building requirements in subject's section of the subdivision are approximately three (3) pages, while the standards for the Estates section are twelve (12) pages, with the Estates being much more restrictive and having higher quality standards. Appellant next claimed the lots in the Estates are "tremendously larger," and the residences are generally larger as well. Appellant described the properties as having large setbacks from the street with landscaping and stated that the residences have tiled roofing and "magnificent" architecture. Appellant lastly pointed out the tennis court and club are located in the

Estates section of the subdivision, and this area has “tremendous use of greenbelts.” Appellant clarified residents in subject’s section of the neighborhood also have access to the club and its amenities. Overall, Appellant did not view subject as comparable to properties within the Estates.

Appellant next provided limited information regarding twenty-three (23) properties which sold in Spurwing Greens in 2021. Appellant provided square footage, sale price, and price per square foot rates for each property. The properties sold from \$515,000 to \$2,700,000, or approximately \$226 to \$401 per square foot. The sale residences ranged between 1,718 square feet and 8,638 square feet in size.

Appellant also provided detailed information on four (4) additional sales, all .49 acres in size. Appellant stated the parameters when choosing sales were that they had similar lot and residence sizes and were located in northwest Meridian like subject. Sale No. 1 was located in the Bridgetower subdivision, which exact location compared to subject was not made clear, and sold in December 2021 for \$892,500, or roughly \$223 per square foot. The property was improved with a 4,002 square foot two (2) story residence built in 2007 with five (5) bedrooms, three and one-half (3½) bathrooms, and an attached five (5) car garage.

Sale No. 2 was located in the Bridgetower West subdivision and sold in December 2021 for \$1,189,000, or roughly \$336 per square foot. The property was improved with a 3,544 square foot two (2) story residence built in 2019 with five (5) bedrooms, three and one-half (3½) bathrooms, and an attached four (4) car garage.

Sale No. 3 was located in subject’s subdivision and sold in July 2021 for \$1,400,000, or roughly \$316 per square foot. The property was improved with a 4,435

square foot two (2) story residence built in 2013 with five (5) bedrooms, three and one-half (3½) bathrooms, and an attached three (3) car garage.

Sale No. 4 was located in the Bridgetower subdivision and sold in September 2021 for \$1,050,000, or roughly \$263 per square foot. The property was improved with a 3,992 square foot two (2) story residence built in 2007 with five (5) bedrooms, four and one-half (4½) bathrooms, and an attached three (3) car garage.

Respondent spoke to Appellant's concerns regarding the comparable sales from the Estates. Respondent stated all sale properties used in its analysis were within walking distance and did not back to a rim view or open space, the same as subject. Respondent remarked it is nearly impossible to determine where one part of the subdivision ends and another begins, as the residences are all high quality. The MLS listing for subject from 2016 was also provided, and Respondent particularly pointed to the agent remarks which stated dues include a membership to the club, including access to fine-dining, a resort-sized swimming pool with poolside service, a professional fitness facility, and tennis courts. Respondent emphasized the amenities located in the Estates section are available to residents of the subdivision regardless of whether their property is within the Estates section. The fact Appellant may not personally utilize them, Respondent stressed, would not affect the assessment, as property must be assessed at market value, and the market recognizes the presence of these amenities in a development adds value. Respondent also pointed out Appellant's own Sale No. 3 was in the Estates section.

Respondent next discussed Appellant's concern regarding subject's square footage including the storage room above the garage. Respondent stated the room is assessed as partially finished, though testified this is a generous categorization. The 400

square foot room has sheetrock, electrical, heating, and cooling. Respondent stated it basically just needs flooring and paint, which would cost a few thousand dollars at most. Respondent shared “unfinished” typically means exposed studs with no insulation, heating, sheetrock, or other finishing touches. Respondent lastly stated the area would still have value even if completely unfinished, because it exists and therefore adds value to the residence.

Respondent also commented on the sales Appellant provided, first stating averaging sale prices on a per-square-foot basis is not typical appraisal practice. Respondent shared there are many reasons why a property will sell for a different price per square foot than another including location, lot size, and living area. Economies of scale also dictate that larger properties typically sell for a lower rate compared to similar properties of a smaller size. Respondent asserted Appellant’s list of Spurwing sales did not include enough details to effectively compare the sales to subject. Of Appellant’s narrower analysis of four (4) sales, Respondent stated three (3) were on the other side of the highway one (1) to three (3) miles away from subject and were not located in a neighborhood with a club house and the associated amenities like subject’s subdivision.

Respondent provided information on three (3) sales to support subject’s assessed value. Sale No. 1 was located across the street from subject and concerned a .73 acre property improved with a 4,646 square foot residence built in 2017 with five (5) bedrooms, four and one-half (4½) bathrooms, and a 1,373 square foot garage. The property sold in December 2020 for \$1,575,000. Respondent adjusted for differences and reported an adjusted sale price of \$2,090,541, approximately \$472 per square foot. Sale No. 2 was a .44 acre property improved with a 4,435 square foot residence built in 2013 with five (5)

bedrooms, three and one-half (3½) bathrooms, and a 1,169 square foot garage. The property sold in July 2021 for \$1,400,000. Its adjusted sale price was \$1,622,458, or roughly \$367 per square foot. Sale No. 3 was a .48 acre property improved with a 3,817 square foot residence built in 2014 with four (4) bedrooms, three and one-half (3½) bathrooms, and a 1,196 square foot garage. The property sold in October 2021 for \$1,505,200. The adjusted sale price was \$1,716,319, or roughly \$388 per square foot. Subject is currently assessed at \$1,839,900, or approximately \$416 per square foot. Overall, Respondent asserted subject's assessment is fair and reasonable.

### CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of market value in fee simple interest or, as applicable, a property's 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, 2022, in this case. Market value is always estimated as of a precise point in time. Idaho Code § 63-201 provides the following definition,

“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. *Merris v. Ada Cnty.*, 100 Idaho 59, 63, 593 P.2d

394, 398 (1979). The sales comparison approach is commonly used in the valuation of a residential property. In general terms, the approach examines recent sales of similar property, and considers the differences in property characteristics between subject and the sale properties.

Both parties provided sales to support their respective value opinions. Appellant provided limited information on twenty-three (23) sales which sold in subject's neighborhood in 2021, plus more detailed information regarding four (4) sales in northwest Meridian. These four (4) sale properties were all on .49 acre lots and were improved with residences from 3,544 to 4,435 square feet. Sale prices ranged from \$892,500 to \$1,400,000, or roughly \$223 to \$336 per square foot. Subject is on a .48 acre lot, is improved with a 4,426 square foot residence, and its 2022 assessment is \$1,839,900, or roughly \$416 per square foot.

The Board was not persuaded the analysis provided by Appellant demonstrated subject's valuation is incorrect. First, Appellant made no adjustments for differences between subject and the sale properties. This is especially important where the properties differ so greatly; for example, Sale No. 2 had a residence almost 1,000 square feet smaller than subject's residence. All of the sales also concerned residences with five (5) bedrooms, where subject only has three (3). Additionally, as stated by Respondent, three (3) of the sales were located in a subdivision without similar amenities as Spurwing Greens enjoys.

Appellant was also concerned with the value of the room above the garage, which Appellant described as an unfinished storage space. While Respondent seemed to disagree the space was truly unfinished, the 400 square foot room is assessed as only

partially finished. In the Board's view, this issue has been adequately addressed, so there is no reason to upset subject's value for this.

Respondent provided three (3) sales in support of subject's 2022 valuation, one (1) of which was located across the street from subject. Respondent made adjustments for differences between the properties and subject, calculating adjusted sale prices between \$1,622,458 and \$2,090,541, which well bracket subject's assessed value of \$1,839,900. Appellant expressed concern two (2) of the properties were located in the Estates section of the subdivision, but it was not apparent notable differences exist between the sections, as the subdivision's various amenities are available to all residents of the development. Access to additional amenities contribute value regardless of whether Appellant utilizes them. Any physical differences between the properties were adjusted for in Respondent's sales analysis.

In accordance with Idaho Code § 63-511, the burden is with Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. The burden of proof was not met in this instance. Appellant's analysis did not consider differences in property characteristics, which is fundamental to sound appraisal practice. Appellant relied heavily on sale properties up to three (3) miles distant from subject which do not enjoy the same amenities. Respondent provided three (3) comparable sales which required minimal adjustments for comparison with subject. The adjusted prices bracketed subject's value and demonstrated subject is fairly and equitably assessed. The Board will uphold the decision of the Ada County Board of Equalization.



FINAL ORDER

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

DATED this 16<sup>th</sup> day of March, 2023.

IDAHO BOARD OF TAX APPEALS