

BEFORE THE IDAHO BOARD OF TAX APPEALS

KENNY McDANIEL,	)	
	)	
Appellant,	)	APPEAL NO. 23-A-1047
	)	
v.	)	FINAL DECISION AND ORDER
	)	
ADA COUNTY,	)	
	)	
Respondent.	)	
	)	
_____	)	

**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. R7074650170. The appeal concerns the 2023 tax year.

This matter came on for hearing October 10, 2023, in Boise, Idaho, before Board Member Leland Heinrich. Appellant Kenny McDaniel was self-represented. Ada County Chief Deputy Assessor Brad Smith 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 \$296,000, and the improvements' value is \$329,400, totaling \$625,400. Appellant does not dispute the land value but contends the correct improvements' value is \$281,000, totaling \$577,000.

Subject is a .49 acre parcel located in the Pier Point subdivision in southeast Boise, Idaho. The property is improved with a four (4) bedroom, two and one-half (2½) bathroom,

two (2) level residence constructed in 1989. The residence is 1,880 square feet and has an 814 square foot attached garage.

Appellant explained subject is a corner lot in a cul-de-sac which backs up to apartments and an elementary school. Due to an easement with Idaho Power, subject has strict limits on building, expansion, and landscaping. Appellant also described subject's residence as "much smaller" than most in the subdivision and noted it cannot be added onto. Further, a permit for building a shop near the back of the lot was denied.

Appellant next explained subject's valuation lowered 10.6% from 2022, but some of subject's neighbors saw reductions from 15% to over 20%. Appellant claimed subject's residence is assessed at roughly \$182 per square foot when just considering the improvements' assessed value, while the average assessment rate for other residences in the cul-de-sac is roughly \$160 per square foot. Appellant stated subject is the only property on the street which has not had a significant remodel.

Appellant shared information on three (3) sales to support a reduction in subject's value. All three (3) properties were located in subject's neighborhood. Sale No. 1 was located centrally within subject's subdivision and sold in July 2022, but the sale price was not provided. The residence was two (2) stories with four (4) bedrooms like subject, but Appellant noted it had a full bathroom on the first floor and 500 more total square feet than subject. The residence had seen a recent remodel costing over \$250,000. Appellant characterized the sale property as "superior [to subject] in every way except the lot size." It was not clear how large the lot was. Though no sale price was provided, Appellant stated the residence price was roughly \$166 per square foot. It was not stated in the record how the figure was calculated.

Sale No. 2 sold in September 2022 for \$539,000. The residence was a three (3) bedroom, two (2) bathroom two (2) story home which was 132 square feet smaller than subject. Appellant shared the residence had “nice wood floors” and granite counter tops. The residence price was calculated to be roughly \$165 per square foot<sup>1</sup>.

Sale No. 3 sold in January 2023, but the sale price was not shared. The residence was two (2) stories with three (3) bedrooms and three (3) bathrooms. Appellant stated the residence had hardwood and granite throughout, demonstrating superiority to subject. The residence price was calculated at roughly \$165 per square foot. It was again unclear in the record how the rate figure was calculated, as the sale price was not shared.

Based on the sales, Appellant opined subject’s residence should be assessed at roughly \$160 per square foot and argued subject’s total value should be set at \$583,080. Appellant also stated that if subject “was given the same 15-17.5% reduction” as its neighbors, it would be assessed somewhere between \$577,500 and \$595,000.

Respondent shared information on three (3) sales to support subject’s assessed value. Sale No. 1 sold in October 2021 for \$625,000. The .16 acre property was improved with a 2,037 square foot residence built in 1989 with three (3) bedrooms, two (2) bathrooms, and a 664 square foot attached garage. Respondent adjusted the sale price for differences between subject and the sale property, resulting in an adjusted sale price of \$642,200. Respondent then divided the adjusted sale price by subject’s square footage, which resulted in a price rate of roughly \$342 per square foot. Respondent stated

---

<sup>1</sup> The price for Sale No. 1 was not shared; for Sale No. 2, only the full price of \$539,000 was given. Where the square footage of the residence is 1,748 square feet, the price rate would have been roughly \$308 per square foot, but Appellant reported \$165. It was not clear what figures Appellant was utilizing.

subject's square footage was utilized because the market adjustments equalized the sale properties to subject.

Sale No. 2 sold in March 2022 for \$724,000. The .20 acre property was improved with a 2,010 square foot residence which was built in 1985 and had four (4) bedrooms, two and one-half (2½) bathrooms, and an 810 square foot attached garage. The adjusted sale price, calculated utilizing the same approach as with Sale No. 1, was \$659,300, or roughly \$351 per square foot.

Sale No. 3 regarded the same property as Appellant's Sale No. 2. The .13 acre property sold in September 2022 for \$539,000. It was improved with a 1,681 square foot residence built in 1985 and had three (3) bedrooms, two (2) bathrooms, and a 400 square foot attached garage. The adjusted sale price was calculated utilizing the same approach as above and was calculated to be \$617,600, or roughly \$329 per square foot.

In comparison, subject is a .49 acre property improved with a 1,880 square foot residence built in 1989 with four (4) bedrooms, two and one-half (2½) bathrooms, and an 814 square foot attached garage. Subject's 2023 assessment is \$625,400, or roughly \$333 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 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, 2023, 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. There are three (3) approaches to value: the sales comparison approach, the cost approach, and the income approach. 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 differences in the property characteristics between subject and the sale properties.

Both parties provided sales information for the Board’s consideration, but only Respondent performed a traditional sales comparison approach. Appellant provided information on three (3) sales but did not apply any adjustments to make the properties comparable to subject. The information was appreciated, but the Board was unable to come to any value conclusions given the lack of adjustments. It was also unclear in the record how Appellant calculated price rates, and the only sale price disclosed was \$539,000 for Sale No. 2.

Respondent, on the other hand, adjusted its three (3) sales for various differences in property characteristics and also applied a time adjustment to the sales prices. The adjusted sale prices ranged from \$617,600 to \$659,300, or roughly \$329 to \$351 per square foot. Subject’s current assessment of \$625,400, or roughly \$333 per square foot,

was well bracketed by Respondent's comparable sales on both a square foot and a total value basis.

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. Though Appellant furnished some comparable sales, there were not many details provided, and they were not adjusted for differences as is necessary in a meaningful sales comparison analysis. 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 5<sup>th</sup> day of February, 2024.