

residence of fair grade and average condition built in 2014, a 160 square foot utility shed, and solar panels. It was noted the residence does not have a concrete foundation.

Appellant expressed concern recreational properties in Valley County are being over-valued because the owners cannot vote in local elections which would “hold [officials] accountable” or on local bond initiatives to control how the funds are spent. Appellant objected to the continuing increase of assessed values in subject’s neighborhood despite the lack of conditions needed for single-family residential properties including year-round access, delivery and sanitation services, first responder access, property insurance, and other factors. Overall, Appellant opined subject’s assessment should be limited to 60% of its market value because the property is only accessible approximately 60% of the year. Appellant additionally believed the assessment increase should not exceed the average increase in the county.

Appellant next shared assessment information on a property previously owned by a family member. This property, which was not located in subject’s subdivision, was a 2.2 acre lot improved with an 840 square foot residence with an unobstructed lake view and year-round access. Appellant noted subject and the compared parcel each had a well, septic, no garage, a storage shed, and power; however, subject has solar panels while the compared property is hooked up to commercial power. Appellant expressed concern the compared property’s land and improvements were larger, had a better view, and had a road in better condition than subject’s, but its 2023 assessment was lower than subject’s. Subject’s lot is assessed at \$3.76 per square foot while the compared lot was assessed at \$2.79 per square foot, and subject’s residence is assessed at \$310 per

square foot while the compared residence was assessed at \$291 per square foot. Appellant was concerned subject was assessed 6% higher than the compared property.

Respondent explained the county does not maintain the roads in subject's neighborhood because they were not built to "proper" specifications. Subject's land value currently has a downward 25% adjustment due to the access issue. Appellant felt the 25% adjustment should have also been applied to the value of the improvements, as it had been the previous year when ordered by the Valley County Board of Equalization. Respondent, on the other hand, requested the Board remove the adjustment completely, arguing the market demonstrated no need for the access adjustment and that it creates inequity. Respondent stated that, even if the adjustment was necessary, it would be inappropriate to apply it to the improvements, as the issue concerns the land. Respondent requested subject's land assessment be increased to \$154,170.

Respondent shared information on six (6) sales to support the assessed value of subject's residence. Respondent noted the properties were in areas with similar or worse quality roads as subject. Only time-adjusted sale prices were shared, not actual sale prices.

Sale No. 1 sold in September 2022 and was improved with a 1,073 square foot residence of average grade with an effective year of 2000. Respondent removed the land and other improvement values from the time-adjusted sale price then adjusted for age, grade, and location. The adjusted price of the residence was \$336,164, or roughly \$313 per square foot.

Sale No. 2 sold in September 2022 and was improved with a 1,440 square foot residence of average grade with an effective year of 2008. The adjusted residence price was \$335,483, or roughly \$233 per square foot.

Sale No. 3 sold in April 2022 and was improved with a 600 square foot residence of average grade with an effective year of 1971. The adjusted residence price was \$209,360, or roughly \$349 per square foot.

Sale No. 4 sold in October 2021 and was improved with a 906 square foot residence of fair grade with an effective year of 1960. The adjusted residence price was \$245,227, or roughly \$271 per square foot.

Sale No. 5 sold in September 2021 and was improved with a 738 square foot residence of fair grade with no concrete foundation with an effective year of 1968. The adjusted residence price was \$247,632, or roughly \$336 per square foot. Respondent stated this sale property was most similar to subject in terms of square footage and grade. Like subject, the property does not have a concrete foundation.

Sale No. 6 sold in June 2021 and was improved with a 620 square foot residence of fair grade with an effective year of 2000. The adjusted residence price was \$359,709, or roughly \$580 per square foot.

In comparison, subject is improved with a 768 square foot residence of fair grade with an effective year of 2014. The residence's assessed value is \$232,050, or roughly \$302 per square foot.

Respondent also provided sale details on ten (10) unimproved properties to support subject's land value. The properties sold between March 2020 and September 2022 for prices ranging from \$40,000 to \$160,000. The parcels ranged in size from .27 to

4.57 acres and were either of good or average grade. Respondent noted the sale prices were trended, resulting in adjusted prices of \$82,000 to \$256,000. Respondent's analysis resulted in a land value indication of \$144,520 for subject. Subject's .71 acres are currently assessed at \$118,627. Respondent is requesting a new land assessment of \$154,170.

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, 2023, 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.

Appellant did not perform a traditional valuation approach to support a reduction in subject's value. Instead, Appellant discussed detrimental features of subject in an attempt to demonstrate subject's improvements need the same 25% adjustment applied to the land. Also provided was assessment information for one (1) property not located within subject's subdivision.

The Board disagrees the 25% access adjustment should be applied to subject's improvements. The access issue solely concerns the land, so it would be inappropriate to apply a land condition adjustment to the improvements. Additionally, a comparison of assessed values is not a traditional value approach which would lead to an accurate estimation of subject's market value. There were too many differences between the two (2) properties to make a valid comparison or demonstrate the inequity Appellant claimed was present. And Respondent's improved sales analysis generally supported subject's improvement assessment.

At hearing, Respondent argued for the removal of the downward adjustment for the accessibility issue. In the Board's experience, however, accessibility does affect a property's market value. The Board will not disturb the 25% downward adjustment for subject's land assessment.

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 offered no evidence, market or otherwise, to

demonstrate subject's value should be lowered. The Board will uphold the decision of the Valley County Board of Equalization.

FINAL ORDER

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

DATED this 9th day of January, 2024.