

BEFORE THE IDAHO BOARD OF TAX APPEALS

DOLAN AND ELISABETH KEENEY,	)	
	)	
Appellants,	)	APPEAL NO. 24-A-1005
	)	
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. R3594300060. The appeal concerns the 2024 tax year.

This matter came on for hearing October 15, 2024, in Boise, Idaho, before Board Member Leland Heinrich. Appellants Dolan and Elisabeth Keeney were 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 \$138,000, and the improvements' value is \$255,100, totaling \$393,100. Appellants contend the correct total value is \$367,401.

The subject property is a .11 acre parcel located in the Hewett Park subdivision in Boise, Idaho. The property is improved with a three (3) bedroom, two (2) bathroom, 1,310 square foot residence with a 441 square foot attached garage which was built in 2013.

Appellants noted subject's assessed value increased 10% from 2023 and opined the increase was "out of line" because the average assessment increase in Ada County was 6.3%. To support a lower valuation for subject, Appellants supplied information on three (3) sales and performed an analysis based on price per square foot. Sale No. 1 regarded a 1,350 square foot 1998 residence 4.2 miles from subject which sold in September 2023 for an effective sale price of \$369,000, or \$273.33 per square foot. Sale No. 2 was a 1,389 square foot 2005 residence 2.9 miles from subject which sold in December 2023 for an effective sale price of \$357,500, or \$257.38 per square foot. Sale No. 3 was a 1,454 square foot 2003 residence 5.2 miles from subject which sold in February 2023 for \$350,000, or \$240.71 per square foot. Appellants applied the average price per square foot figure of \$257.14 to subject's square footage, calculating a value of \$336,852. Given this indicated value, Appellants argued the request of a \$367,401 assessment was fair and reasonable.

Appellants also argued that the principle of regression applies in subject's case. Appellants noted subject is a 2013 residence in a neighborhood of residences which were built in the 1980s, and claimed subject will not hold as much value as a 2013 residence in a neighborhood of 2010s residences. No data was provided to demonstrate how much of a difference regression would make in subject's valuation.

Respondent first addressed Appellants' concerns with the level of increase in subject's assessment. Respondent stated parcels in subject's neighborhood saw

increases from 5% to 12%, noting subject's increase of 10% was not distinctive. Respondent also argued there are too many different factors, such as size and age differences, for a per-square-foot analysis to be a relevant method of comparison.

Respondent next provided information on five (5) sales to support subject's current assessment. Sale No. 1 was a 1,285 square foot residence with two (2) bedrooms and two (2) bathrooms situated on a .09 acre parcel. The residence was built in 2005 and included a 451 square foot attached garage. The property sold in September 2023 for \$399,990. Respondent adjusted the sale price for differences between subject and the sale property, time of sale and residence size in this instance, resulting in an adjusted sale price of \$405,300, or roughly \$309 per square foot.

Sale No. 2 was a .11 acre parcel improved with a 1,486 square foot residence built in 2005 with three (3) bedrooms, two (2) bathrooms, and a 413 square foot garage. The property sold in November 2023 for \$455,000. The adjusted sale price was \$445,700, or roughly \$340 per square foot.

Sale No. 3 was a .14 acre parcel improved with a 1,347 square foot residence built in 1998 with three (3) bedrooms, two (2) bathrooms, and a 440 square foot garage. The property sold in September 2023 for \$379,000. The adjusted sale price was \$395,500, or roughly \$302 per square foot. This sale was the same as Appellants' Sale No. 1. Respondent was not aware of the sales concession prior to hearing, but calculated that with the concession of \$10,000, the property sold for roughly \$294 per square foot, which Respondent argued was close to the price rates indicated by the other sales in the analysis.

Sale No. 4 was a 1,320 square foot residence with three (3) bedrooms and two (2) bathrooms situated on a .22 acre parcel. The residence was built in 1982 and included a 490 square foot attached garage. The property sold in March 2023 for \$375,000. The adjusted sale price was \$401,000, or roughly \$306 per square foot.

Sale No. 5 was a 1,348 square foot residence with three (3) bedrooms and two (2) bathrooms situated on a .24 acre parcel. The residence was built in 1982 and included a 462 square foot attached garage. The property sold in December 2023 for \$415,500. The adjusted sale price was \$409,100, or roughly \$312 per square foot.

In comparison, subject is a 1,310 square foot residence built in 2013 with three (3) bedrooms, two (2) bathrooms, and a 441 square foot attached garage on a .11 acre parcel. Subject's current assessed value is \$393,100, or roughly \$300 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 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, 2024, 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 information in support of their respective value conclusions, but their analyses of the data varied greatly. Appellants stated their sales were “adjusted to account for the difference in square footage” compared to subject, but these adjustments were not evident in the record. The only adjustments made were for sales concessions. While Appellants’ sale residences were generally similar in size to subject, the Board did not give much weight to the information because no adjustments were made for differences, as is necessary in a reliable sales analysis.

Respondent provided a more robust sales analysis, with adjustments made for various differences in property characteristics and time adjustments to bring values current to the January 1, 2024, lien date. Subject’s assessed value of \$393,100 fell below the values indicated by Respondent’s sales analysis, which ranged from \$395,529 to \$445,654.

In accordance with Idaho Code § 63-511, the burden is with Appellants to establish subject’s valuation is erroneous by a preponderance of the evidence. The burden of proof was not met in this instance. Appellants’ analysis did not consider differences in property characteristics, as is required in an effective and accurate sales analysis. Respondent’s

analysis generally supported subject's valuation, and with no evidence in the record suggesting subject is incorrectly valued, the Board will affirm 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 26<sup>th</sup> day of November, 2024.