

BEFORE THE IDAHO BOARD OF TAX APPEALS

JOHN MCGOWN, JR.,	)	
	)	
Appellant,	)	APPEAL NO. 25-A-1109
	)	
v.	)	FINAL DECISION AND ORDER
	)	
BOISE COUNTY,	)	
	)	
Respondent.	)	
	)	
	)	
	)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Boise County Board of Equalization denying an appeal of the valuation for taxing purposes on property described by Parcel No. LR10N11E930130. The appeal concerns the 2025 tax year.

This matter came on for hearing November 20, 2025, in Idaho City, Idaho, before Board Member Leland Heinrich. Appellant John McGown, Jr. was self-represented. Boise County Assessor Chris Juszczak represented Respondent.

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

The issue on appeal concerns the market value of residential improvements on land leased from the government.

The decision of the Boise County Board of Equalization is modified.

FINDINGS OF FACT

The improvements' value is \$182,130. Appellant contends the correct value is \$148,820.

The subject property includes certain improvements situated on a U.S. Forest Service parcel in the Wapiti Creek area of Lowman, Idaho. The subject residence is 1,288 square feet, two-stories, and was built in 1960. The residence is comprised of 1,008

square feet on the main level and 280 square feet on the second floor. The residence includes one (1) bedroom, one (1) bathroom, two (2) fireplaces, a 200 square foot wood deck, and a 288 square foot covered wood deck. Additional improvements include a 294 square foot outbuilding and 42 square feet of covered concrete.

Appellant argued the 2024 Wapiti Fire, which burned over 125,000 acres and destroyed seven (7) of the nineteen (19) Wapiti Creek cabins, significantly lowered subject's market value. Additional fire damage and related concerns included the melting of telephone lines and resulting lack of cell phone service, the "eyesore" caused by the burned cabins and surrounding land lowering the aesthetic desirability of the area, and hiking and four-wheeling trails being destroyed or made inaccessible. Additionally, a landslide affected the only access road, which Appellant attributed partially to the lack of vegetation bordering the road as a result of the fire. The landslide reportedly caused the Wapiti Creek area to be inaccessible for some of the time of year it is usually accessible in 2024. Appellant cited concerns over how melting snow and/or heavy rains could affect the road and potentially cause more landslides. Appellant supplied multiple photos depicting scorched earth and trees, remnants of burned cabins, and the narrow access road.

Appellant next shared information on the land use permit, arguing the restrictions on use diminish subject's market value. Without Forest Service approval, Appellant, or any permit holder, cannot further improve the property, cut or plant vegetation, use pesticides, or tell a prospective purchaser or transferee that a new permit will be issued. The permit holder would also be responsible for any costs to remove improvements upon termination of the permit. The current permit expires in 2028, but Respondent noted the

leases in Wapiti Creek have been in place for over fifty (50) years and have always been renewed. Respondent further noted there is a clause in the permit which states if the permit is not renewed, the Forest Service would offer to lease other land in the county to which any improvements could be moved. Appellant also shared that the lease rate decreased by 20.7% from 2024 to 2025. Because the lease rate is determined by the market value of the land, Appellant argued a similar decrease in the improvements' value would be appropriate, to \$148,820.

Appellant shared there was only one (1) Wapiti Creek cabin sale after the fire and argued it was not an arm's-length transaction due to the decades-long friendship between buyers and sellers and the fact the buyers had lost their cabin in the fire so were connected to the area and specially motivated to acquire an immediate replacement. Appellant provided an email exchange with the buyer who stated the property was purchased "sight unseen" in the winter, when the cabin was inaccessible, with no appraisal completed and "at the offered price due to sentimental reasons." The buyer also stated that, after inspecting the property once it became accessible in the spring, some items requiring rehabilitation were discovered, though the items were not specified. Additionally, Appellant characterized the sale cabin as generally superior to subject, as it is improved with a solar-powered, battery backup electrical system, which subject does not have. In fact, Appellant shared subject does not have electricity at all.

Respondent acknowledged subject's surroundings were affected by the Wapiti Fire, but maintained subject still enjoys mountain views, wooded surroundings, and is within walking distance of the South Fork of the Payette River. Respondent claimed its sales analysis demonstrated the fire did not affect sale prices. Respondent also

recognized subject has seasonal access only, roughly four (4) to five (5) months of the year, but pointed out this is common in the area.

Respondent stated Boise County is unique in terms of land and improvements; therefore, finding direct comparable sales can be challenging. Despite the challenges, Respondent provided information on multiple sales to demonstrate subject's assessment is at market value. Sale No. 1 was the Wapiti Creek cabin sale referenced by Appellant. It was located 600 feet from subject, also on leased land, and was a two-story, 918-square foot residence with an effective year built of 1972 with two (2) bedrooms, one (1) bathroom, two (2) fireplaces, a 651 square foot deck, a 326 square foot covered deck, solar power, and a metal roof. The property also included a 123 square foot outbuilding and 56 square feet of covered concrete. The December 2024 sale price was \$225,000. Adjusting for differences between subject and the sale property, Respondent concluded an adjusted sale price of \$237,950.

Sale No. 2 regarded a .33 acre riverfront parcel improved with a single-story, 672 square foot residence built in 1967 with two (2) bedrooms, one (1) bathroom, one (1) fireplace, a 219 square foot covered deck, a metal roof, power, and central heating and air conditioning. The May 2024 sale price was \$325,000. After removing the assessed value of the land, Respondent adjusted for other differences and concluded an adjusted sale price of \$223,856.

Sale No. 3 was a 3.02 acre parcel improved with a two-story, 1,898 square foot residence built in 1979 with two (2) bedrooms, two (2) bathrooms, one (1) fireplace, multiple decks totaling 722 square feet, a walk-out basement, power, and a metal roof. The residence was reported to have condition issues including mold in the subfloor and

siding in need of replacement. The property was also improved with two (2) sheds, 198 and 128 square feet respectively, and a 120 square foot hay cover. The property sold in May 2024 for \$335,000. After removing the values of the land and septic system, Respondent adjusted for other differences and concluded an adjusted sale price of \$223,560.

The average adjusted price was calculated to be \$228,455. In comparison, subject is a 1,288 square foot residence with an effective year built of 1964 with one (1) bedroom, one (1) bathroom, two (2) fireplaces, a 200 square foot deck, a 288 square foot covered deck, and a metal roof. Subject also includes a 294 square foot shed and 42 square feet of covered concrete. Subject's 2025 assessment was \$182,130.

Respondent further explained improved residential properties in the Lowman area were selling 10.93% higher than their assessed values, on average, and provided a sampling of eight (8) 2024 sales compared to their 2024 assessments, the above three (3) sales included. Respondent claimed the sales demonstrated the Wapiti Fire had no effect on sale prices. The sale Respondent regarded as most comparable to subject sold 32.76% higher than its assessed value. This was the same property purchased by an owner whose Wapiti Creek cabin had burned down in the fire. The buyer had owned the previous cabin for roughly fifty (50) years, so Respondent argued "there is no better informed buyer" since they were so familiar with the area. Respondent acknowledged the property was not exposed to the open market due to the permit restrictions but argued it was a market value sale, as this is the typical market in the Wapiti Creek area.

In addition to disagreeing Respondent's Sale No. 1 was a valid market value sale, Appellant disagreed Sale Nos. 2 and 3 should be considered in determining subject's

value. Along with the apparent differences, Appellant noted the properties appeared to have year-round access and were not leased lots. Respondent testified that, historically, fee simple property has sold at the same rate as leased fee property in the county. Respondent additionally argued that by removing the land values from the sale prices, subject's access issue was taken into consideration, so no additional adjustment was warranted within its sales analysis.

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, 2025, 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's central argument focused on the negative impact of the recent Wapiti Fire on subject's market value, so Appellant did not provide a traditional sales analysis. Instead, Appellant provided photos of the fire's damage to the area, information on the one (1) 2024 Wapiti Creek sale, and discussed subject's restrictive use permit with the Forest Service.

According to Appellant, the Wapiti Fire damage was such that seven (7) of the nineteen (19) Wapiti Creek cabins were completely burned down, and telephone lines were destroyed. The burned areas have decreased the desirability of the area and created conditions for a landslide, and hiking and other recreational paths were destroyed or made inaccessible. Further, Appellant claimed a landslide in 2024 caused subject to be inaccessible for a portion of the roughly four (4) to five (5) months it is usually accessible. Respondent acknowledged subject's access limitations, but stated difficult access is common in the county, and especially in subject's area. Regarding access, the Board finds some consideration should be given in subject's assessment. After the landslide, subject's access was not just difficult, it was eliminated for a good portion of the short season the property is normally accessible. And on account of the extensive fire damage, the soil conditions are ripe for a future landslide.

Turning to subject's land use permit, Appellant argued subject's value is detrimentally affected by the restrictions. While the Board understands the permit restricts many uses without Forest Service approval, such as further development and pest

control, there was no market evidence offered to support the claim subject's value has been diminished as a result.

Both parties discussed the single Wapiti Creek sale. Appellant claimed the price did not represent the property's market value because the buyer and seller had known each other for decades. Appellant further noted the buyer had just lost their cabin in the Wapiti Fire, and the property was hurriedly purchased in the winter when an inspection could not occur. On the other hand, Respondent argued the sale involved a buyer as informed as possible, since they had owned a Wapiti Creek cabin for decades and had personally experienced the recent fire.

The Board understands the parties' perspectives, and while the inclusion of a sale within subject's direct neighborhood was appreciated, there were some questions as to its validity as an arm's-length sale. The fact the parties had known each other for decades cannot be ignored, and neither can the fact the buyer had just lost their cabin and was desperate for an immediate replacement, of which only twelve (12) possibilities remained after the fire. There was no listing agent involved, no inspection completed, and the property was never offered on the open market. With these concerns noted, the Board gave the Wapiti Creek sale little weight in its analysis of subject's market value.

The Board was similarly concerned with the comparability of Respondent's other two (2) sales, which had gross adjustments of roughly 46% and 92% respectively. The Board understands Boise County is filled with unique properties, and therefore it is difficult to find direct comparables, but such large gross adjustments are still cause for concern.

The Board similarly found Respondent's claims that the fire had no effect on market value curious. According to the parties, the Wapiti Fire was burning from

approximately late July through the end of October when the first snow fell. In Respondent's comparison of sale prices to assessed values, Sale Nos. 1 through 6 occurred before the fire and sold from roughly 14% below to 46% over their 2024 assessed values. Sale No. 7 sold during the fire for roughly 18% below its assessment. Sale No. 8 was the Wapiti Creek property which had concerns regarding whether its sale was arm's-length in nature, and it sold after the fire for almost 33% over its assessed value. There is not enough data to support the claim the Wapiti Fire did not affect values, since there are only two (2) data points from during and after the fire.

It would be reasonable to assume fire damage has a detrimental effect on a property's value. Certainly, the Forest Service seemed to think so, as subject's lease rate was lowered by roughly 21% for 2025. In short, the Board was not convinced the Wapiti Fire did not affect subject's market value. Only two (2) sales offered were affected by the Wapiti Fire, one (1) of which was not arm's-length. The Board would have preferred a larger sample of fire-affected sales, but overall, and given the limited market evidence, the Board is satisfied subject's market value should be reduced.

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 met, but there was insufficient evidence to lower subject's value to that requested by Appellant. The Board finds a 10% adjustment for access issues and damage to the surroundings caused by the Wapiti Fire is appropriate in this instance. The decision of the Boise County Board of Equalization will be modified accordingly.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Boise County Board of Equalization concerning the subject parcel be, and the same hereby is, MODIFIED to reflect a decrease to \$163,917.

IT IS FURTHER ORDERED, pursuant to Idaho Code § 63-1305, any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

Idaho Code § 63-3813 provides that under certain circumstances the above-ordered value for the current tax year shall not be increased in the subsequent assessment year.

DATED this 2nd day of February, 2026.