

BEFORE THE IDAHO BOARD OF TAX APPEALS

CINDY DRURY,	)	
	)	
Appellant,	)	APPEAL NO. 14-A-1170
	)	
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 modifying the valuation for taxing purposes of property described by Parcel No. RP058010030030. The appeal concerns the 2014 tax year.

This matter came on for hearing November 6, 2014 in Idaho City, Idaho before Board Member Leland Heinrich. Appellant Cindy Drury was self-represented. Assessor Brent Adamson represented Respondent.

Board Members David Kinghorn, Linda Pike and Leland Heinrich participated in this decision.

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

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

FINDINGS OF FACT

The original assessed land value was \$95,075, and the improvements' valuation was \$218,649, totaling \$313,724. After discovering an error in the value of subject's residence, the assessor reduced the total improvements' valuation to \$205,976, with no changes to the other assessment components. Following a timely appeal, the Boise County Board of Equalization reduced the value of subject's garage to \$61,002, which

reduced the combined value of the improvements to \$199,357, resulting in a total assessed value of \$294,432. Appellant contends the correct value of the improvements is \$192,637, and the land value is \$95,075, totaling \$287,712.

The subject property is a three (3) acre rural residential parcel improved with a two-story residence consisting of 1,610 total finished square feet. The property is further improved with a detached multi-purpose "garage" structure. The structure includes a 608 square foot garage with a concrete floor, a 608 square foot living space on the upper level, and two (2) attached carports with an asphalt base providing 768 total square feet of covered parking.

Appellant agreed with the assessed values of the land and residence, however, contended the value of the detached building was too high because it represented roughly 20% of subject's total assessed value. In Appellant's view, 20% of a property's total value is not attributable to a detached garage. Appellant provided information regarding eight (8) residential sales improved with detached garages. Sale dates were not indicated, nor were property characteristic details concerning the sale residences. Appellant removed assessed land and residence values from the sale prices to estimate the residual value attributable to the detached garages. Based on this analysis, Appellant concluded the value of subject's detached garage was excessive.

Appellant also submitted a one (1) page cost approach analysis from a 2010 fee appraisal report concerning subject. Though much of the information was redacted, the section relating to subject's garage indicated a value of \$54,417.

Respondent offered information on three (3) groups of sales; one (1) group for each component of subject's assessment. The first group of sales was provided in support of subject's land value. Three (3) vacant lot sales from subject's area were considered. The lots varied in size from 2.01 to 3.83 acres. Sale prices were between \$99,000 and \$109,000, or an average of \$34,422 per acre. Subject's three (3) acres were valued at \$30,358 per acre.

Next, Respondent presented six (6) improved residential sales. The sale residences were all two-story designs, similar to subject. Likewise, the sale residences were considered comparable to subject in terms of construction quality and condition. Sale prices ranged from \$240,000 to \$360,000. Respondent directly compared the sale properties to subject and adjusted the sale prices to account for physical differences. Adjusted sale prices were between \$253,500 and \$331,000, or an average of \$305,083. Subject's total assessed value is \$294,432.

Respondent's third group of sales was offered to support the assessed value of subject's detached building. Five (5) sales from 2013 were considered, each with a detached garage structure. General details regarding the sale properties were not shared, however, limited information concerning the detached garages was made available. Respondent reported sale prices of the detached garages between \$25.06 and \$50.11 per square foot. Given this, Respondent concluded subject's detached garage was reasonably

assessed at an average overall rate of \$30.75<sup>1</sup> 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, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2014 in this case. 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. *Merris v. Ada County*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979).

Appellant's primary contention centered on the value of subject's detached garage and the percentage of total assessed value it represented. As such, the Board will focus

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<sup>1</sup>Subject's detached garage consists of three (3) parts, each of which were assessed individually. The garage portion and upper floor areas were each assessed at a per-square-foot rate of \$37.32. The carports were assessed at \$20.34 per square foot.

its review on the garage component of subject's assessment. Appellant provided information concerning several residential sales improved with detached garages. Appellant attempted to isolate the value attributable to the sale garages by removing assessed land and residence values from the respective sale prices. Appellant highlighted the variance in the percentage of total value attributable to the garages and contended subject's garage was valued too high in comparison.

Respondent offered a group of sales for each component of subject's assessment. In support of subject's garage value, five (5) sales were considered. Respondent reported sale price residuals for the detached garages ranged from \$25.06 to \$50.11 per square foot. While the Board appreciated Respondent's efforts in this regard, details concerning the analysis were lacking. Specifically, it was not clear how the reported price residuals of the sale garages were calculated. No details regarding the sale properties, other than ages of the garages, were provided. Indeed, overall sale prices were not shared. From the photographs of the sale garages it appears most were generally similar to subject's in terms of construction quality and exterior finish, however without more information it is difficult to make accurate comparisons.

Despite the concerns with Respondent's garage valuation analysis, the Board found subject's overall assessed value to be reasonable. While Appellant's arguments focused on subject's garage, the key question is whether the total assessment is at market value. In this regard, Respondent's sales comparison analysis was well received by the Board. Respondent compared six (6) improved residential sales to subject and adjusted the sale

prices for physical differences. Adjusted sale prices were between \$253,500 and \$331,000, which squarely brackets subject's total assessed value of \$294,432.

In appeals to this Board, the burden is with the Appellant to establish error in subject's assessment by a preponderance of the evidence. Idaho Code § 63-511. In this instance, the burden of proof was not satisfied. The sales information provided by Respondent was found to better support subject's assessed value. In all, the Board did not find sufficient cause to disturb the value determined by Respondent. As such, the decision of the Boise County Board of Equalization will be affirmed.

#### 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, AFFIRMED.

DATED this 10<sup>th</sup> day of March, 2015.