

BEFORE THE IDAHO BOARD OF TAX APPEALS

TRACY FITZPATRICK,)	
)	
Appellant,)	APPEAL NO. 15-A-1092
)	
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 modifying the protest of valuation for taxing purposes of property described by Parcel No. R5241390560. The appeal concerns the 2015 tax year.

This matter came on for hearing November 4, 2015 in Boise, Idaho before Board Member Leland Heinrich. Appellant Tracy Fitzpatrick was self-represented. Tim Tallman 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 Ada County Board of Equalization is modified.

FINDINGS OF FACT

The assessed land value is \$75,000, and the improvements' value is \$175,500, totaling \$250,500. Appellant contends the correct improvements' value is \$155,000, with no change to the land value, for a total value of \$230,000.

The subject property is a 1,790 square foot single-level residence constructed in 1997 and situated on a .21 acre lot in the Lexington Hills subdivision in Eagle, Idaho. The

subject residence includes three (3) bedrooms, two (2) bathrooms, and an attached two-car garage roughly 570 square feet in size.

Appellant provided sales information concerning fourteen (14) improved residential properties in subject's general area. It appeared most, if not all, the sales took place in 2014. Sale prices ranged from \$200,000 to \$259,900 for properties containing between 1,670 and 1,984 square feet. The average price was \$223,521, or \$120 per square foot. Respondent noted several of the sale properties were not comparable to subject as they contained second stories, which generally sell at a lower price per square foot than single-level residences. Further, Respondent contended many of Appellant's sales lacked the same amenities as subject and were considered inferior to subject with regard to location and finishes.

Respondent provided information concerning six (6) residential sales which occurred between October 2013 and November 2014. Sale prices ranged from \$215,000 to \$306,000. Respondent made appraisal adjustments to each of the sale properties to account for differences compared to subject, such as, size, bathroom count, garage size, and location. Appellant pointed to the fact subject only contains a 2-car garage versus a 3-car garage which was much more desirable and valuable. Appellant suggested this is a negative selling factor for subject. Respondent explained adjustments were made for garage size in the sale comparables. Upward time adjustments were also applied to the necessary sale prices to reflect market conditions on January 1, 2015. Gross adjustments were between 5.1% and 13.1%. Adjusted sale prices were between \$214,875 and

\$291,199, or from \$120 to \$160 per square foot. Subject was assessed for \$250,500, or \$140 per square foot. Respondent's value conclusion was based on subject having three (3) bathrooms instead of two (2). Acknowledging the lack of a bathroom, Respondent offered a value of \$245,000.

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, 2015 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.

Appellant provided fourteen (14) improved residential sales for review, however, lacking were any adjustments for differences compared to subject. Respondent pointed

out many of the sales were located in inferior subdivisions. Respondent used several of the sales in its analysis and made adjustments for differences between the sale properties and subject, which provided for a stronger analysis.

Respondent also submitted information concerning six (6) sales of properties generally representative of subject in terms of size, design, amenities, and quality of construction. Appraisal adjustments were made to the sale prices to account for differences between the sale properties and subject. The result was a total value conclusion of \$250,500 for subject. The value conclusion, however, represented the subject property as having a total of three (3) bathrooms, wherein it actually only contains two (2) bathrooms. Giving consideration to subject's actual bathroom count, Respondent recommended a total value of \$245,000. Given the information in record, the Board agrees this lower recommended value is reasonable and represents subject's market value.

Based on the above, the decision of the Ada County Board of Equalization is modified to reflect a reduction of subject's improvements' value to \$170,000, with no change in the \$75,000 land value, resulting in a total value of \$245,000.

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, MODIFIED to reflect a decrease in subject's improvements' value to \$170,000, setting the total assessed value at \$245,000.

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 under certain circumstances that the above ordered value for the current tax year shall not be increased in the subsequent assessment year.

DATED this 5th day of February, 2016.