

BEFORE THE IDAHO BOARD OF TAX APPEALS

PEAK PERFORMANCE CONSULTANTS, LLC)	
CONSOLIDATED,)	
)	APPEAL NOS. 15-A-1077 and
Appellant,)	15-A-1078
)	
v.)	FINAL DECISION
)	AND ORDER
ADAMS COUNTY,)	
)	
Respondent.)	

VACANT LAND APPEALS

These appeals are taken from two (2) decisions of the Adams County Board of Equalization denying the protests of valuation for taxing purposes of properties described by Parcel Nos. RP0002500B0420A and RP0002500B0430A. The appeals concern the 2015 tax year.

These matters came on for telephonic hearing November 9, 2015 before Board Member Linda Pike. Richard Kluckhohn represented Appellant. Stacy Dreyer represented Respondent.

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

The issue on appeal concerns the market values of two (2) unimproved residential lots.

The decisions of the Adams County Board of Equalization are modified.

FINDINGS OF FACT

The assessed land value of each parcel is \$17,000. Appellant contends the correct land value for each lot is \$12,500.

The subject lots are each .52 acres in size. The parcels are adjacent to one-another and are situated on the golf course in the Council Greens subdivision near Council, Idaho.

Appellant described subjects' subdivision as being a "non-community", as no homes have been built in the area with the exception of one (1) near the entrance of the community.

Appellant explained the subject lots have been listed for sale on the open market for the past seven (7) years. In 2014, the asking prices were \$12,700 and \$15,700. During 2014 no offers were received. Appellant reported in 2015 there was an offer to purchase one (1) of the subject lots (Lot 42) for \$8,000. Other than that there have been no offers from potential buyers. Appellant requested the properties be assessed at their listing prices. Respondent countered listings prices are not market value.

Respondent explained subjects' subdivision Council Green contains 105 lots, with 13 owned by individuals and the rest owned by a developer. The lots owned by the developer are tied up in litigation.

Respondent explained the subject lots' assessed values were set by the Board of Tax Appeals in 2014 at \$17,500 individually, which values were carried forward to 2015.

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. Residential building lots are typically valued through the sales comparison approach. This approach normally relies on an analysis of recent comparable sales.

Subjects' active listing information was the only market value evidence provided in record. As noted, for residential property, the recent sales of similar property are typically the best evidence of market value in a sales comparison analysis. However, in this case subjects' subdivision is not active, nor was a comparable neighborhood identified. There are simply no recent comparable sales. Listings are generally not conclusive evidence of market value, however under some circumstances can help identify the probable upper range of value. We find with the unresolved litigation, lack of development, and basically no interest at subjects' asking prices, over an extended period of time, the assessed values are likely high.

Per Idaho Code § 63-511, in appeals to this Board the burden is with the Appellant to establish error in subjects' assessed values by a preponderance of the evidence. The burden of proof was satisfied in this instance. The Board found the best evidence of value was reflected by the last two (2) listing prices. As such, the decisions of the Adams County Board of Equalization are modified to reflect a value of \$13,500 for each subject lot.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decisions of the Adams County Board of Equalization concerning the subject parcels be, and the same

hereby are, MODIFIED setting the assessed values of each lot at \$13,500.

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, 2016.