

parcel is improved with a residence consisting of 1,731 total square feet. The residence includes three (3) bedrooms and two (2) bathrooms, and was constructed in 2008. The property is further improved with a 441 square foot garage.

Appellant provided an independent fee appraisal dated April 12, 2016. The appraisal considered five (5) sales and one (1) active listing. Three (3) of the sales occurred in 2016 and the remaining two (2) sales closed in 2015. The sale residences ranged in size between 859 and 1,837 square feet. The sale properties were between one (1) and sixteen (16) years old. Sale prices ranged from \$225,500 to \$287,500. Adjustments were made to the sale properties for differences compared to subject for lot size, quality of construction, condition, square footage, and garage size. After making adjustments to account for differences compared to subject the appraisal determined adjusted sale prices between \$228,250 and \$241,700. The appraisal concluded a total value of \$232,000 for subject. Respondent explained the appraisal itself and the majority of sales occurred in 2016 and argued it should not be used to determine subject's value on January 1, 2016, as it was beyond the date of valuation.

Respondent provided information regarding six (6) 2015 sales from subject's immediate subdivision. The sale residences ranged in size from 1,567 to 1,756 square feet and all were newer construction than subject. Lot sizes were the same as subject. Sale prices were between \$249,800 and \$273,054. Respondent adjusted the sales to account for differences compared to subject such as square footage, bathroom count, garage size, and age. An upward time adjustment of .50% per month was also applied to

the sale prices. Adjusted sale prices ranged from \$251,463 to \$264,604. Subject was assessed at \$249,800. Appellant argued all the sale properties were newer and therefore not comparable.

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, 2016 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.

The three (3) primary methods of determining market value include the income approach, the cost approach, and the sales comparison approach. *Merris v. Ada County*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979). Residential property is commonly valued using the sales comparison approach.

Both parties offered information relevant to a sales comparison approach. The majority of Appellant's sales information, however, occurred after the January 1, 2016

effective date of valuation. Typically, a sales comparison approach considers market data from prior to the valuation date because future information is not known or available. Accordingly, the Board did not rely on Appellant's 2016 sales, nor the final value conclusion reached in the fee appraisal because it estimated subject's value as of April 12, 2016, using primarily 2016 market data.

Of the remaining two (2) timely sales, one (1) was a 859 square foot residence which sold in July 2015 for \$244,000. The Board placed minimal weight on this sale as it involved a notably smaller residence, more than half the size of subject. The remaining sale residence was eight (8) years older than subject, contained 1,681 square feet and sold in September 2015 for \$229,250. Despite being older, no adjustment was made. If an age adjustment was applied it is likely the adjusted price would be closer to subject's assessed value.

Respondent provided timely market data for the Board's review which included five (5) sales involving residences roughly similar to subject in terms of size, location, and design. The most notable differences were all the sale properties were newer and had more bathrooms. Adjustments were made to the sale prices for differences between subject and the compared properties, resulting in adjusted sale prices which ranged from \$251,463 to \$264,604.

In appeals to this Board, the burden is with the Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. Idaho Code § 63-511. In this case, the Board does not find Appellant met the burden of proof. Respondent's value

evidence was supportive of subject's current assessed value. Therefore, the decision of the Ada County Board of Equalization is affirmed.

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 14th day of March, 2017.