

BEFORE THE IDAHO BOARD OF TAX APPEALS

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| LAWRENCE PULLIAM, |) | |
| |) | |
| Appellant, |) | APPEAL NO. 17-A-1009 |
| |) | |
| 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 denying the protest of valuation for taxing purposes of property described by Parcel No. S0634141850. The appeal concerns the 2017 tax year.

This matter came on for hearing September 6, 2017 in Boise, Idaho before Board Member Leland Heinrich. Appellant Lawrence Pulliam was self-represented. Chief Deputy Assessor Tim Tallman represented Respondent.

Board Members David Kinghorn and Leland Heinrich join in issuing 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 affirmed.

FINDINGS OF FACT

The assessed land value is \$500,000, and the improvements' value is \$173,700, totaling \$673,700. Appellant contends the correct land value is \$303,620, and the improvements' value is \$173,700, totaling \$477,320.

The subject property is a .41 acre residential parcel situated in the Highlands Subdivision in Boise, Idaho. The lot is improved with a 3,169 square foot one (1) story

residence with basement constructed in 1966. The residence includes four (4) bedrooms and two (2) bathrooms, and attached is a 550 square foot garage. The lot sits above Hulls Gulch on the end of a cul-de-sac and contains elevated views to the south of downtown Boise.

Appellant contended the assessed land valuation is too high, and that it has significantly increased over the past four (4) years. Appellant argued there have been no sales in subject's neighborhood to warrant the increase. The assessed land value was reported to have gone from \$190,000 to \$500,000 over the past few years.

Appellant first contested the desirability of subject's view. Appellant stated if a neighbor plants trees it would block subject's view and there would be no legal recourse if the view were to become obstructed. Further, Appellant explained subject's view is not a full panoramic view in comparison with other view lots on the street. It was noted the southwest portion of the view is blocked by trees and neighboring properties.

Appellant explained a neighbor allows a path going down the ridge to the Hulls Gulch trails, which runs through the west and south lots adjacent to subject. This causes a great deal of foot traffic and noise, which in Appellant's opinion, diminishes subject's value.

Appellant provided assessed values of neighboring properties to compare with subject. This analysis compared differences in acreage, views and assessed values. Appellant concluded based on the differences in assessed land values subject is over assessed and not equitable with neighboring parcels. Respondent listed the assessed land values in subject's immediate area to demonstrate uniformity. It was explained based

on view and lot size, subject's assessed value fell in line with the neighboring properties.

Focusing on subject, Respondent offered information concerning three (3) 2016 improved sales of elevated view properties; and one (1) vacant land sale. The sale residences were generally similar to subject in bedroom and bathroom count, age, quality, and basic design style. Respondent made adjustments for time of sale and differences compared to subject, such as, bathroom count, square footage, and swimming pool. Unadjusted sale prices ranged from \$600,000 to \$698,000, or between roughly \$192 and \$230 per square foot. Adjusted prices varied from \$645,500 to \$711,200, or from \$204 to \$224 per square foot. Subject's current assessed value equates to \$213 per square foot.

Respondent also offered a vacant land sale in support of subject's \$500,000 land value. The property was improved with a residence at the time of sale, however, Respondent noted the sale price included the demolition of the home. This sale property sold for \$595,000 in April 2016. The lot was .57 acres and enjoyed a view of the city.

Respondent provided an additional four (4) improved sales of view properties which took place in mid-2015. Lots were between .26 and .49 acres, and sale prices ranged from \$476,000 and \$670,255.

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, 2017 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). Residential property like the subject is typically valued using the sales comparison approach.

Appellant’s main concern was how much subject’s assessed land value increased over the past few years. Appellant referenced assessed values of properties in close proximity to subject, as well as other view properties located in other areas, to compare with subject’s assessed land value. Respondent also provided assessment information for lots in the immediate area, which showed assessed land values were uniformly determined based on view and lot size.

While we understand Appellant’s arguments, subject was being valued as of January 1, 2017, at which time the majority of the views were not blocked. It would be improper to set a value based on a hypothetical scenario, such as a neighbor one day planting large trees. We simply did not find market value evidence to suggest a lower land valuation. Further, the comparison of assessed values is not a recognized method of

appraisal and such analysis does not support an indication of subject's market value.

Respondent provided market data on multiple, recent comparable sales from subject's immediate area. The price information was adjusted for property differences and the adjusted sale prices ranging from \$645,500 to \$711,200. Subject's total assessed value is \$673,700, which appears reasonable given the value range indicated in the sales comparison approach to value.

Idaho Code Section 63-511 places the burden on Appellant to demonstrate error in subject's assessed value by a preponderance of the evidence. Given the record in this case, we did not find the burden of proof satisfied. Appellant relied on assessed values of other properties rather than on a consideration of recent sales information. Respondent's analysis was thorough and the value conclusion was well supported by recent timely sales located in close proximity to subject.

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 9th day of November, 2017.