

BEFORE THE IDAHO BOARD OF TAX APPEALS

DANNA BARNHART,	)	
	)	
Appellant,	)	APPEAL NO. 17-A-1047
	)	
v.	)	FINAL DECISION
	)	AND ORDER
ADAMS COUNTY,	)	
	)	
Respondent.	)	
_____	)	

**RESIDENTIAL PROPERTY APPEAL**

This appeal is taken from a decision of the Adams County Board of Equalization denying the protest of valuation for taxing purposes of property described by Parcel No. MHC0040000013BA. The appeal concerns the 2017 tax year.

This matter came on for hearing September 28, 2017 in Council, Idaho before Board Member Leland Heinrich. Appellant Danna Barnhart was self-represented. Assessor Stacey Swift Dreyer represented Respondent.

Board Members David Kinghorn, Leland Heinrich and Kenneth Nuhn join in issuing this decision.

**The issue on appeal concerns the market value of a manufactured home.**

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

FINDINGS OF FACT

The subject property consists only of the improvements located on land, which land is separately assessed. The assessed value of the subject improvements is \$59,898. Appellant contends the correct valuation of such improvements is \$54,255.

The subject property is a 1,836 square foot double-wide manufactured home, constructed in 1996. The property is located in Council, Idaho.

Appellant expressed concern with a roughly \$5,600 increase in the assessed value of the manufactured home for 2017. Appellant contended though subject was generally well kept and maintained, this should not be a factor for increasing its assessed value. Appellant explained subject is over 20 years old, and should be declining in value due to depreciation common with manufactured homes. Appellant demonstrated the presence of siding damage caused by the harsh winter. It was reported repairs would be necessary to maintain the property, and therefore a lower value in the current year was suggested.

Respondent explained that based on manufactured home sales over the past two (2) years, there was evidence assessed values for these homes were below market price levels across the county. Therefore manufactured home values were trended upward between 10% and 15%. Respondent explained subject was rated as a "class 5" manufactured home. Based on the sales of like properties, a 10% increase was applied to subject's prior value in arriving at the current year value.

In further support of subject's assessed value, Respondent provided two (2) sales of manufactured homes. The sales transpired in 2015 and 2016 and were part of the total manufactured home sales referenced above. The sale prices were \$62,500 and \$75,000, respectively. After removing land or other improvement values where indicated, it was estimated the manufactured homes' values were \$37,906 and \$51,312, reflecting price rates of \$36.45 and \$36.55 per square foot. In Respondent's view, the \$36 per square foot rate derived from the sales analysis compared favorably with subject's indicated assessed value rate of \$32.62 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, 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. The sales comparison approach is widely used for valuing residential property like the subject.

Appellant explained subject suffered some damage from winter weather. While we understand subject now has deferred maintenance, we did not find in the record an estimated cost-to-cure this damage, or an analysis of sales data to demonstrate such damage would have a material effect on a property's market value. Further, based on testimonial evidence, the Board understood the damage came to light in 2017, after the

relevant assessment and appraisal date of January 1, 2017.

Respondent, based on studying manufactured home sales in 2015 and 2016, determined market prices for such homes had appreciated or were higher than the homes' assessment levels. Accordingly, Respondent increased its assessed valuations for manufactured homes. This market-based adjustment was responsible for the increase in subject's current assessment. The adjustment was tailored to represent similar quality homes.

Offered in direct further support of subject's assessed value was an analysis of two (2) manufactured home sales. These homes were roughly similar to subject in terms of age and class. After removing values attributable to other improvements and land, Respondent estimated indicated prices for solely the manufactured homes. These indications were \$37,906 and \$51,312, or approximately \$36 per square foot. Respondent noted subject's assessment indicated an average rate of about \$33 per square foot. Overall, the Board found Respondent's market analysis reasonable and supporting of subject's current market value assessment.

In appeals to this Board, the burden is with Appellant to prove error in an assessment by a preponderance of the evidence. Idaho Code § 63-511. With respect to proving error in the market valuation of the manufactured home, the Board finds the burden of proof was not satisfied. Respondent was found to demonstrate a supported valuation of the subject and Appellant did not provide a superior analysis of the property's current market value.

Based on the above, the decision of the Adams County Board of Equalization will be affirmed.

**FINAL ORDER**

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Adams County Board of Equalization concerning the subject parcel be, and the same hereby is, AFFIRMED.

DATED this 18<sup>th</sup> day of December, 2017.