

BEFORE THE IDAHO BOARD OF TAX APPEALS

PER CHRISTENSEN,)	
)	
Appellant,)	APPEAL NO. 17-A-1049
)	
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. R5983890180. The appeal concerns the 2017 tax year.

This matter came on for hearing October 4, 2017 in Boise, Idaho before Hearing Officer Cindy Pollock. Appellant Per Christensen was self-represented. Chief Deputy Assessor Tim Tallman 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 an improved residential property.

The decision of the Ada County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$400,000, and the improvements' value is \$491,800, totaling \$891,800. Appellant contends the correct land value is \$280,000, and the improvements' value is \$491,800, totaling \$771,800.

The subject property is an improved .29 acre residential parcel located in the Nature's Wood Duck Subdivision in south east Boise. The residence contains 3,896

square feet and was built in 1993. Appellant believes the assessed market value of the subject property is erroneous.

Appellant provided a Google map which showed the parcels in subject's neighborhood together with their assessed land values. Appellant contended the house directly across the street from subject had an assessed land value \$200,000 less than subject's. A few houses down, on the same side of the street with the same view as subject, was another lot assessed for \$150,000 less than subject's land assessment. Appellant argued the assessed lot values in comparison with one another made no sense. It was argued an \$80,000 lot-view premium would be reasonable, however, a \$200,000 differential was not reasonable. Appellant presented the Ada County land records for the neighboring properties to show where the Google map lot assessed values came from.

Appellant provided another map with assessed land values for a new subdivision that was in a development called Harris North. Appellant picked out three (3) vacant lots which had views of Surprise Valley. Appellant considered these lots to have a view price premium. These lots were priced \$55,000 more than the nearby lots without views.

Appellant offered a sale listing from the same street as subject. This property was listed for sale at \$929,900 but never sold. Eventually it was pulled off the market and then later in September 2017 re-listed. Appellant explained the listing price cannot be compared to subject, as subject would need extensive remodeling to be brought up to a comparable condition. Appellant contended after adjustments for differing lot sizes and the needed remodel work, there was a roughly \$120,000 difference between subject's

assessed value and the value indication derived from the for sale listing. In closing, Appellant argued it was subject's land assessment that was \$120,000 too high.

Respondent maintained subject's assessment was fair and correct at \$891,800 and reported the property was reappraised for the 2017 tax year. Respondent provided a map to show where subject's subdivision is located in proximity to Bown Crossing and Barber Park. It was explained that Bown Crossing is the nicest area for restaurants, bars and commercial activity in the area and is within walking distance of subject. Respondent explained subject is located in a gated area which backs up to the Boise River and the Green Belt. Respondent further explained Barber Park surrounds subject and is between subject and the river. Respondent contended the properties across the street from subject were valued lower than subject as they lacked the same amenities and views of the river.

Respondent provided information on four (4) comparable sales located near subject. The first was located in the same neighborhood, however was not within a gated area, nor does it back up to the river like subject. The second comparable is also located in the same neighborhood, in the gated portion, however, it does not back up to the river. The third comparable is located in River Run Subdivision north west of subject. This property is similar to subject because it is also in a gated community and backs up to the river. The fourth comparable is in the same neighborhood as subject, in a gated portion, and backs up to the river. Respondent provided an aerial photo of the comparable sales to show their proximity to subject and the river. After Appraisal adjustments in the sales comparison approach, sale prices ranged from \$942,480 to \$1,063,950. Respondent noted subject is

assessed less than the comparable sales, at \$891,800. Respondent explained that a couple of these sales took place in 2015 and it has been an appreciating market since then. Therefore the sale prices could have been time adjusted, which would have indicated even higher values. Therefore, Respondent does not believe subject is over-valued.

Respondent presented a map of the Wood Duck Island subdivision. Three (3) areas of the subdivision were located in a gated area. The residences that were within the gated areas are built to a higher quality standard than the rest of the neighborhood. In conclusion, Respondent stated the question on appeal was not whether other properties were assessed too low in comparison to the subject, but what the subject as an improved property was worth.

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. An improved residential property like the subject is typically valued using the sales comparison approach. This approach considers multiple recent sales of similar or comparable properties.

Appellant provided no comparable sales information, but did provide a map and county land records of the properties surrounding subject, as well as information connected with one (1) sale listing. While the Board appreciated the effort to compare assessed land values, this is not a recognized appraisal approach for an improved residential property.

Appellant presented listing information for vacant lots from a new subdivision called Harris North to support view lot premiums. The Board did not place much weight on this listing price information because the location and other differences were significant in comparison to subject. Somewhat more weight was placed on the analysis of the listing located in subject's subdivision. Appellant testified this property was listed while in a better physical condition than the subject, however Appellant did not provide any detailed estimates on the cost to upgrade subject to a similar condition.

Although the properties Appellant noted on the Google map were near subject with somewhat similar views, the Board found significant differences between the properties. In particular, subject is located in a gated portion of the community which was deemed to

be a significant value factor.

In estimating market value, a property is assessed as a whole. Respondent's appraisal better reflected this unity than did Appellant's value evidence. The Board finds Respondent's consideration of market value well supported. Comparable sales were adjusted for differences and all indicated higher prices than subject's current assessed value.

In accordance with Idaho Code § 63-511, the burden is with the Appellant to establish Respondent's valuation is erroneous by a preponderance of the evidence. The Board finds that Appellant did not meet this burden. 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 29th day of December, 2017.