

assessed market value of the subject property is erroneous. The property was purchased in August 2015 for \$396,000 plus an additional \$11,880 in buyer's fees.

Appellant presented two methods of valuation, a sales comparison approach and a matched paired analysis. In the sales comparison approach, three (3) 2016 sales were considered. The first one was located at 7044 E Sky Bar Street, the second one was located at 3796 E Mill Site Lane, and the third one was located at 6222 E Playwrite Street. Appellant explained adjustments were made for the sale properties being located in different neighborhoods and for differing lot sizes in comparison to subject. The Playwrite Street sale was weighted at 40% because it was located in the same neighborhood as subject. The other two (2) properties were equally weighted at 30%. Appellant also provided information on two (2) 2016 land sales from southeast Boise to support the adjustments made for lot size. Concluded was a final value of \$419,870 for the subject property.

In the second valuation method Appellant conducted a matched pair analysis. It was described how 7044 E Sky Bar property sold in 2015, less than sixty (60) days before the subject's sale, and then sold again in 2016. Appellant believed the re-sale of that property showed the market increase in the area. The Sky Bar property sold for \$415,900, which included \$1,900 in closing costs. Appellant measured an 8.98% increase in value between 2015 and 2016. Appellant then took what was paid for subject, subtracted the closing costs, then added an 8.98% increase and came to a value conclusion of \$418,614.

Respondent maintained the assessment was fair and correct at \$451,400, or \$171

per square foot. Respondent provided three (3) comparable sales all located within the same neighborhood as subject. The sale properties were located between 120-1,100 feet away from subject. They were all single-story with finished bonus room or attic, and were all built within two (2) years of each other. Respondent reported the average home sale value in that neighborhood was \$513,000, with a median price of \$499,300. The first comparable sale, after adjusting for date of sale, size, and the garage, had an adjusted price of \$450,700, or \$171 per square foot. The second comparable sale had an adjusted price of \$466,500, or \$177 per square foot. The third comparable sale, farthest away from subject, after appraisal adjustments resulted in a final value of \$456,600, or \$173 per square foot. Respondent explained the Riverheights Subdivision is highly sought after, has very strong sales, and stressed that subject's assessment is on the low end of the assessed values.

Respondent further reported some of the comparable sales Appellant used were not in the same neighborhood as the subject property and were not built with the same quality or desirability as the Riverheights Subdivision. It was reported only one (1) of Appellant's comparable sales was located in subject's subdivision. The Sky Bar Street and Mill Site Lane properties were both located over a mile away from subject. The Construction quality in these neighborhoods was reported to be inferior to subject's and did not have the same amenities such as a pool, fitness center and activity center. Both the more distant sales were two (2) story homes, not one (1) story with a finished attic/bonus room like subject. Further, Mill Site Lane is located in a neighborhood with rear loading homes, which

Respondent found did not sell the same way as the subject's neighborhood.

Respondent also used Appellant's remaining sale. Respondent applied adjustments to the sale property and it came in two (2) dollars higher per square foot than subject's indicated assessment rate. Respondent found this showed the subject's assessment was actually on the low side of the market.

In closing, Respondent reiterated most of the comparable sales Appellant used were not in the same neighborhood, and not built with the same quality. Respondent argued subject's assessed value of \$451,400 was fair market value, if not on the low side.

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. Residential property like the subject is commonly valued using the sales comparison approach which considers the market pricing information from multiple, recent sales of similar property.

Appellant provided an analysis of three (3) comparable sales, only one (1) of which was located within the same neighborhood as subject. The other neighborhoods were found to generally be inferior to subject. The Board found the location related differences to be significant factors. More weight was placed on the sale property located in subject's subdivision. This property is also single-story with a finished bonus room/attic similar to subject. After adjustments, this property sale indicated a \$2 per square foot higher value than subject's assessment.

The second valuation method Appellant used was a matched pair analysis. Appellant compared a sale which sold in both 2015 and 2016. The Board appreciated this effort to measure market changes, but found the one (1) data point had limited value.

Repondent also provided consideration of three (3) 2016 comparable sales. The comparable sales were located in the same neighborhood as the subject. One of the sales was the same comparable that Appellant used. The sales indicated price rates from \$171 to \$177 per square foot. Subject's assessment indicated an average price rate of \$171 per square foot, which is on the low side of the comparable sales.

In appeals to this Board, pursuant to Idaho Code § 63-51, the burden is with the

Appellant to establish Respondent's valuation is erroneous by a preponderance of the evidence. The burden of proof was not satisfied in this instance. Appellant provided a large amount of evidence, however, we found most of the sales information to be from different neighborhoods, and therefore, not as relevant as the same neighborhood evidence offered by Respondent. Respondent also provided a large amount of sales information toward supporting subject's assessed value. Looking primarily at the comparable sales located in subject's neighborhood, we found good support for the accuracy of subject's assessment. We did not find a preponderance of the evidence to support an instance of over-assessment. 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 value decision of the Ada County Board of Equalization concerning the subject parcel be, and the same hereby is, AFFIRMED.

DATED this 12th day of December, 2017.