

BEFORE THE IDAHO BOARD OF TAX APPEALS

MARK NAIL,)	
)	
Appellant,)	APPEAL NO. 18-A-1121
)	
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 an appeal of the valuation for taxing purposes of property described by Parcel No. R1126001415. The appeal concerns the 2018 tax year.

This matter came on for hearing October 24, 2018 in Boise, Idaho before Board Member Leland Heinrich. Appellant Mark Nail was self-represented. Chief Deputy Assessor Brad Smith 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 \$105,000, and the improvements' value is \$507,100, totaling \$612,100. Appellant agrees with the land value, however, contends the correct value of the improvements is \$480,000, for a total value of \$585,000.

The subject property is a .10 acre parcel located in Boise's desirable North End neighborhood. The property is improved with a 2,119 square foot, two (2) level residence

constructed in 2011. The residence consists of four (4) bedrooms and two and one-half (2½) bathrooms. The property is further improved with a 760 square foot detached garage with roughly 560 square feet of finished living space in the upper level.

Appellant provided a valuation summary for the subject property dating back to the 2012 assessment year. Subject's assessment history was compared to that of the neighboring property, plus one (1) additional property regarded by Appellant as comparable to subject. The chart showed subject's assessment increases outpacing those of the two (2) referenced properties between 2012 and 2018. Appellant was particularly concerned subject's assessed value had increased approximately \$20,000 more over the time period than the neighbor's property, despite the neighbor's property being assessed higher than subject back in 2013. In Appellant's view, subject has been treated inequitably compared to the neighboring property over the last five (5) years. Respondent noted the neighbor's detached garage is smaller than subject's garage and also did not include additional upper floor living space. It was suggested these physical differences likely contributed to the variance in assessed value between the two (2) properties.

Respondent provided information concerning four (4) sales from subject's general area which occurred during 2017. The sale residences were multi-level designs like subject, and were generally similar to subject in terms of living area, age, bedroom and bathroom count, and porch area. Two (2) of the comparable sales included detached garages with finished living space in an upper level. Respondent adjusted the sale prices to account for these, and other differences between subject and the sale properties,

resulting in adjusted prices ranging from \$606,887 to \$643,393. By comparison subject's current assessed value is \$612,100.

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, 2018 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. The three (3) primary methods for determining market value include, 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). The sales comparison approach, which considers multiple recent sales of similar and proximate property, is generally used to estimate the market value of residential property.

Appellant's value evidence consisted of a comparison of assessment histories

between subject and a neighboring property, and an additional property located a couple blocks away. While the Board understands Appellant's concerns here, a comparison of assessed values is not a recognized way in which to estimate or appraise the market value of a subject. Further, as explained by Respondent, the subject here enjoys more than 550 square feet of finished living space above the detached garage, which is a highly valued amenity in the neighborhood. The properties referenced by Appellant did not include any additional living spaces. As such, it is not surprising subject's assessed value is somewhat higher than the properties referenced by Appellant.

Respondent's value evidence, consisting of four (4) recent improved sales from the neighborhood, was better received by the Board. Respondent adjusted the respective sale prices to account for physical differences between subject and the sale properties, which analysis is typical under the sales comparison approach. The adjustments appeared reasonable and the adjusted price range, between roughly \$605,000 and \$645,000, offered good support for subject's assessed value of \$612,100.

In appeals to this Board, Appellant bears the burden of proving error in subject's assessed value by a preponderance of the evidence. Idaho Code § 63-511. As only Respondent offered recent market data for the Board's consideration, we did not find the burden of proof satisfied. Respondent's analysis was found to be more thorough and to offer a more reliable estimate of subject's current market value. Accordingly, 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 21st day of December, 2018.