

BEFORE THE IDAHO BOARD OF TAX APPEALS

SANDCASTLE PROPERTIES, LLC,)	
)	
Appellant,)	APPEAL NO. 19-A-1036
)	
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 on property described by Parcel No. R2082760110. The appeal concerns the 2019 tax year.

This matter came on for hearing October 17, 2019 in Boise, Idaho before Hearing Officer Travis VanLith. Owner Kevin McIntyre appeared at hearing for Appellant. 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 \$121,000, and the improvements' value is \$156,900, totaling \$277,900. Appellant contends the correct land value is \$116,500, and the improvements' value is \$152,500, totaling \$269,000.

The subject property is a .18 acre parcel improved with a single level 1,365 square foot residence constructed in 1998. The residence is comprised of three (3) bedrooms and two (2) bathrooms, along with an attached 776 square foot three (3) car garage. The property is

located in the Echohawk Estates subdivision in Eagle, Idaho.

Appellant was concerned subject may be inequitably assessed for the current assessment year. In support of this position, Appellant provided a table of assessed values for properties located within subject's subdivision. Focusing strictly on those properties with a three (3) car garage, like subject, Appellant calculated an average year-to-year increase of 16.67% in overall assessed value. Subject's assessment, by contrast, was noted to have increased 19.07%. Respondent noted the assessments in subject's subdivision were trended for 2019, with overall value increases in the development ranging from roughly 15% to 22%.

For specific value evidence, Respondent provided information concerning six (6) recent sales from subject's subdivision. The sale properties were generally representative of subject in terms of design, age, size, and utility. Sale prices ranged from \$235,000 to \$287,500. Respondent compared subject to each sale property and made appraisal adjustments to account for physical characteristic differences, such as square footage, garage size, and lot size. An upward time adjustment of 1% per month was also applied to reflect market conditions on the January 1, 2019 assessment date. The adjusted sale prices, or value indications for subject, ranged from \$260,451 to \$305,642.

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 in fee simple interest, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all the testimony and documentary evidence submitted by the parties, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually

on January 1; January 1, 2019 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 estimating market value include the sales comparison approach, the income approach, and the cost approach to value. *Merris v. Ada Cnty.*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979). The sales comparison approach, which compares recent nearby sales of similar type property, is often used to value residential property.

Appellant's value position centered on an analysis of assessed values. Appellant calculated an average overall value increase of about 17% for nine (9) properties located in subject's subdivision and compared this rate to subject's increase of 19%. In Appellant's view, subject was assessed inequitably based on this information. While the Board understands Appellant's concern, the evidence presented did not demonstrate subject was arbitrarily or otherwise inequitably assessed. Indeed, subject's rate of increase was well within the range experienced by the overall subdivision, which saw increases from 15% to 22%. “Although uniformity in imposition of the tax burden is the goal, mathematical precision is, as a practical matter, impossible to achieve. ‘Individual irregularities and inequality in taxation will always exist. It is a process which cannot be reduced to an exact science. The law does not require exactitude, but it does require uniformity.’” *Xerox Corp. v. Ada Cnty. Assessor*, 101 Idaho 138, 142, 609 P.2d 1129, 1133 (1980); quoting *Anderson's Red & White Store v. Kootenai Cnty.*,

70 Idaho 260, 265, 215 P.2d 815, 818 (1950). Based on the evidence presented, the Board was unpersuaded subject's assessed value should be adjusted based on a claim of inequitable assessment.

Respondent's market value position was supported by six (6) recent sales of properties generally similar to subject in location, design, age, size, and utility. There were some minor physical differences between subject and the sale properties, for which Respondent applied appraisal adjustments. The result was adjusted value indications for subject ranging from \$260,451 to \$305,642. At \$277,900, subject's 2019 assessed value is well bracketed by the range indicated by the comparable sales.

Appellant bears the burden of proving error in subject's valuation by a preponderance of the evidence. Idaho Code § 63-511. Based on the evidence presented, the Board did not find the burden of proof satisfied. Appellant focused on assessed values of other properties, which is not a recognized appraisal approach to value. By contrast, Respondent offered a sales comparison approach analysis which relied on recent market data to arrive at a market value estimate. On the whole, subject's assessed value was found to be supported and reasonable. As such, 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 16th day of December, 2019.