

residence is situated on a .48 acre lot. The property is further improved with a pool, three (3) sheds, and asphalt paving.

Appellant generally agreed with the assessed value assigned to subject's residence, however argued the land value and other improvements' values are inaccurate, specifically, the values attributable to the pool and sheds. Appellant also argued the elderly are getting taxed out of their homes.

Appellant reported the subject pool was owner installed approximately thirty-eight (38) years ago. The assessed value assigned to the pool was \$10,700, which Appellant argued was not realistic for the age and condition of the pool. For value support, Appellant offered information on the assessed values of rural residential properties with pools. The assessed values on these pools ranged from \$5,100 to \$27,800. It was argued subject's pool should be assessed more closely to a 576 square foot pool, approximately 42 years old, which reflected an assessed value at \$15.62 per square foot. Applying this to subject's 493 square foot pool, Appellant calculated a value of \$5,350. Appellant provided photographs of the subject pool and the comparable pools referenced in the analysis.

Appellant next challenged the value assessed on outbuildings, in particular the sheds situated on the subject property. It was contended the sheds were moveable and therefore personal property. Appellant argued because the sheds are not permanently attached to anything, they should be considered personal property. However, Appellant did submit if the sheds are to be assessed as real property, the value assigned to each is too high. Looking at the price of new and used sheds, and factoring the age of each subject shed, Appellant determined more appropriate valuations would be \$200, \$25, and \$954. These valuations also

considered the original costs and individual ages, which ranged from 17 years old to 52 years old.

Lastly, Appellant addressed subject's land value. The subject lot is .48 acres in size. Appellant provided information on three (3) nearby vacant land sales. Sale No. 1 was a .64 acre lot which sold in May 2018 for \$40,000, or \$1.44 per square foot. Sale No. 2 was a .90 acre lot which sold in October 2019 for \$57,500, or \$1.47 per square foot. The last sale took place in July 2018. This .72 acre lot sold for \$45,000, or \$1.43 per square foot. Appellant used an average from the three (3) sales determining a market price per square foot of \$1.45. Applying this to subject's land area, Appellant derived a land value of \$30,245. Appellant then made adjustments for some of subject's site improvements, such as well pump, a depreciated replacement value of the well, and standard landscaping. Adding these values, Appellant determined a total land value of \$44,384.

On appeal, Respondent presented a new appraisal on the subject property. After an inspection some property characteristics were updated, yielding a new cost approach value of \$266,800, which value Respondent requested this Board adopt.

Using a sales comparison approach to value, Respondent considered six (6) comparable sales which sold during the second half of 2018. Five (5) of the residences were built in the 1970's, with the remaining built in 1969. The sale residences were generally similar to subject's residence in terms of square footage, age, and bedroom and bathroom count. Sale prices ranged from \$220,000 to \$341,000. Respondent directly compared each sale property to subject and adjusted the respective prices to account for differences in physical characteristics. The sale prices were also adjusted upward at a rate of 1% per month to

account for time of sale. The adjusted prices yielded value indications for subject ranging from \$259,790 to \$312,033, or price rates from about \$122 to \$146 per square foot. By comparison, subject's assessed value is \$259,500, or \$121.72 per square foot.

Looking specifically to subject's pool value, Respondent provided an analysis of pool permits issued in the county in 2018 and 2019. Pool permits showed costs ranging from \$10,000 to \$68,000, with the average cost at \$42,028. It was noted the subject pool is classified and assessed at the lowest construction grade out of eight (8) different category choices.

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, 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. Idaho Code § 63-208(1). 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 to value is commonly used in the appraisal of a residential property. In general terms, the approach examines recent sales of similar property and considers adjustments for differences in property characteristics between the subject and the sale properties.

Appellant argued subject's older, owner-installed pool should have a lower value based on a comparison of the assessed values of other pools in the area. The assessed values of these other pools ranged from \$5,100 to \$27,800. The assessed value assigned to subject's pool was \$10,700, which Appellant argued was not realistic for its age and condition. The Board did not find the pool was erroneously assessed when compared to other pools in the area. To the contrary, subject's pool was assessed at the lower end of the spectrum. Further, on the contributory value of the pool, the Board finds a comparison of assessed values is not a recognized appraisal approach to value.

Looking at Appellant's evidence on land value, the Board did not find the vacant land sales demonstrated error in the value Respondent assigned or attributed to subject's land. Further, in the sales comparison approach, land sales are not typically compared when valuing an improved property such as a single-family residence. In a similar result, the information provided regarding the sheds did not prove error in the sheds respective assessment nor in regard to subject's overall market value as an improved residential property. The sheds currently exist and are used in connection with a real property residence. On the evidence and argument presented, the Board did not find sufficient basis to assess the sheds separately, or on an individual basis, or to hold they were exempt personal property. They were found to contribute value to the subject property, consistent with their assessment treatment by

Respondent.

Market value for assessment purposes is understood to mean the market value of the property, that is the likely sale unit. The assessment notice may indicate separate land and improvement values, however, it is the total value of the property which is relevant or the touchstone of the assessment. In this case, Appellant chose to challenge certain components of subject's assessment, but did not present a typical appraisal which considers the recent sales of similar or comparable properties. Respondent's full appraisal, which included a sales comparison approach and cost approach, better viewed the subject property as an integrated whole and was found to best represent the subject's most probable selling price.

Respondent had conducted a physical inspection of subject's exterior, updated certain property characteristics, and came to an updated cost approach value of \$266,800. Further, using the sales comparison approach with adjustments made for property differences, indicated a value range between \$259,790 and \$312,033 for subject. Subject's current assessed value is \$259,500 which is at the low end of the indicated value range. At hearing, Respondent requested the assessed value be increased to \$266,800. While the Board understands Respondent's reasoning, at this time we decline to disturb the assessed value fairly in place.

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. We did not find the burden of proof satisfied in this instance. 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 Canyon County Board of Equalization is affirmed.

FINAL ORDER

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

DATED this 20th day of December, 2019.