

the correct market value is between \$25,000 and \$50,000.

Appeal No. 17-A-1056 (Parcel No. RP001000050010A)

The assessed value of this .449 acre land-only parcel is \$141,892. Appellant contends the correct market value is between \$30,000 and \$75,000.

The two (2) subjects are located in a subdivision on Hope Peninsula. Both parcels have access to private community waterfront and enjoy some view or filtered view of Lake Pend Oreille. The larger subject was considered a second tier parcel, while the other was considered a third tier parcel.

Appellant explained the .38 acre subject was listed for sale in 2018 with an asking price of \$139,000. Subsequently, the original list price was reduced to \$119,000. No offers were received at either price point.

Appellant provided information from four (4) vacant lot sales. The sale properties were located on Hope Peninsula. Sale No. 1 was a .74 acre lot which sold for \$67,568 in October 2018. Sale No. 2 was a .42 acre lot which sold in October 2017 for \$45,000. Sale No. 3 concerned a .45 acre lot which sold in July 2017 for \$57,000. Lastly, Sale No. 4 was a .65 acre lot which sold in September 2019 for \$80,000. Pointing to these sales, Appellant maintained subjects' current assessed values are too high. Also based on the sales information, it was argued the assessed value should be between \$25,000 and \$50,000 for the third tier lot, and between \$30,000 and \$75,000 for the second tier lot.

Respondent maintained the subject parcels are located in a superior area described as possessing mostly year-around residences with a private community waterfront. Respondent explained sales are hard to come by in subjects' immediate area, as it is an area that is slow

to change ownership. All but one (1) sale in record pertained to properties located in vacation or camping areas, versus a neighborhood with primary residences.

Respondent provided four (4) sales for comparison with subjects. The first sale property was the one located in subjects' immediate area. This improved sale sold for \$410,000 in 2016. This sale property was assessed \$233,760 for the improvements, and \$119,602 for the land. The three (3) remaining sales were located somewhat nearby subjects. The second sale was an improved .367 acre parcel which sold for \$220,400 in 2018. The third sale was a septic-denied .744 acre parcel which sold for \$50,000. The remaining sale was a .45 acre parcel which sold for \$57,000 in 2018. This last sale property did not have a view of the lake.

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.

The market value of real property is estimated for assessment purposes according to recognized appraisal methods and techniques. The sales comparison approach, the cost

approach, and the income approach comprise the three (3) accepted methods for determining market value. *Merris v. Ada Cnty*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979). The sales comparison approach, which generally considers multiple recent sales of similar and proximate property, is commonly used to estimate the market value of residential property.

Both parties provided information on comparable sales for the Board's consideration. The Board appreciated the difficulty here in finding similar property sales to compare with the subject parcels. Appellant had listed one (1) of the subjects for sale at an asking price of \$139,000, which was subsequently lowered to \$119,000. While we understand the property has not sold at the asking price, we also note the listed price is nowhere near Appellant's requested value of between \$25,000 and \$50,000. The Board found the lower price range to be more closely associated with the market prices for camping or septic-denied parcels. Neither subject was found to be limited to a camping use only.

The Board was also not convinced the lot sales offered by Appellant represented the best evidence of subjects' current market values. The sale lots were located in subdivisions farther from the water and in more seasonal-use areas of the lake. In arguing Appellant's lot sales were not comparable to subject, Respondent highlighted differences between subjects' subdivision and the area in which the sale lots were situated. Similarly, the Board found Appellant had not duly considered location and other property differences in comparing the referenced sales to subjects.

Respondent's appraisal analysis was found to generally be more focused on subjects' specific neighborhood and the subject properties' use attributes. Looking at the sales information and Respondent's analysis, the Board agreed subjects' location is generally

superior to that of the other recreational areas referenced in this appeal. The sales data from subjects' immediate area demonstrated higher land values. Ultimately, the Board found both subject parcels were fairly and reasonably assessed based on the sales data presented by the parties. Nothing in record was found to offer good support for the values requested by Appellant.

Idaho Code § 63-511 places the burden on Appellant to demonstrate error in subjects' market value assessments by a preponderance of the evidence. Given the evidence presented in this matter, we did not find the burden of proof satisfied. As such, we did not find sufficient cause to disturb the values determined by Respondent.

The decisions of the Bonner County Board of Equalization are affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the value decisions of the Bonner County Board of Equalization concerning the subject parcels be, and the same hereby are, AFFIRMED.

DATED this 15th day of January, 2020.