

<p><b>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO</b> 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioners:</p> <p><b>WILLIAM H. &amp; REBA J. PITCHER,</b></p> <p>v.</p> <p>Respondent:</p> <p><b>LARIMER COUNTY BOARD OF EQUALIZATION.</b></p>	<p>▲</p>
<p>Attorney or Party Without Attorney for the Petitioner:</p> <p>Name: William H. Pitcher Address: 7580 Vardon Way Fort Collins, CO 80528 Phone Number: (970) 223-4119 E-mail: Attorney Reg. No.:</p>	<p><b>Docket Number: 37157</b></p>
<p><b>ORDER</b></p>	

**THIS MATTER** was heard by the Board of Assessment Appeals on April 20, 2001, Karen E. Hart, Mark R. Linné, and J. Russell Shaw presiding. Petitioner, Mr. William H. Pitcher, appeared pro se. Respondent was represented by Linda K. Connors, Esq.

**PROPERTY DESCRIPTION:**

Subject property is described as follows:

**IMPS ON NE OF SE OF NW 35-10-76 (GOVT LAND)  
(Larimer County Schedule No. R0277274)**

Petitioners are protesting the 2000 actual value of the subject property, a primitive cabin, built in the early 1900s. The structure has electricity but no plumbing. The structure is located on a site that is a subject to a ground lease with the U.S. National Forest Service.

## **ISSUES:**

### **Petitioners:**

Petitioners contend that sales used by assessor do not reflect market conditions for the area in which the subject is located.

### **Respondent:**

Respondent contends that it has applied appropriate appraisal methodology in arriving at the value of this property

## **FINDINGS OF FACT:**

1. Petitioner, Mr. William H. Pitcher, presented the appeal on his own behalf.
2. Petitioners provided the following description and analysis of the subject property and its surrounding area:

The Petitioners' grandfather built the subject structure in 1920. It is a log cabin consisting of a single room, which has electricity but no water service. It is located on a site leased from the U.S. Forest Service.

3. There are no paved roads servicing the area, and use of the cabin is seasonal in nature with very limited winter access. The closest school, fire, and police infrastructures are in Harmony, Wyoming.

4. Use of the structure and the ability to make additional improvements to the site is impacted by restrictions placed on it by the Forest Service.

5. Mr. Pitcher pointed out to the Board that the non-transferable ground lease with the Federal Government will expire in 2008, and that there is no guarantee that the lease will be renewed.

6. Under cross-examination, Petitioner testified that he was unable to provide any sales comparables. He read from a county document stating that no sales of mountain cabins in the vicinity of the subject were available.

7. In response to questioning from the Board regarding how the Petitioner arrived at his estimate of value shown in the petition, Petitioner advised that it was just an opinion based on no specific research. He also advised that he had not attempted to develop any sort of value based on replacement cost of the structure.

8. Petitioners are requesting a 2000 actual value of \$15,000.00 for the subject property.

9. Respondent's witness, Ms Shirley Lindsay, Residential Appraiser with the Larimer County Assessor's Office, presented an indicated value of \$32,189.00 for the subject property based on the market approach.

10. Respondent's witness presented 3 comparable sales ranging in sales price from \$35,000.00 to \$47,500.00 and in size from 400 to 525 square feet. After adjustments were made, the sales ranged from \$26,825.00 to \$35,800.00.

11. All of the comparables are located in the vicinity of Red Feather Lakes and are approximately 35 miles away from the subject property. The structures located on each of the comparable sales are similar to subject with respect to size and construction type. The comparables were built between 1949 and 1964. Respondent testified that none of the comparable sales were serviced by electricity or water.

12. Ms. Lindsay further advised that adjustments were made to the comparable sales based on time, existence of amenities, and other structures on the properties. The land value for each of the comparable sales was estimated and deducted to account for the difference in the owner's control of the land.

13. Respondent's witness testified that each of the comparable sales was impacted by government restrictions similar to those affecting the subject.

14. With respect to Petitioner's assertion that the lease with the government may not be renewed and should impact the value of his property, Respondent's witness advised that she had spoken with a Ms. Mary Buresch, an employee of the Canyon Lakes Ranger District. During the course of the conversation, Ms. Buresch had represented to the Respondent that lease renewals were not at all problematic for the lessees, and that new permits were issued routinely for sites such as the subject.

15. Regarding the absence of sales of leased properties similar to the subject, Ms. Lindsay advised that most of these properties are passed down by families and not sold on the open market.

16. Respondent's witness testified that by setting a value for the subject at the low end of the value range demonstrated within Respondent's Exhibit 1, all of the nuances relating to the valuation of mountain cabin properties, similarly situated as the subject, had been accounted for.

17. Under cross-examination by the Petitioner regarding why, if leasing properties from the government was such a common process, no similar transactions were utilized within the body of the Respondent's report, Ms. Lindsay advised that she was unable to find any such transactions within the base year period.

18. Mr. Pitcher also pointed out that photographs of the comparables provide by the Respondent clearly showed the existence of electric service at two of the structures.

19. The Board asked several questions relating to how the Respondent's valuation accounted for location of the subject, the impact to value due to the lease, comparative age/condition of the structures and access issues. The response by Respondent's witness to each topic was that by using a value \$11.00 per square foot below the mean adjusted sales prices for the comparables, her valuation had given these matters adequate consideration.

20. Respondent's witness testified that Comparable #2 was most similar to the subject based on size, condition, and age.

21. Respondent assigned an actual value of \$32,189.00 to the subject property for tax year 2000.

## **CONCLUSIONS:**

1. Petitioners presented sufficient probative evidence and testimony to prove that the subject property was incorrectly valued for tax year 2000.

2. Although the Respondent utilized the lower end of the indicated value range to develop its assigned value, it is the position of this Board that insufficient consideration and adjustments were given to the subject property relative to its location, age, condition, and design. We believe that the location of properties in Red Feather Lakes is superior to the subject in several respects, primarily based on a closer proximity to Fort Collins and the limited availability of governmental service infrastructures to the subject. In considering the relative ages and conditions of the properties noted within the valuation report, we do not believe that appropriate adjustments have been made to the comparables to account for the design characteristics and age of the subject. We believe that an aggregate adjustment of negative 15% for all for these factors is appropriate in this case.

3. We further believe that inadequate allowances were made with respect to the matter of the ground lease that will expire in 2008. Even though the Respondent received assurances from a representative of the Forest Service that the Petitioners should have no difficulty renewing the ground lease upon its expiration, we believe that no one within that agency is in a position to determine what may or may not happen with respect to these sorts of contracts at a future date. Consequently, we believe an additional negative adjustment of 10% to be warranted.

3. The Board concluded that the 2000 actual value of the subject property should be reduced to \$24,000.00, with \$.00 allocated to land and \$24,000.00 allocated to improvements.

## **ORDER:**

Respondent is ordered to reduce the 2000 actual value of the subject property to \$24,000.00, with \$.00 allocated to land and \$24,000.00 allocated to improvements.

The Larimer County Assessor is directed to change his records accordingly.

**APPEAL:**

Petitioner may petition the Court of Appeals for judicial review within 45 days from the date of this decision.

If Respondent alleges procedural errors or errors of law by this Board, Respondent may petition the Court of Appeals for judicial review within 30 days from the date of this decision.

**DATED and MAILED** this 7<sup>th</sup> day of May, 2001.

**BOARD OF ASSESSMENT APPEALS**

Karen E Hart  
Karen E. Hart

Mark R. Linné  
Mark R. Linné

J. Russell Shaw  
J. Russell Shaw

This decision was put on the record

**MAY 07 2001**

I hereby certify that this is a true and correct copy of the decision of the Board of Assessment Appeals.

Diane Von Dollen  
Diane Von Dollen



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