

<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>KEITH AND MARK BERNDTSON,</b></p> <p>v.</p> <p>Respondent:</p> <p><b>LARIMER COUNTY BOARD OF EQUALIZATION.</b></p>	▲
<p>Attorney or Party Without Attorney for the Petitioners:</p> <p>Name: Keith &amp; Mark Berndtson Address: 1882 Fall River Road Estes Park, Co. 80517-9106 Phone Number: (970) 586-2144 E-mail: Attorney Reg. No.:</p>	<p><b>Docket Number: 38630</b></p>
<p><b>ORDER</b></p>	

**THIS MATTER** was heard by the Board of Assessment Appeals on October 16, 2002, Debra A. Baumbach and Rebecca Hawkins presiding. Petitioner, Keith Berndtson, pro se, represented the Petitioners. Respondent was represented by Jeannine S. Haag, Esq., Assistant Larimer County Attorney.

**PROPERTY DESCRIPTION:**

Subject property is described as follows:

**Larimer County Schedule No. R0548235**

Petitioners are protesting the 2001 actual value of the subject property; a single family log residence of fair quality containing 630 square feet, two bedrooms and one bath on .93 acres.

## **ISSUES:**

### **Petitioners:**

Petitioners contend that the property was overvalued as a result of the Respondent using comparables sales that were superior to the subject property.

### **Respondent:**

Respondent contends that the subject property has been correctly valued based on comparable market data.

## **FINDINGS OF FACT:**

1. Mr. Keith Berndtson presented the appeal on behalf of Petitioners.
2. Based on a price per square foot, Petitioners presented an indicated value of \$80,000.00 for the subject property.
3. Mr. Berndtson presented 96 comparable sales ranging in sales price from \$62,900.00 to \$640,000.00 and in size from 616 to 3,646 square feet. No adjustments were applied to the sales for differences in physical characteristics.
4. Mr. Berndtson testified that he has had classes in regression analysis and understands the method used by the Respondent to value property.
5. Mr. Berndtson testified to using the median price per square foot from Petitioners Exhibits 3, 4 and 5. He calculated the 630 square feet of the subject property times the median sales price of \$141.00 to arrive at a value of \$88,000.00. He then subtracted for a garage for a final value of \$80,000.00.
6. Petitioners testified the subject property only has a view of surrounding mountains and does not have a postcard type view of Longs Peak, Lake Estes or the Big Thompson River.
7. Mr. Berndtson testified that the Respondent used the most expensive sales to value the subject property. The subject property is in average condition on the exterior and below average condition on the interior. Referring to the photos in Petitioners Exhibit #6 he testified the:
  - a. Heating system can only heat the living room area in the winter.
  - b. Well and electrical systems are substandard.
  - c. Un-insulated windows and doors must be sealed during winter.
  - d. Ceilings sags.
  - e. Rust stain in tub cannot be removed.
  - f. Well water cannot be used to wash clothes.
  - g. Well water is not up to drinking standards.

8. Petitioner is requesting a 2001 actual value of \$80,000.00 for the subject property.

9. Respondent's witness, Ms. Linda Arnett, a Certified General Appraiser of the Larimer County Assessor's Office, presented four comparables ranging in sales price from \$105,000.00 to \$150,000.00 and in size from 426 to 816 square feet. After adjustments were made, the sales ranged from \$134,444.00 to \$146,746.00.

10. Ms. Arnett did not present an indicated value; however, she presented sales to support a value range of \$134,444.00 to \$146,746.00 for the subject property, based on the market approach.

11. Ms. Arnett testified to the subject property as a fair quality one-story log house, with two bedrooms and one full bath. Page 4 of Respondent's Exhibit A shows the subject location in relation to Fall River and Rocky Mountain National Park. Page 8 shows the location of the subject and the comparables used. The subject is located within the Town of Estes Park on .93 acres with utilities available to the site. The subject property has a well, is connected to the public sewer system, has electricity and is heated by a wall heater using liquid propane gas. The owner lives in the subject property year round.

12. Ms. Arnett testified she agreed with the Petitioners as to the interior condition of the subject property and its deferred maintenance. The Respondent's witness testified to the four comparable sales. No log-constructed sales were found. Comparable #1 was a frame one story, rated in fair quality. It was built in 1930 with 788 square feet, one bedroom and one bathroom. It is on one acre in an area that is inferior to the subject. The sale occurred between a stepfather and stepson; however, it was an arms-length transaction as an appraisal was performed in 1998 indicating a value of \$130,000.00. This property sold in 1999 for \$130,000.00. The sale was adjusted for time.

13. Comparable #2 is a frame one story built in 1941, also rated fair quality. It is a Quonset hut with an addition in 1991 and frame siding applied to the exterior. It is smaller in size with 426 square feet with one bedroom and a  $\frac{3}{4}$  bath. The sale was adjusted for time. This property contains .43 acres and is located southwest of downtown Estes Park but is within the city limits. This subdivision is higher in density and is off a winding road with hilly terrain. The appraiser adjusted the sale for an inferior site location.

14. Comparable #3 is a frame one story built in 1920, rated in fair quality. It is 816 square feet with two bedrooms and one bath. It is also located southwest of downtown Estes Park on .96 acres. It is across the street from the Big Thompson River, and a commercial lodge. The gravel road experiences daily commercial traffic from the workers at the lodge.

15. Comparable #4 was built in 1950 with log siding. It is rated as fair quality in similar condition. It has 759 square feet with two bedrooms and one bath. This sale is in the same general area as comparable #1 but is located lower down the mountain. This sale was adjusted for an inferior site location and time.

16. Ms. Arnett testified she uses a multiple regression analysis to determine market adjustments. She used an adjustment of \$97.68 per square foot for size.

17. Under cross-examination, Ms. Arnett testified that the sales had various views including Lake Estes. The subject had views of surrounding mountains and is close to Rocky Mountain Park. She stated the subject is in a more desirable subdivision than all the comparables used and the superior location offsets any views they have.

18. Respondent assigned an actual value of \$105,800.00 to the subject property for tax year 2001.

### **CONCLUSIONS:**

1. Respondent presented sufficient probative evidence and testimony to prove that the subject property was correctly valued for tax year 2001.

2. Petitioners presented numerous spreadsheets sorted by price per square foot. The Board reviewed the sales data; however, no adjustments were made for differences in physical characteristics, land size or views. Due to the lack of adjustments, the Board gave little weight to the sales data. Basic appraisal practice requires adjustment of all differences in physical characteristics, not just an analysis in price per square foot.

3. After careful consideration of all the presented testimony and evidence, the Board finds the sales used by the Respondent most compelling. The market value range on the appraisal is \$134,444.00 to \$146,746.00.

4. The Board agrees with the Respondent's witness regarding adjustments for views and location. Even though the views of the comparable sales may be superior to the subject, this is offset by the superior location of the subject.

5. The appraised value takes into consideration differences in location and physical characteristics of the comparables when compared to the subject property. The Board was adequately convinced the final indicated value is higher than what was assigned. The assigned value of \$105,800.00 reflects deferred maintenance and overall condition of the subject property.

6. The Board affirms with Respondent's presented value of \$105,800.00.

### **ORDER:**

The petition is denied.

### **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 20<sup>th</sup> day of November, 2002.

**BOARD OF ASSESSMENT APPEALS**

Debra A. Baumbach  
Debra A. Baumbach

Rebecca Hawkins  
Rebecca Hawkins

This decision was put on the record

**NOV 20 2002**

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

Mary J. Helfer  
Mary J. Helfer

