

<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>MICHAEL &amp; RONDA CURTIS,</b></p> <p>v.</p> <p>Respondent:</p> <p><b>DOUGLAS COUNTY BOARD OF EQUALIZATION.</b></p>	<p>▲</p>
<p>Attorney or Party Without Attorney for the Petitioners:</p> <p>Name: Rhonda Curtis Address: 354 Morningstar Way Castle Rock, Colorado 80104 Phone Number: (303) 660-4555 E-mail: Attorney Reg. No.:</p>	<p><b>Docket Number: 38903</b></p>
<p><b>ORDER</b></p>	

**THIS MATTER** was heard by the Board of Assessment Appeals on November 7, 2001, Debra A. Baumbach and Mark R. Linné presiding. Ronda B. Curtis appeared pro se for the Petitioners. Respondent was represented by Lance J. Ingalls, Esq.

**PROPERTY DESCRIPTION:**

Subject property is described as follows:

**LOT 354 BLK 11 CASTLE PINES #1B REPLAT 1.34  
(Douglas County Schedule No. R0279128)**

Petitioners are protesting the 2001 actual value of the subject property. The subject is a two-story home constructed of frame/masonry that is located in the gated community known as Castle Pines Village. The subject was built in 1995 and consists of approximately 3,886 square feet of living area. The property is configured with four bedrooms, four bathrooms, a three-car garage, and a 2,087 square foot unfinished walkout basement. The improvements are situated on a lot comprising 1.34 acres.

## **ISSUES:**

### **Petitioners:**

Petitioners contend that the subject property has been overvalued, and further asserts that the Respondent did not quantify the lower quality amenity level of their house in comparison to the comparable sales. They have made no upgrades to the interior and their property should be compared to other lower-quality comparable sales. Their home is one of the smaller homes in the area. The Assessor has not properly considered the differences in the subject.

### **Respondent:**

Respondent contends that the subject property has been correctly valued. The comparable sales used are the most similar to the subject in size, style, quality, and market appeal. All of the sales are considered to be from the same market area. The Respondent has presented an appraisal that makes adjustments to comparable sales in the area, resulting in a well-supported value for the subject. The Respondent does not believe that the use of a sales price per square foot figure is sufficient to value the subject property.

## **FINDINGS OF FACT:**

1. Ms. Ronda B. Curtis, Petitioner, presented the appeal on behalf of the Petitioners.
2. Based on the market approach, Petitioners presented an indicated value of \$630,076.00 for the subject property.
3. The witness testified that her house included no upgrades to the interior, and that their property should be compared to other lower-quality comparable sales in the area. Their home is one of the smaller homes in the area, and the Respondent has not properly considered the differences between the subject and the comparable sales selected. The witness presented Exhibit E and F, both of which detailed their comparable data.
4. The witness testified that the adjustment factors applied by the Respondent for characteristic differences such as square foot of living area and basement finish are too low, and adversely impact their home. While they do not disagree with the selection of the comparable sales, they do disagree with the adjustments applied. If proper adjustments were applied, then the indicated market value would be lower.
5. The witness testified that because their home does not have finished basement area, the Respondent, in attempting to adjust the comparables to their home, has under-adjusted the sales. If more realistic adjustment factors were applied, the concluded value would more accurately value their home.

6. Ms. Curtis characterized their home as semi-custom, with no upgrades. She testified that there were no items such as ceramic tile that would characterize their home. The witness further explained that the builder of their home offered minimal appliance allowances, and for this reason, they have fairly standard appliances. Additionally, they have wood floors in the kitchen and main level baths, again, not typical for houses in their neighborhood.

7. Petitioners presented three comparable sales ranging in time adjusted sales price from \$662,096.00 to \$677,172.00 and in size from 4,048 to 4,292 square feet. The sales price per square foot provided an indicated range of \$157.78 to \$166.98. The average sales time adjusted sales price per square foot was indicated as \$113.86.

8. Petitioners are requesting a 2001 actual value of \$630,076.00 for the subject property.

9. Respondent's witness, Mr. Larry Shouse, Colorado Certified General Appraiser, Senior Appeals Appraiser with the Douglas County Assessor's Office, presented an indicated value of \$675,000.00 for the subject property based on the market approach.

10. Respondent's witness presented three comparable sales ranging in time adjusted sales price from \$699,409.00 to \$712,371.00 and in size from 3,578 to 4,177 square feet. After adjustments were made, the sales ranged from \$659,634.00 to \$697,106.00.

11. The witness testified that he followed the appropriate guidelines, including Colorado Revised Statutes and the Assessors Reference Library guidelines prepared by the Division of Property Taxation.

12. The witness testified that he considered only the direct sales comparison approach, the only permitted approach to value permitted under statute.

13. Mr. Shouse testified that the sales were selected on the basis of similarity from the standpoint of location, age, main floor square footage, walkout versus non-walk-out basement, and number of garage spaces.

14. He did not feel that it was entirely appropriate to consider only the sales price per square foot in concluding a market value for a property. It is important to make adjustments for and consider differences in physical characteristics. Another critical consideration is the adjustment of sales for changes in market conditions.

15. Respondent assigned an actual value of \$675,000.00 to the subject property for tax year 2001.

16. The witness testified under cross-examination, that the Douglas County Assessor has determined that these adjustment factors are appropriate for quality grades similar to the subject throughout Douglas County. The witness explained that paired-sales analysis was utilized to derive the adjustment factors, and that the information was consistent within the neighborhood. The witness further testified that the adjustments applied consider the neighborhood.

17. In rebuttal testimony, Petitioner explained that their smaller home and its value is distorted by the inappropriate adjustment factors applied by the Respondent. They have provided three houses as comparable sales in their area that support a lower valuation. Their home should be compared to these homes. They have not put any improvements into their home. They have put all of the landscaping in themselves.

## **CONCLUSIONS:**

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

2. The Board has carefully considered all admitted evidence and testimony and has affirmed the Respondent's value. The Respondent presented three comparable sales supporting the assigned value conclusion. The adjustments made to the sales are reasonable and take into consideration any differences in physical characteristics.

3. The Board could give little weight to the comparable sales presented by the Petitioners. There was no calculation breakdown of the adjustments made. There were no interior photos presented for the Board's consideration exhibiting the overall quality and condition of the amenities for the subject in comparison to the comparables selected. There was no persuasive testimony or evidence presented indicating the overall quality of construction and degree of amenities to be below the standard in that area. The Board was only provided with speculation on the amenity upgrades and quality of the comparables utilized within the analysis by the Petitioners.

4. The Respondent's assigned value does take into consideration all the factors affecting the overall valuation. Additionally, the reliance on the adjustment factor of \$113.86 per square foot was based on data extracted from only three sales, and did not take into account the actual quality of upgrades and amenities in these properties. To extrapolate an adjustment factor from this data can be potentially misleading. The Board feels that the uniform application of a factor derived from many sales within a neighborhood is a preferable methodology. The assigned value is supported and is affirmed based on the evidence and testimony presented to the Board for consideration.

## **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 18<sup>th</sup> day of December, 2001.

**BOARD OF ASSESSMENT APPEALS**

Debra A. Baumbach  
Debra A. Baumbach

Mark R. Linné  
Mark R. Linné

This decision was put on the record

DEC 17 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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