

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>ROBERT J. VERBIC,</p> <p>v.</p> <p>Respondent:</p> <p>CHAFFEE COUNTY BOARD OF EQUALIZATION.</p>	
<p>Attorney or Party Without Attorney for the Petitioner:</p> <p>Name: Robert J. Verbic Address: 16340 Mt. Princeton Road Buena Vista, Colorado 81211 Phone Number: (719) 395-2264 E-mail: Attorney Reg. No.:</p>	<p>Docket Number: 39109</p>
<p style="text-align: center;">ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on January 24, 2002, Claudia D. Klein, Steffen A. Brown, and Mark R. Linné presiding. Petitioner appeared pro se. Respondent was represented by Jennifer A. Davis, Esq.

PROPERTY DESCRIPTION:

Subject property is described as follows:

**TRACT IN S2 12-15-79
(Chaffee County Schedule No. R342312400031)**

Petitioner is protesting the 2001 actual value of the subject property, a single family residence located at 16340 Mt. Princeton Road, near the Town of Nathrop, in Chaffee County, Colorado. The improvements consist of a two bedroom, one bath dwelling comprising a total of 764 square feet, with a three-car garage. The improvements are situated on a site comprising .96-acre.

ISSUES:

Petitioner:

Petitioner contends that there are errors in the data that the Respondent has utilized to value the subject property. He further asserts that his analysis utilizes better comparable sales data. In addition, the Respondent has inappropriately valued a new three-car garage that was not completed as of the assessment date.

Respondent:

Respondent contends that the valuation assigned to the subject property is appropriate and supported by the comparable sales data. The Respondent contends that it correctly valued the three-car garage addition in accordance with established assessment practice.

FINDINGS OF FACT:

1. Mr. Robert J. Verbic, Petitioner, presented the appeal on his own behalf.
2. Based on the market approach, Petitioner presented an indicated value of \$135,000.00 for the subject property.
3. The witness testified that there were two primary issues with which he disputed: the valuation assigned to the subject, and a three-car addition made to the subject.
4. Petitioner presented three comparable sales ranging in sales price from \$159,500.00 to \$178,000.00 and in size from 1,000 to 1,190 square feet. After adjustments were made, the sales ranged from \$127,400.00 to \$135,600.00.
5. The witness testified that he had a licensed appraiser help him derive the adjustments.
6. Mr. Verbic testified that one of the comparables was in Chalk Creek, which he feels is a superior location in comparison to the subject's Lost Creek location.
7. The witness testified that the Respondent's appraisal had certain errors, including incorrect adjustments on a per square footage basis for living area and basement area. Two of the county's comparables have fireplaces, but a positive adjustment was made when a deduction should have been made.
8. The witness testified that the subject's garage was not complete, and should not have been assessed.
9. Under cross-examination, the witness testified that he made no time adjustments in his analysis of the comparable sales.

10. Mr. Verbic testified that he didn't feel that the garage structure should be assessed, given that it was not complete.

11. The witness testified that he did not allow the assessor to perform an inspection of the subject property. He felt that since the property had subsequently been completed, any inspection would not have been helpful.

12. The witness testified that he determined the living area calculation for Comparable #1 from the public record.

13. In response to questions from the Board, the witness testified that the garage structure had a construction cost in the \$40,000.00 range.

14. Petitioner's witness, Kenneth Eigsti, testified that there is a difference in values between Lost Creek and Chalk Creek. The witness cited an example of a property that required five years to sell. Lost Creek Ranch properties have a market resistance, and thus must be considered.

15. The witness testified that the subject represents a smaller house, and smaller houses are more difficult to market.

16. Petitioner's witness Larry Dusza, testified that he was a general contractor and built the garage for the Petitioner.

17. The witness testified that he began the construction of the garage in June 2000 and finished in June of 2001. As of December 31, 2000, the interior was very incomplete.

18. The witness testified that he asked the building inspector for the county if the structure could be used, and was told that the property could only be used for storage.

19. The witness testified under cross-examination that the garage was a 3-car garage. He described the property as having a large room upstairs with storage. A deck comes off of the garage and ties the structure into the house.

20. The witness testified that he was unsure of the total cost of the garage project.

21. Under cross-examination, the witness testified that the subject only has one bedroom.

22. In response to questions from the Board, the witness testified that building permits were now required for remodeling. At the time that the subject was remodeled, it was very likely that a permit was not required.

23. Petitioner is requesting a 2001 actual value of \$135,000.00 for the subject property.

24. Mari P. Moore, a Colorado Registered Appraiser for the Chaffee County Assessor's Office, testified that she had attempted to complete a field inspection of the subject, but the Petitioner did not allow her to complete an inspection.

25. Based on the market approach, the Respondent presented a value of \$194,016.00.

26. Respondent's witness presented three comparable sales ranging in sales price from \$164,950.00 to \$177,000.00 and in size from 600 to 1,190 square feet. After adjustments were made, the sales ranged from \$193,628.00 to \$204,541.00.

27. The witness testified that she did not feel that there were any problems with access, and that the property had average access.

28. The witness testified that she completed a market analysis on sales that occurred in the county.

29. Ms. Moore testified that she utilized three comparable sales in her analysis.

30. She based her consideration of the garage as 100% complete on data obtained from the building department. The guidelines on percentage complete differed from the guidelines used by the building department for issuing a certification of occupancy. She looked at the building inspection file for the property, but could not talk to the actual inspector since he was no longer with the department.

31. The witness indicated that there was an error in the report, as previously testified to by the Petitioner. The excess square footage was calculated at \$35.00 per square foot for the above-grade space, and \$20.00 per square foot for below-grade space.

32. The witness testified that she made a time adjustment for changes in market conditions, and this was made for all of the comparables.

33. The witness testified that she applied a \$40,000.00 value for the 3-car garage structure.

34. Ms. Moore described Comparable Sale #1 as having significant decking.

35. The witness testified that the fireplace adjustment factor was incorrectly calculated, but that the final concluded value was still accurate.

36. The witness described Comparable Sale #2 as having a Chalk Creek location, and no river frontage. Some properties in the area have river frontage, but this property does not.

37. The witness testified that Comparable #3 was also located in a subdivision in the Chalk Creek area, known as Chalk Creek Estates. This property is not river-front property. Adjustments were made based on data extracted from the market. She made an adjustment for the style of Comparable #3, one story versus one and a half.

38. The witness testified that Petitioner's Comparable Sale #1 had an incorrect square footage area, according to the assessment file data she examined. She performed a field review on this comparable sale, and relied on file data previously collected on the property.

39. Under cross-examination, the witness testified that location does matter.

40. Ms. Moore testified that she does not use time on market as a factor that impacts her market analysis.

41. In response to questions from the Board, the witness testified that she did not use Petitioner's Comparable #1 because it was significantly larger and had a large garage, rendering it less comparable.

42. Under redirect examination, the witness testified that she did not utilize Petitioner's Comparable Sale #1, because she had already extracted three sales.

43. She also testified that the comparables from Chalk Creek have variation; some properties are more desirable and some are less so.

44. Respondent assigned an actual value of \$194,016.00 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. The Board has examined the valuation data presented by the Respondent, and ultimately finds it most credible. Additionally, the Board notes that the Respondent correctly applied time adjustment factors, in accordance with Colorado Revised Statutes. Conversely, the Petitioner failed to apply appropriate time adjustment factors, and this omission provides a lesser validity to the comparable sales data that he presented.

3. The Board concludes that the Respondent was correct in placing the three-car garage on the assessment records. The assessor is free to apply discretion in the application of internal guidelines with respect to the completeness of improvements. The fact that a certificate of occupancy has not been applied does not invalidate the consideration of the addition for purposes of taxation.

4. The Board concludes that the basis of the differential between the value asserted by the Petitioner and the Respondent is largely due to the lack of time trending in the Petitioner's analysis, and the lack of consideration for the garage addition.

5. Accordingly, the Board places the greatest reliance on the comparable sales data presented by the Respondent, and additionally believes that the consideration of the garage addition was appropriate and within the procedural discretion of the Respondent.

ORDER:

The petition is denied.

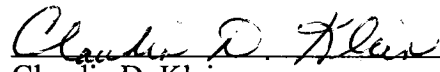
APPEAL:

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 20th day of February, 2002.

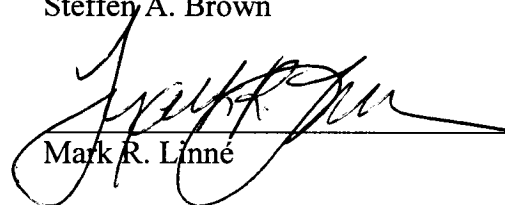
BOARD OF ASSESSMENT APPEALS



Claudia D. Klein



Steffen A. Brown



Mark R. Linné

This decision was put on the record

FEB 20 2002

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



Diane Von Dollen

