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| <p><b>BOARD OF ASSESSMENT APPEALS,<br/>STATE OF COLORADO</b><br/>1313 Sherman Street, Room 315<br/>Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p><b>CLARENCE G. SITZMAN,</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: Clarence G. Sitzman<br/>Address: 401 Camino Real<br/>Fort Collins, Colorado 80524<br/>Phone Number: (970) 484-5667<br/>E-mail:<br/>Attorney Reg. No.:</p>   | <p><b>Docket Number: 39183</b></p> |
| <p><b>ORDER</b></p>  |                                    |

**THIS MATTER** was heard by the Board of Assessment Appeals on December 13, 2001, Mark R. Linné and Karen E. Hart presiding. Petitioner appeared pro se. Respondent was represented by Linda K. Connors, Esq.

**PROPERTY DESCRIPTION:**

Subject property is described as follows:

**LOT 9 VISTA BONITA SUB  
(Larimer County Schedule No. R0190489)**

Petitioner is protesting the 2001 actual value of the subject property, a 1.5 story, frame dwelling originally built in 1974 and consisting of 3,239 square feet, located in the Vista Bonita subdivision in Larimer County, Colorado.

## **ISSUES:**

### **Petitioner:**

Petitioner contends that Respondent's sales are not comparable to his property. Respondent did not make appropriate adjustments to the sales. His property is of a lesser quality than most of the properties in his area.

### **Respondent:**

Respondent contends that the subject property was appropriately valued using sales of similar properties similarly situated that occurred during the appropriate base period ending June 30, 2000.

## **FINDINGS OF FACT:**

1. Mr. Clarence G. Sitzman, Petitioner, presented the appeal on his own behalf.
2. Based on the market approach, Petitioner presented an indicated value of \$240,000.00 for the subject property.
3. Petitioner presented three sales; however, 2 sales occurred post base year and could not be considered. Petitioner's remaining comparable sale had a sales price of \$252,400.00 and was 2,880 square feet in size. No adjustments were made to the sale.
4. Mr. Sitzman testified that he purchased his house in 1976. At that time it had 2,000 square feet and was one of the poorest quality houses in the neighborhood. One of the things that attracted him to the property is that the lot is one of the largest, off-lake lots. He has since added to the property. Sixteen years ago he added 370 square feet in a room addition that included a dining room/kitchen remodel. In 1994 he added a recreation room and a second story bedroom and bath. The current square footage is 3,239. Two-thirds of the house is of poor quality construction, as the building materials were substandard in the original part of the house. His property is not located on the lake, nor can the lake be seen from his property due to neighboring houses and fences.
5. Mr. Sitzman does not feel that Respondent's comparables are equivalent to his property. Comparable Sale 2 is located in a different subdivision that consists of estate lots with lots up to two acres in size. The comparable land size is four times larger than the subject.
6. Comparables 1 and 3 are located in his subdivision but are lake-front properties. Their backyards border the lake. He believes that lake-front properties sell for up to \$70,000.00 more than non-lake front properties. Lake-front properties tend to be better quality homes than off-lake properties.

7. Mr. Sitzman testified that he is very familiar with Comparable Sale 1. Although the exterior looks average, the interior finish is superior. There is a country kitchen with double ovens and upgrades, a wet bar, imported tile flooring, brass railings, and port windows. It would be his dream home. It is not comparable to the quality of his property.

8. Mr. Sitzman testified that he is also familiar with Comparable Sale 3. It was built about the same time as his property and is the same design as his house was originally. There was a remodel done to the house in 1994, the same time he last remodeled his home. However, it fronts on the lake and he believes this feature makes the property \$40,000.00 to \$50,000.00 more valuable.

9. Mr. Sitzman presented information regarding a sale that occurred in December of 1998, which is page 4 of his Exhibit A. It is similar to his property, was built about the same time, and is not fronting a lake. The sales price per square foot is \$87.64 compared to his value per square foot of \$98.80.

10. Mr. Sitzman also presented an appraisal of his property dated July 9, 1998. The concluded value was \$200,000.00. He testified that the comparable sales used by the appraiser were off-lake properties located within his area. The appraisal was done to get the maximum loan available. He used a time adjustment factor of 10% per year to arrive at a value of \$240,000.00 for his property as of the current assessment level. However, under cross-examination, Mr. Sitzman admitted that the square footage used in the appraisal was 2,180; his house currently has over 3,000 square feet.

11. Petitioner is requesting a 2001 actual value of \$240,000.00 for the subject property.

12. Respondent's witness, Ms. Shirley Lindsay, a Licensed Appraiser with the Larimer County Assessor's Office, presented an indicated value of \$320,000.00 for the subject property based on the market approach.

13. Respondent's witness presented 3 comparable sales ranging in sales price from \$240,000.00 to \$299,900.00 and in size from 1,954 to 2,805 square feet. After adjustments were made, the sales ranged from \$293,978.00 to \$370,672.00.

14. Ms. Lindsay testified that the house square footage is 3,239, including a second floor area of 755 square feet. There are also porches, decks, and a shed located on the property. She testified that the additions and other amenities had not previously been valued on the tax roll.

15. Ms. Lindsay testified that she used sales that occurred from January 1, 1999 to June 30, 2000. All of the sales were time adjusted.

16. Ms. Lindsay testified that her Comparable Sale 1 is located on the same street as the subject, approximately seven houses down the street. It is of good quality and is located in the same subdivision. Adjustments were made for living area size and garage square footage.

17. Comparable Sale 2 is located less than a mile away from the subject in a neighboring subdivision. The lots in this area are larger; this comparable house is newer than the subject but it is not located on a lake. The sales price was adjusted for living area square footage, basement and garage square footage.

18. Comparable Sale 3 is also located on the same street as the subject. It is slightly older than the subject and was adjusted for living area square footage and garage size.

19. Ms. Lindsay testified that they only look at mass appraisal information and comparable sales prices. They do not consider interior finish, as she considers it a part of the cost approach, as well as the fact that they do not have access to the interior of properties. Any differences due to interior finish would be reflected in the sales price.

20. Under cross-examination, Ms. Lindsay testified that they do a mass appraisal technique; they do not look at specific qualities, only the basic overall condition of the property. They do not consider differences in land size; they look at the land as one building site, not by site size.

21. In redirect testimony, Ms. Lindsay explained that the assigned value of \$98.80 per square foot was arrived at by dividing the CBOE value of \$320,000.00 by the subject property square footage. She pointed out that the subject property value is less than the indicated sales range and this should account for differences that exist in amenities such as lake frontage, style, and lot size.

22. Upon questioning from the Board, Ms. Lindsay admitted that properties with lake frontage were more valuable than non-lake front properties. She also admitted that land size may be a factor in market value, but she did not have enough data to discern what that difference may be. She testified that ranch-style homes sell for more dollars per square foot than 1½-story homes. She admitted that location, style and quality were all things that should be adjusted for in the market, but that the subject property value was less than the indicated value range and, therefore, the assigned value accounted for these differences. Ms. Lindsay testified that differences in living area square footage were adjusted at the rate of \$61.75 per square foot, based on an average quality construction. The time adjustment was calculated at the rate of .8% per month.

23. Respondent assigned an actual value of \$320,000.00 to the subject property for tax year 2001.

## **CONCLUSIONS:**

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

2. The Board is frankly puzzled as to why Respondent's witness, Ms. Lindsay, did not adjust the comparable sales for all contributors to market value. Respondent's witness recognized that other variables were contributors to market value, such as lake frontage, lot size, quality of construction or interior finish, and style of the dwelling, but no adjustments were made for these contributors. She repeatedly testified that the variance in the indicated sales price range and the assigned value would account for these property differences. However, without making adjustments for these characteristics, such a statement cannot be validated.

3. The Board included Petitioner's sale and adjusted both it and Respondent's comparable sales for all physical differences, including lake-frontage, lot size, dwelling style, and quality of interior finish and construction. The resulting adjusted sales price range was \$256,522.00 to \$309,131.00, with a price per square foot range of \$99.55 to \$149.99. Petitioner's assigned value is \$98.80 per square foot, below the indicated value range.

4. Regarding Petitioner's appraisal report, the Board gave little consideration to the concluded value. The report erroneously concluded a value based on a much smaller square footage than the subject property actual living area size. The Board reviewed the sales used by the appraiser in the report, but concluded the sales were too dated to be given more consideration than the four more recent sales ultimately relied upon by the Board.

5. The Board concluded that Respondent's value of \$320,000.00 is supported by the presented sales and affirms the assigned value.

**ORDER:**

The petition is denied.

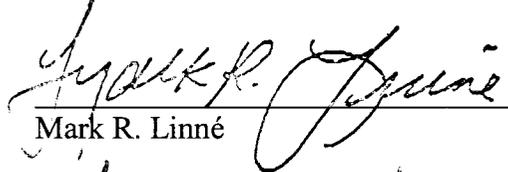
**APPEAL:**

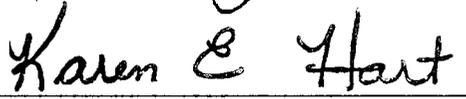
Petitioner may petition the Court of Appeals for judicial review within 45 days from the date of this decision.

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 21<sup>st</sup> day of December, 2001.

**BOARD OF ASSESSMENT APPEALS**

  
Mark R. Linné

  
Karen E. Hart

This decision was put on the record

DEC 20 2001

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

  
Diane Von Dollen



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