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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>Petitioners:</p> <p><b>ALVIN A. AND ELODE H. BRODBECK,</b></p> <p>v.</p> <p>Respondent:</p> <p><b>DOUGLAS COUNTY BOARD OF EQUALIZATION.</b></p> |                                    |
| <p>Attorney or Party Without Attorney for the Petitioner:</p> <p>Name: Alvin A. Brodbeck<br/>Address: 1355 S. Mountain View Road<br/>Castle Rock, Colorado 80104<br/>Phone Number: (303) 688-6483</p>  | <p><b>Docket Number: 42281</b></p> |
| <p><b>ORDER</b></p>  |                                    |

**THIS MATTER** was heard by the Board of Assessment Appeals on August 6, 2004, Diane M. DeVries and Rebecca Hawkins presiding. Mr. Alvin Brodbeck appeared pro se on behalf of Petitioners. Respondent was represented by Michelle Gombas, Esq.

**PROPERTY DESCRIPTION:**

Subject property is described as follows:

**1355 South Mountain View Road, Castle Rock, Colorado  
(Douglas County Schedule No. R0060521)**

Petitioners are protesting the 2003 actual value of the subject property; a ranch style single-family residence with 1,854 square feet and a 1,794 square foot walkout basement. Amenities include a three-car attached garage, a barn and a 918 square foot outbuilding with heat, electricity and water. The site is approximately 10.04 acres.

## **ISSUES:**

### **Petitioners:**

Petitioners contend that the subject property has been overvalued. Respondent's comparable sales are not similar to subject and have high gross adjustments. The appraisal completed for refinance purposes in June 2002 is more representative of the subject property's market value.

### **Respondent:**

Respondent contends that the subject property has been properly valued using the market approach. Respondent's appraisal values the dwelling separately from the outbuilding, whereas Petitioners' appraisal is based on adding the square footages of the two buildings together. The appraised value of \$465,000.00 supports the assigned value of \$443,334.00.

## **FINDINGS OF FACT:**

1. Mr. Alvin Brodbeck, Petitioner, presented the appeal on behalf of Petitioners.
2. Based on the market approach, Petitioner presented an indicated value of \$417,000.00 for the subject property.
3. Mr. Brodbeck testified that Petitioner's Exhibit A was prepared during the base period for refinance purposes and that Petitioner's Exhibit B was prepared for the Douglas County Board of Equalization by the Douglas County Assessor's Office. A significant value difference exists between the two appraisals: \$417,000.00 compared to \$443,334.00. Mr. Brodbeck believes this discrepancy needs to be addressed.
4. Petitioner's Exhibit A contains three comparable sales ranging in sales price from \$375,000.00 to \$450,000.00 and in size from 2,271 to 2,924 square feet. After adjustments were made, the sales ranged from \$416,600.00 to \$421,110.00. Petitioner's Exhibit B contains four comparable sales ranging in sales price from \$400,000.00 to \$432,500.00 and in size from 1,514 to 1,697 square feet. After adjustments were made, the sales ranged from \$451,461.20 to \$501,150.65.
5. Petitioners' Exhibit A reflects a total square footage of 2,771 for the subject property, which includes the dwelling's above-grade square footage of 1,852 plus the 919 square foot outbuilding used as a hobby room. Petitioner's Exhibit B reflects a total of 1,732 square feet for the subject dwelling. Mr. Brodbeck contends that Petitioners' Exhibit A follows the guidelines and restrictions of the lender, and best represents the market value of the subject property. Petitioners' Exhibit A can also be used in business, whereas Petitioner's Exhibit B and Respondent's Exhibit 1 could not be taken to a lender for loan purposes.

6. Mr. Brodbeck believes that Petitioners' comparable sales are more similar to the subject property in style. Respondent's comparable sales required numerous adjustments for differences. Mr. Brodbeck testified that the comparable sales shown in Petitioner's Exhibit A represent a more accurate conclusion of value.

7. During questions from the Board, Mr. Brodbeck explained that a 20' x 24' addition was constructed on the dwelling in 1992. The addition included an entry and living room. A three-car attached garage was also added at that time. The barn and outbuilding or guesthouse was already on the property. The outbuilding has some carpet, is heated and has electrical and water service. Although Respondent refers to this structure as a guesthouse, Petitioners used it as a hobby room and are presently using it for storage. Douglas County inspected the subject property when the addition was completed. The dwelling has a mountain view of Rampart Range.

8. Petitioner is requesting a 2003 actual value of \$417,000.00 for the subject property.

9. Respondent's witness, Mr. Larry Shouse, a Certified General Appraiser with the Douglas County Assessor's Office, presented an indicated value of \$465,000.00 for the subject property based on the market approach.

10. Respondent's witness presented four comparable sales ranging in sales price from \$390,000.00 to \$485,000.00 and in size from 1,608 to 1,998 square feet. After adjustments were made, the sales ranged from \$460,374.12 to \$519,057.00.

11. Mr. Shouse testified that he completed a physical inspection on June 2, 2004. He used four comparable sales that he felt were reasonably similar to the subject property. There were differences in age, basement size and finish and amenities. He gave most weight to Respondent's Comparable Sale 1, as it was most similar to the subject in location, square footage and property characteristics. Mr. Shouse testified that he separated the residence's above-grade square footage of 1,854 from the 918 square foot outbuilding/guesthouse in his appraisal.

12. Mr. Shouse testified that Petitioner's Exhibit A includes the following errors:

- The sales price on Petitioner's Comparable Sale 1 is incorrect. The appraisal shows \$450,000.00, whereas the Warranty Deed and the TD1000 shows a sales price of \$490,000.00.
- The date of sale on Petitioner's Comparable Sale 2 is outside the base period.
- Petitioner's Comparable Sale 3 is a two-story design, whereas the subject is a ranch style with a walkout basement.

- Petitioner’s appraiser erroneously added the outbuilding’s square footage to the square footage of the residence for a total of 2,771 square feet.
- The comparable sales used are 2,271 to 2,924 square feet and do not reflect the value of a 1,854 square foot home.
- Petitioner’s appraisal was for lending purposes, only an exterior inspection was completed and county records were used for property information.

13. Under cross-examination, Mr. Shouse addressed the differences between a ranch with a walkout basement and a two-story home. He described the subject dwelling as having two levels; however, the basement level is below-grade and walks out to the sloping ground level. With regard to using the term “guesthouse” for the outbuilding, he explained that his best attempt to describe the 918 square foot outbuilding was as a secondary living area or guesthouse since it has heat, water and electricity. The term “guesthouse” indicates that the structure has more improvements than a storage building.

14. Mr. Shouse explained that the adjustments shown in Respondent’s appraisal were predicated on the reactions of buyers and sellers in the marketplace for components that impact value such as square footage, condition and land size. He used these market-derived adjustments as a reference point when applying them to the comparable sales. He believes higher net and gross adjustments occur in rural properties than in tract homes. Upon questions from the Board, Mr. Shouse testified that the -\$15,000.00 miscellaneous adjustment applied to each of the comparable sales reflects the value of the subject property’s guesthouse/outbuilding.

15. Under redirect, Mr. Shouse testified that identifying the outbuilding /guesthouse by any other name would not change Respondent’s conclusion of value.

16. Respondent assigned an actual value of \$443,334.00 to the subject property for tax year 2003.

## **CONCLUSIONS:**

1. Respondent presented sufficient probative evidence and testimony to prove that the subject property was correctly valued for tax year 2003.

2. The Board could give little weight to Petitioners’ Exhibit A. The square footage of the residence as well as the sales price shown for Comparable Sale 1 are incorrect and Comparable Sale 2 sold outside the base period. The appraiser who prepared Petitioner’s Exhibit A was not available for testimony or cross-examination. Additionally, the Board was convinced that Petitioners’ Exhibit B reinforces Respondent’s assigned value.

3. Respondent’s witness presented a well-documented, site-specific appraisal report that supports the assigned value. The sales utilized in Respondent’s appraisal are similar in design, style

and size and appropriate adjustments were applied for time trending, building size, car storage and amenities.

4. After careful consideration of all of the evidence and testimony presented, the Board affirms Respondent's assigned value of \$443,334.00.

**ORDER:**

The petition is denied.

**APPEAL:**

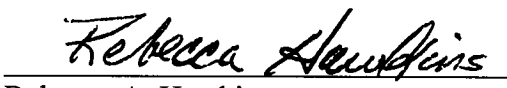
Petitioner may petition the Court of Appeals for judicial review within 45 days from the date of this decision.

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 25<sup>th</sup> day of August 2004.

**BOARD OF ASSESSMENT APPEALS**

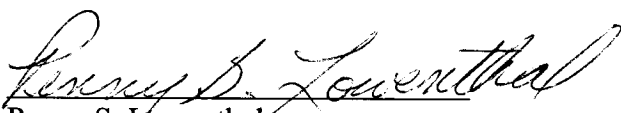
  
Diane M. DeVries

  
Rebecca A. Hawkins

This decision was put on the record

AUG 24 2004

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

  
Penny S. Lowenthal

