

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>BEVERLY DEHNING,</p> <p>v.</p> <p>Respondent:</p> <p>BOULDER COUNTY BOARD OF EQUALIZATION.</p>	
<p>Attorney or Party Without Attorney for the Petitioner:</p> <p>Name: Beverly Dehning Address: 1835 Faith Place Longmont, Colorado 80511 Phone Number: (303) 776-5162</p>	<p>Docket Number: 42937</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on February 26, 2004, Judge Nuechter and Rebecca Hawkins presiding. Mr. Lyle E. Dehning represented Beverly Dehning, Petitioner. Respondent was represented by Robert R. Gunning, Esq.

PROPERTY DESCRIPTION:

Subject property is described as follows:

**1835 Faith Place, Longmont, Colorado
(Boulder County Schedule No. R0078029-1 and R0078029-2)**

Petitioner is protesting the 2003 actual value of the subject property that includes one improved lot and one vacant lot. Lot 1, Schedule No. R0078029-1, is an 11,172 square foot site with a 1,887 square foot ranch style home built in 1981. Lot 3, Schedule No. R0078029-2, is a 14,032 square foot vacant lot.

ISSUES:

Petitioner:

Petitioner contends that both lots have been overvalued. The improvement is on Lot 1 and it has a utility easement along the west side. This easement constrained the construction of the improvement resulting in a footprint that is long and narrow. The home has two bedrooms and one bathroom on the main floor. The subject property is located in a low-income neighborhood and on a street with small homes and many rental properties. The Respondent used sales that were not comparable to the subject.

Respondent:

Respondent contends that the subject property is the best house on the block and has been properly valued. The improvement is of good quality and the subject site includes two city lots totaling approximately 25,000 square feet. It is located close to a golf course. Respondent used properly adjusted sales of both vacant lots and ranch style homes to value the subject property.

FINDINGS OF FACT:

1. Mr. Lyle E. Dehning, husband of Beverly Dehning, presented the appeal on behalf of Petitioner.

2. Petitioner presented an indicated value of \$300,000.00 for the subject property but did not present any comparable sales.

3. There are two main issues in this case: the value of the 11,172 square foot site improved with a 1,698 square foot residence, and the value of an adjacent vacant site containing 14,032 square feet. The total site area is 25,207 square feet and the lots may be split and sold separately. Respondent presented three improved comparable sales and three vacant site comparable sales. Petitioner made use of Respondent's comparable sales, noting reasons why they are not similar to the subject property.

4. Mr. Dehning testified that there are no expensive homes on his block and numerous homes are rental properties. He believes the assigned value of \$360,000.00 is too high. Petitioner believes the subject is not a \$360,000.00 property for the following reasons:

- Only 2 bedrooms on the main floor
- One small bath that is half the size of what is found in newer homes
- Small laundry room with just enough room for the washer, dryer and a cabinet
- The basement is below grade, it is not garden level and is only used for storage

- A utility easement on Lot 1 prohibited building the house they desired
- They had to build a long, narrow house leaving them with a small back yard

5. Mr. Dehning testified Lot 3 was adversely affected when the subject properties were annexed. The city of Longmont required a turnaround for fire trucks. As a result of this requirement, Lot 3 fronts two duplexes and Petitioner believes that the land on both sides of the cul-de-sac is useless. This site does not have any privacy due to the height of surrounding sites. At the rear of the vacant site is Sunset Park. The park sits higher than the subject property, resulting in people looking down onto the site. People walk dogs on the site and use it for access to the park. Petitioner is of the opinion that the resulting noise is a negative influence, and the vacant site is not worth the Respondent's assigned value of \$80,000.00.

6. Mr. Dehning testified that sales from the subject neighborhood would be most similar to the subject. The sales used by Respondent are outside of the subject neighborhood and are not comparable to the subject property. Respondent used sales from superior neighborhoods that have newer homes with views. The subject area has older homes without views.

7. During cross-examination and questions from the Board, Mr. Dehning testified that the vacant site has more negative influence from the park than the improved site.

8. Petitioner testified that the three-bedroom basement has been dry-walled and carpeted, but that it is only used for storage.

9. Petitioner is requesting a 2003 actual value of \$300,000.00 for the subject property.

10. Respondent's witness, Mr. Rex Westen, a Certified Residential Appraiser with the Boulder County Assessor's Office, presented an indicated value of \$370,000.00 for the subject property. This value was based on the market approach, which supports the assigned value of \$360,000.00.

11. Respondent's witness described the subject property as being in overall good condition with typical 1980's construction. The home has double-pane windows, attractive landscaping, the basement finish is lower quality than the main floor and the kitchen has not been updated.

12. Mr. Westen explained that one reason the subject sites are above average in size is because they are located on the backside of the ridge. He views the subject sites as orphan lots, and did not consider Lot 3 to have a golf course location. Only one corner was adjacent to the course and it does not have a view. Mr. Westen approached the subject property as a home situated on one lot plus a vacant lot. He tried to find homes similar to the subject improvement on typical sites then add in the value of the vacant site.

13. Homes on larger sites are located to the west of the subject property. Most homes in the immediate neighborhood are 1,100 to 1,200 square foot ranches with one-car garages built on

smaller lots. Mr. Westen agrees with Petitioner that there are rentals in the neighborhood. He had to use sales that are located farther away and he adjusted them for differences in physical characteristics

14. Mr. Westen presented a total of six comparable sales: three improved sales and three vacant site sales. The improved sales ranged in sale price from \$254,300.00 to \$300,000.00 and in size from 1,437 to 1,833 square feet. After adjustments were made, the sales ranged from \$354,200.00 to \$415,200.00.

15. Improved Comparable Sale 1 is newer in age, similar to the subject in size but has less basement finish. This home is located in a neighborhood of more uniform homes. Improved Comparable Sale 2 is similar in age, smaller in size and has less basement finish. This sale is also located in a more uniform neighborhood. Improved Comparable Sale 3 is much older in year of construction, is smaller in size, does not have a basement, is located on a corner and is influenced by traffic noise. Improved Comparable Sale 3 is located closest to the subject and is the least desirable home on the block. Mr. Westen feels that the negative factor of the busy street offsets the subject being the best house on the block

16. The vacant site comparable sales ranged in sales price from \$80,000.00 to \$150,000.00 and in size from 11,101 to 12,330 square feet. After adjustments were made, these sales ranged from \$80,400.00 to \$160,300.00. Vacant lot Sale 1 is in a new development, faces an open area and has a mountain view. Sale 2 is closest to the subject in location but slopes upward. The builder took advantage of the slope and built a two-story home. Mr. Westen applied a negative \$15,000.00 adjustment to this sale for the more uniform neighborhood. Sale 3 is also in an established, uniform neighborhood. Sales 2 and 3 were considered in-fill lots and sold to end-users.

17. Mr. Westen agrees with Petitioner that the duplexes on the subject block have a negative effect on value. This is one reason he reconciled the subject's vacant lot value at the low end of the range. He explained that the base lot value in Longmont is approximately \$70,000.00 with 7,000 square feet. The subject is larger in size and has a good location to the park and golf course clubhouse. For these reasons, the value for Lot 3 should be higher than a base lot value.

18. Respondent assigned an actual value of \$360,000.00 to the subject property for tax year 2003.

CONCLUSIONS:

1. Colorado Statutes require that residential property be valued using the market comparison approach with adjustments made to the comparable sales for differences in physical characteristics. Although Petitioner argued that sales from the subject neighborhood should have been used to value the subject property, he did not present any comparable sales.

2. Mr. Dehning argued that mixed property types on the subject block adversely affect the value of the subject property. Respondent's witness agreed that the rental properties and

duplexes have a negative affect on value. The evidence and testimony presented persuaded the Board that the subject neighborhood is not uniform, which adversely affects the value of the property. The Board was also convinced that the lack of privacy and noise from the park has a negative affect on the value of Lot 3.

3. The Board reviewed the sales grid in Respondent's Exhibit 1 for the improved and vacant sites, Lots 1 and 3 respectively. The Board agrees with Respondent that due to the lack of similar sales in the subject neighborhood, sales outside the area had to be used. The Board believes that the assigned value for Lot 1 is appropriate but that the value for Lot 3 is overstated. Mr. Westen noted that all three vacant land sales are in uniform neighborhoods; however, only vacant land Sale 2 was adjusted. The Board finds that vacant land Sales 1 and 3 should be adjusted as well.

4. Furthermore, the Board believes an adjustment should be applied to all vacant land comparables for the negative influence from Sunset Park. The Board applied these adjustments to Respondent's vacant lot sales, resulting in a value range of \$60,000.00 to \$140,000.00. The Board reconciled at the low end of the value range and gave most weight to vacant land Sale 1, as it is closest to the subject in location. The Board adjusted Respondent's improved sales grid to reflect the value of the second lot at \$60,000.00.

5. Based on all of the evidence and testimony presented, the Board concluded that the 2003 actual value of the subject property should be reduced to \$340,000.00.

ORDER:

Respondent is ordered to reduce the 2003 actual value of the subject property to \$340,000.00.

The Boulder County Assessor is directed to change his/her records accordingly.


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 27th day of April, 2004.

BOARD OF ASSESSMENT APPEALS



Judee Nuechter

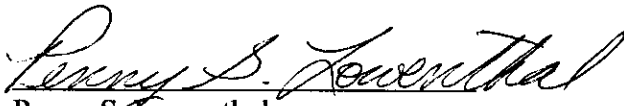


Rebecca Hawkins

This decision was put on the record

APR 29 2004

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



Penny S. Lowenthal

