

<p><b>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO</b> 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p><b>JANE AND CARSTEN HANNEN,</b></p> <p>v.</p> <p>Respondent:</p> <p><b>DOUGLAS COUNTY BOARD OF EQUALIZATION AND BOARD OF COMMISSIONERS.</b></p>	<p><b>Docket Nos.: 56229 &amp; 56955</b></p>
<p><b>ORDER</b></p>	

**THIS MATTER** was heard by the Board of Assessment Appeals on March 1, 2011, James R. Meurer and Louesa Maricle presiding. Carsten Hannen appeared pro se on behalf of Petitioners. Respondent was represented by Robert D. Clark, Esq. Petitioners are protesting the 2010 actual value of the subject property and are requesting an abatement/refund of taxes on the subject property for tax year 2009.

Both parties agreed to consolidate the two dockets.

Subject property is described as follows:

**5046 McClure Lane, Castle Rock, Colorado  
Douglas County Schedule No. R0439255**

The subject property is a 2,568 square foot, ranch-style detached house with finished walk-out basement and three-car garage, built in 2006. It is located on a 0.344-acre site in the Castle Pines Village subdivision. The site is adjacent to open space at the rear of the property. Castle Pines Village is a gated, covenant controlled community with two golf courses, hiking trails, and recreation facilities.

Petitioners are requesting an actual value of \$747,000.00 for the subject property for tax years 2009 and 2010. Respondent assigned a value of \$900,000.00 for the subject property for both tax years but is recommending a reduction to \$850,000.00.

Petitioners contend the county used sales from a different neighborhood and builder, and ignored more comparable sales in the immediate vicinity of the subject property. Prior to foreclosure, the subject property was listed for sale during the base period for asking prices ranging from \$875,000 to \$900,000 but did not sell. The county has ignored the sales of bank-owned homes even though sales out of foreclosure are "the market" in the subject's neighborhood.

Carsten Hannen testified for Petitioners and presented six comparable sales ranging in time adjusted sale price from \$725,000.00 to \$798,008.00 and in size from 2,120 to 2,564 square feet. Petitioners did not make market adjustments to the sales. Mr. Hannen testified that four of the comparable sales are located on the same street as the subject and the average sale price of those four is \$752,076.00. Petitioners concluded to a value for the subject of \$747,000.00 for both 2009 and 2010.

Respondent contends that during the assessment base period, the residential market was not dominated by transactions involving properties that were sold out of foreclosure, so it is proper to exclude sales that were or may have been affected by atypical buyer or seller motivation.

Respondent presented a value of \$850,000.00 for the subject property for both tax years based on the market approach. Respondent's witness, Thomas L. Brown, a Certified Residential Appraiser, presented three comparable sales ranging in time adjusted sale price from \$754,182.00 to \$952,432.00 and in size from 2,249 to 2,582 square feet. All three sales were by the same builder, are custom homes with similar quality levels as the subject property, and are all located within Castle Pines Village. The witness made quantitative adjustments to the sales for differences in physical characteristics compared to the subject property but made only a qualitative adjustment for condition. Mr. Brown testified that he observed cracks in floor tiles, a ceiling, and porch concrete that all might be the result of settling. The witness testified that repair cost information was not provided by Petitioners, and he was unable to quantify an adjustment. Instead, Mr. Brown considered the condition issue in the final conclusion of value. After adjustments, the indicated values ranged from \$800,872.00 to \$968,582.00. Mr. Brown gave most weight to Sale 1 with an adjusted value of \$862,258, but concluded to the lower value of \$850,000 to reflect condition.

Respondent assigned an actual value of \$900,000.00 to the subject property for tax years 2009 and 2010 but is recommending a reduction to \$850,000.00.

Sufficient probative evidence and testimony was presented to prove that the subject property should be set at Respondent's recommended value for both the 2009 and 2010 tax years.

The Board concludes that Respondent's sales are the best indicators of value for the subject because they are more similar to the custom home design of the subject. The Board concurs with Respondent that when unaffected sales are available, it is proper methodology to exclude sales that may not be truly arm's-length transactions such as relocation sales, or sales that may be affected by atypical seller or buyer motivation, such as a bank-owned property.

The Board concluded that the 2009 and 2010 actual value of the subject property should be reduced to \$850,000.00.

**ORDER:**

Respondent is ordered to reduce the 2009 and 2010 actual value of the subject property to \$850,000.00

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

**APPEAL:**

If the decision of the Board is against Petitioner, Petitioner may petition the Court of Appeals for judicial review according to the Colorado appellate rules and the provisions of Section 24-4-106(11), C.R.S. (commenced by the filing of a notice of appeal with the Court of Appeals within forty-five days after the date of the service of the final order entered).

If the decision of the Board is against Respondent, Respondent, upon the recommendation of the Board that it either is a matter of statewide concern or has resulted in a significant decrease in the total valuation/total valuation for assessment of the respondent county, may petition the Court of Appeals for judicial review according to the Colorado appellate rules and the provisions of Section 24-4-106(11), C.R.S. (commenced by the filing of a notice of appeal with the Court of Appeals within forty-five days after the date of the service of the final order entered).

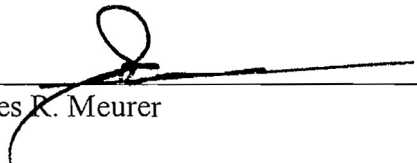
In addition, if the decision of the Board is against Respondent, Respondent may petition the Court of Appeals for judicial review of alleged procedural errors or errors of law within thirty days of such decision when Respondent alleges procedural errors or errors of law by the Board.

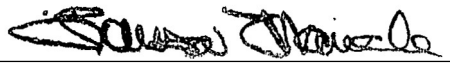
If the Board does not recommend its decision to be a matter of statewide concern or to have resulted in a significant decrease in the total valuation/total valuation for assessment of the respondent county, Respondent may petition the Court of Appeals for judicial review of such questions within thirty days of such decision.

Section 39-8-108(2), C.R.S.; Section 39-10-114.5(2), C.R.S.

DATED and MAILED this / 0 day of March 2011.

**BOARD OF ASSESSMENT APPEALS**

  
James R. Meurer

  
Louesa Maricle

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

  
Amy Bruins

