

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>KEVIN D. & SHERRY N. SERVISS,</p> <p>v.</p> <p>Respondent:</p> <p>LARIMER COUNTY BOARD OF EQUALIZATION.</p>	<p>Docket No.: 57864</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on March 12, 2012, Debra Baumbach and Amy J. Williams presiding. Mrs. Sherry Serviss appeared on behalf of Petitioners. Respondent was represented by Ms. Linda Connors, Esq. Petitioners are protesting the 2011 valuation of the subject property.

Subject property is described as follows:

**175 Running Deer Road, Livermore, Colorado 80536
Larimer County Schedule No. R1125478**

The subject property consists of a 290 square foot, log sided cabin that has been converted to residential use. The cabin structure was originally constructed in 2009 on skids with a shingle roof and a 120 square foot loft area. There is no electric service or source of running water and the residential cabin structure sits on a 37.934 acre parcel.

Petitioners are requesting a value of \$25,792.00. The Larimer County Assessor's Office placed a value of \$59,870.00 on the subject, which was adjusted to \$45,270.00 by the Larimer County Board of Equalization, which is the value requested by Respondent.

Petitioner, Mrs. Sherry Serviss, testified that the cabin was originally constructed on skids and that the Larimer County Assessor's Office considered the improvement to be personal property and therefore, removed it from the tax roll for tax years 2008, 2009 and 2010. Mrs. Serviss further testified that the property does not have electric service or running water and stated that water is hauled to the property for residential use. A compost toilet is the extent of sewer services. Mrs.

Serviss requested that the cabin improvement be removed from the tax roll, but in the event it is not, she presented a value of \$25,792.00 as more appropriate. Mrs. Serviss presented a valuation based upon residential sales in her neighborhood which averaged \$88.94 per square foot, resulting in the above requested value of \$25,792.00.

Respondent's witness, Mr. Davin Stephens, a Certified Residential Appraiser, testified that the Assessor's Office had considered the subject cabin to be personal property based upon information supplied by Mr. Serviss. He stated that a conversion building permit was pulled by Petitioners in 2009 to convert the then shed to residential use. The conversion building permit included affixing the structure to the ground via ties. According to information supplied by Petitioners as well as the Larimer County Building Department, the work associated with the permit was completed and approved, resulting in permission to occupy the shed as a residential cabin. However, Mr. Stephens testified that the Larimer County Assessor's Office did not process this conversion permit until 2011, the processing of which resulted in the improvement being placed on the tax roll in 2011.

Mr. Stephens provided four comparable sales which ranged between 2.3 miles and 6.53 miles from the subject. After adjustment for variations in square footage, adjusted sales prices ranged from \$116,800.00 to \$152,980.00; and he concluded to a market value before agricultural classification of \$116,800. Mr. Stephens then testified that a multiple regression based adjustment was applied to conclude to an improvement only value of \$54,900.00, to which the agricultural land value of \$576.00 was added for a total value of \$55,480.00, rounded.

When questioned by the Board, Mr. Stephens' testimony became unclear regarding the land adjustment which was applied to conclude to a total value for the property considering the agricultural classification. Mr. Stephens report stated that ordinarily 78 percent of the concluded market value is allocated to the residential improvement, but that the subject neighborhood supported a residential improvement value allocation of 47 percent. His application of the 47 percent improvement allocation to the concluded market value results in a residential improvement-only value of \$54,900, rounded, to which he added the agricultural land value of \$580.00 for a total value of \$55,480. No explanation was provided as to the basis for the Larimer County Board of Equalization adjustment to value which resulted in the \$45,270.00 current value; the value being requested by Respondent.

The Board finds that the Larimer County Assessor's Office was correct to place the converted shed, now a residential cabin, on the tax roll for 2011. Additionally, while the valuation approach presented by Petitioners is not appropriate appraisal methodology to support the value requested by Petitioners, Respondent's comparable sales did not support the \$45,270 value in place. Comparable Sale Nos. 1 through 4, after adjustment for square footage and after deduction of the land value stated in the Adjustment Grid, concluded to allocated residential improvement values of \$38,560; \$29,175; \$36,150 and \$31,050, respectively. This range of value for the residential cabin improvement which is supported by the sales is lower than the value in place by Respondent, that of \$44,690 (\$45,270 less agricultural land value of \$580).

Petitioners presented sufficient probative evidence and testimony to show that the subject property was incorrectly valued for tax year 2011.

Respondent supplied appropriate sales which support a value for the subject residential cabin improvement of \$33,700.00, to which the agricultural land value of \$580.00 must be added, for a total subject property value of \$34,280.00; \$34,300.00, rounded.

ORDER:

The Petition is granted and the subject property 2011 total value is ordered to be adjusted to \$34,300.00.

The Larimer 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 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 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.

DATED and MAILED this 29th day of March 2012.

BOARD OF ASSESSMENT APPEALS

Debra A. Baumbach

Debra A. Baumbach

Amy J. Williams

Amy J. Williams

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

Milla Crichton

Milla Crichton

