

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>MARTIN R. WEST,</p> <p>v.</p> <p>Respondent:</p> <p>LARIMER COUNTY BOARD OF EQUALIZATION.</p>	<p>Docket No.: 71053</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on May 9, 2018, Diane M. DeVries and Cherice Kjosness presiding. Petitioner appeared pro se. Respondent was represented by David P. Ayraud, Esq. Petitioner is protesting the 2017 actual value of the subject property.

Petitioner’s Exhibit 1 and Respondent’s exhibit A were admitted into the record.

Subject property is described as follows:

**2109 Owens Avenue #101, Ft. Collins, CO 80528
County Schedule No. R1629079**

The subject property consists of a one-story first floor condo unit in the Timbers Condominium project in southwestern Ft. Collins, CO. It was constructed in 2003 and contains 1,145 square feet of living area with 2 bedrooms, 2 full baths, and a 1 car detached garage.

Petitioner is requesting an actual value of \$235,000 for the subject property for tax year 2017. Respondent assigned a value of \$251,000 for the subject property for tax year 2017.

Petitioner presented three comparable sales ranging in sale price from \$231,000 to \$238,000 and in size from 1,212 to 1,286 square feet. Mr. West did not attempt to apply any adjustments to the sales.

Mr. West stated that he is currently a licensed real estate broker, and a former licensed appraiser. As such, he understands sales analysis and has access to the applicable multi-listing

service that shows real estate listings. He found that his Comparable 1, which closed on May 26, 2016, was the highest sale that occurred in the Timbers project in the 18-month base period. He confirmed that it was a 1,286 square foot second level unit, versus his 1,145 square foot first floor unit, but contends that this sale sets the upper range of value for the base period. His Comparable 2 closed on May 11, 2016 for \$235,000, and was also a 1,286 square foot second level unit. Both were constructed in 2003. His Comparable 3 was a first floor unit like the subject but contained 1,212 square feet and was constructed in 2004. It sold on July 15, 2015 for \$231,000. All were in similar condition to the subject. Mr. West testified that sales of similar units immediately after June 30, 2016 ranged from \$238,000 to \$240,000 indicating that his sales were not anomalies in the market, and that Respondent's time adjustment is not accurate for this condominium project.

Regarding whether first floor units bring a premium in the market over second level units, Mr. West testified that the second floor units enjoyed superior light and views and were larger. Under cross examination, Mr. West stated that he was unaware that there were seven sales of first floor units in the subject complex subsequent to the base period with a median of \$263,000.

Petitioner is requesting a 2017 actual value of \$235,000 for the subject property.

Respondent presented a value of \$251,000 for the subject property based on the market approach.

Respondent presented four comparable sales ranging in sale price from \$220,000 to \$229,000 and in size from 1,190 to 1,143 square feet. After adjustments were made, the sales ranged from \$250,140 to \$260,700.

Although Respondent's appraisal was completed by Darren C Dahlgren, it was presented by Sherry Rock, a licensed real estate appraiser with Larimer County. Ms. Rock was admitted as an expert in real estate appraisal. Respondent's sales were all of first floor units, but the sales dates ranged from 02/28/2015 to 01/29/2016. The highest sold property closed on 08/11/2015. Petitioner's first floor Comparable 3, closed on 07/15/2015 for \$231,000 was not used. Ms. Rock testified that analysis indicated that first floor units bring a premium price in the subject complex; therefore, only first floor units were used in the appraisal. The more recent sales of second floor units were not selected.

On cross examination, Ms. Rock stated that bedroom and bath count are not typically considered in ad valorem valuations. The values are based on statistical models which determine which property characteristics are adjusted.

Ms. Kjosness asked Ms. Rock if she was familiar with the prior base period valuations of the subject condominium complex, and, if so, did first floor units historically show a premium over second floor units. Ms. Rock stated that she was not knowledgeable of the historical valuations.

Respondent assigned an actual value of \$251,000 to the subject property for tax year 2017.

Petitioner presented sufficient probative evidence and testimony to prove that the subject property was incorrectly valued for tax year 2017.

The Board agrees with Petitioner that the time adjustment applied does not appear to be warranted in the subject neighborhood. Passing the state audit of marketing area time adjustments does not guarantee those adjustments are accurate for every sub market. The time adjustments applied to Respondent's comparables do not follow the typical per month method. Those closing in any month in 2015 were adjusted upward a total of 13.7%, while the sale closed in January of 2016 was adjusted half that amount. There was no explanation or included analysis to support this adjustment method. Similarly, there was no analysis presented to support the contention that first floor units bring a premium over second floor units. In addition, the Board finds it unlikely that a potential purchaser of units in this complex would pay \$10,000 more for an additional 55 square feet of living area.

Using the first level sales provided by both Petitioner and Respondent, paired sales analysis suggests a reasonable time adjustment for this complex is .5% per month. Applying this time adjustment to the five first level sales produces a range of values of \$231,000 to \$243,705. The mean is \$237,418; the median is \$237,600.

The Board concluded that the 2017 actual value of the subject property should be reduced to \$237,000.

ORDER:

Respondent is ordered to reduce the 2017 actual value of the subject property to \$237,000.

The Larimer County Assessor is directed to change their 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-nine 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-nine 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

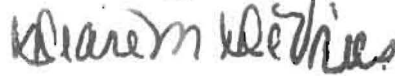
Court of Appeals for judicial review of alleged procedural errors or errors of law within thirty days of such decision when Respondent alleges procedural errors or errors of law by the Board.

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.

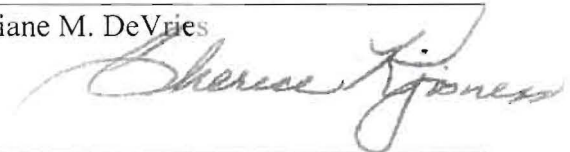
Section 39-8-108(2), C.R.S.

DATED and MAILED this 5th day of June, 2018.

BOARD OF ASSESSMENT APPEALS

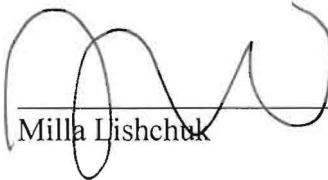


Diane M. DeVries



Cherice Kjosness

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



Milla Lishchuk