

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>SHEILA JARDINE,</p> <p>v.</p> <p>Respondent:</p> <p>LARIMER COUNTY BOARD OF EQUALIZATION.</p>	
<p>Attorney or Party Without Attorney for the Petitioner:</p> <p>Name: Sheila Jardine Address: 520 North Sherwood Street #30 Fort Collins, Colorado 80521 Phone Number: (970) 490-2952</p>	<p>Docket Number: 39381</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on October 15, 2002, Debra A. Baumbach and Rebecca A. Hawkins presiding. Petitioner, Sheila Jardine was represented by Dena Jardine, her daughter, by telephone conference. Respondent was represented by Jeannine S. Haag, Esq., Assistant County Attorney.

PROPERTY DESCRIPTION:

Subject property is described as follows:

**Unit 30 Bldg 7, River Rock Commons Condos, Phase 1, FTC
(Larimer County Schedule No. 97111-63-030)**

Petitioner is protesting the 2001 actual value of the subject property; a single family one and one half story condominium unit in a co-housing development. The condominium was built in 1999, it has 1222 square feet of gross living area with three

bedrooms and two baths. The basement contains 1031 square foot basement and is finished. There is a one car attached garage.

ISSUES:

Petitioner:

Petitioner contends that the property was overvalued as a result of the Respondent using widely inconsistent market value determinations for the same units in the development.

Respondent:

Respondent contends that the subject property has been correctly valued based on comparable market data.

FINDINGS OF FACT:

- 1 Ms. Dena Jardine presented the appeal on behalf of the Petitioner.
- 2 Ms. Jardine presented an indicated value of \$110,992.00 for the subject property, based on a price per square foot analysis.
- 3 Ms. Jardine testified to the unique aspects of River Rock Commons, a co-housing community. There were five model types: A, A1, B, C and D. There are 34 total units in seven buildings. The subject unit is a B model with upgrades of a finished loft and finished basement.
- 4 Ms. Jardine presented three comparable sales, two of which were also the Respondent's comparable sales. The sales were from the subject development, ranged in price from \$182,900.00 to \$225,900.00 and in size from 1,148 to 1,222 square feet. Petitioner did not make any adjustments to the comparable sales as they were from the Respondent's appraisal. Based upon the Respondent's adjustments, the sales ranged from \$218,600.00 to \$227,400.00.
- 5 Ms. Jardine testified that Comparable #1, is a strong comparable for the subject property. This comparable has a loft and finished basement. She testified that Comparable #2 is not a good comparable for the subject, it does not have a loft or finished basement.
- 6 Ms. Jardine presented Petitioner's Exhibits B, C and D, which showed property information from the Assessor's office. Petitioner's Exhibit B shows an actual value for the subject property of \$227,400.00, Petitioner's Exhibit C (Comparable #1) shows an actual value of \$189,000.00. Petitioner testified this comparable is not similar

to the subject property as it does not have a loft area or finished basement. Petitioner's Exhibit D is not marked as a comparable sale, it is taken from county sales data. Petitioner testified this sale is more comparable to the subject than Respondent's Comparable #1. It is a B model with a finished basement.

7. Ms. Jardine referred to Petitioner's Exhibit #A-1, page 3; showing actual values and values per square foot for D model units. The Petitioner testified that the D model, which is the largest unit in the development, at 1562 square feet. It is shown to be significantly less expensive than the subject model, but has the same actual value. Page 2 of the same exhibit compares the value per square foot of all B model units in the development. Ms. Jardine testified they have a wide range from \$161.00 to \$186.00 per square foot.

8. Ms. Jardine testified to a comparison of the D and B models. The D model is the largest unit in the development at 1562 square feet with an average assessed value of \$126.00 per square foot. The B model is 1148 square feet with an average assessed value of \$180.00 per square foot. Ms. Jardine testified the B models have a wide range of actual value per square foot and are exceptionally out of proportion.

9. Ms. Jardine testified that a more equitable form of assessment for market value determination would be a uniform tax rate per square foot for each model type. If the other units in the development are undervalued, the assessed value of the subject should be lowered until all units have been re-evaluated.

10. Petitioner is requesting a 2001 actual value of \$110,992.00 for the subject property.

11. Respondent's witness, Ms. Betty Rogers, a licensed appraiser with the Larimer County Assessor's Office, presented an indicated value of \$227,400.00 for the subject property, based on the market approach.

12. Respondent's witness presented two comparable sales ranging in price from \$182,900.00 to \$225,900.00 and in size from 1148 to 1222 square feet. After adjustments were made, the sales ranged from \$189,000.00 to \$227,400.00.

13. Ms. Rogers testified she chose comparable sales from the same co-housing development. She felt sales from the subject development better reflected the market for the subject property. She testified that pages 16 through 22 in Respondent's Exhibit #1, which were provided her by the Petitioner, are not relevant. They are from a prior hearing and show comparables from other developments.

14. Ms. Rogers testified to the adjustments made to the comparable sales. The adjustments included time, square footage, basement size, basement finish and garage.

15. Under cross-examination, Ms. Rogers testified most of the units in the subject development were not correctly valued. This was due to the difficulty in

performing interior inspections in the field. She was not aware that some units included a finished loft space or finished basement. Ms. Rogers was asked about the basement adjustment on Respondent's Comparable #2. Ms. Rogers testified the basement adjustment on comparable #2 is an error because it is unfinished.

16. Upon questioning from the Board, Ms. Rogers testified to the existence of a second co-housing development in Fort Collins. Ms. Rogers did not use sales from this development as she wanted to stay within River Rock Commons.

17. Respondent assigned an actual value of \$227,400.00 to the subject property for tax year 2001.

CONCLUSIONS:

1. Respondent presented sufficient probative evidence and testimony to prove that the subject property was correctly valued for tax year 2001.

2. The Board could give little weight to Petitioner's argument that the average assessed value per square foot should be used to obtain a value for the subject. No adjustments were made to the sales for differences in physical characteristics. Basic appraisal practice requires adjustments be made for differences in physical characteristics.

3. The Respondent adjusted for small square footage differences in gross living area and basement size. The sales used are B models and therefore the same size as the subject unit. If differences in size do exist, the Board is not convinced square footage differences this minor required adjustment. The Board recalculated the adjusted sales price of Comparables 2 and 3 to reflect no difference in square footage and the unfinished basement for sale 3. This correction has no effect on the final value conclusion as recommended by the Respondent.

4. The Board was not persuaded by the Respondent's witness as to limiting comparable sales in the subject development. Respondent's witness testified to another co-housing development in Fort Collins known as Grey Rock. Co-housing communities reflect a specific lifestyle not found in other developments. Due to the lack of re-sales in the subject development, the Board contends comparables from Grey Rock should have been considered.

5. The Board agrees that the concept offered at River Rock Commons is unique; co-housing emphasizes participation in the community, owners chose their level of involvement in community activities, they share responsibilities for maintenance of common buildings and grounds. It was challenging to find comparable sales for the subject as a buyer not only purchases a condominium unit, but also a lifestyle. No discussion was included concerning the co-housing life style and any affects on marketability.

6. The Board agrees with both Petitioner and Respondent that inconsistencies exist in River Rock Commons. However, the Board cannot give weight to actual values per square foot.

7. After careful consideration of all the presented testimony and evidence, the Board affirms Respondent's 2001 actual value of \$227,400.00.

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 5th day of December, 2002.

BOARD OF ASSESSMENT APPEALS

Debra A. Baumbach
Debra A. Baumbach

Rebecca A. Hawkins
Rebecca A. Hawkins

This decision was put on the record

DEC 04 2002

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

Penny S. Lowenthal
Penny S. Lowenthal