

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>ALLEN L. THOMPSON,</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: Allen L. Thompson Address: 474 Seven Hills Drive Boulder, Colorado 80302 Phone Number: (303) 442-3871</p>	<p>Docket Number: 43071</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on August 17, 2004, MaryKay Kelley and Rebecca Hawkins presiding. Petitioner appeared pro se. Respondent was represented by Mr. Michael A. Koertje, Esq.

PROPERTY DESCRIPTION:

Subject property is described as follows:

**474 Seven Hills Drive, Boulder, Colorado
(Boulder County Schedule No. R0033966)**

Petitioner is protesting the 2003 actual value of the subject property, a single-family ranch style residence with 1,880 square feet of main living area and a 1,236 square foot finished walkout basement. The original dwelling was constructed in 1968 and an addition was completed in 1976. The 1.25-acre site has a steep slope facing east and the driveway has one switchback. There is a view of the eastern plains.

ISSUES:

Petitioner:

Petitioner contends that the subject property was overvalued for tax year 2003. The Respondent did not consider changes in the market and used comparable sales that were not similar to the subject property.

Respondent:

Respondent contends that the subject property is properly valued based on the market approach.

FINDINGS OF FACT:

1. Mr. Allen Thompson, Petitioner, presented the appeal on his own behalf.
2. Based on the market approach, Petitioner presented an indicated value of \$329,000.00 for the subject property.
3. Petitioner presented three comparable sales ranging in price from \$549,000.00 to \$600,000.00 and in size from 1,348 to 2,437 square feet. After adjustments, the sales ranged from \$422,840.00 to \$434,160.00. Petitioner's comparable sales are the same sales used by the Respondent.
4. Mr. Thompson testified that time trending issues are significant. He does not believe that the subject property increased in value by 24.9% when the market average for mountain properties declined 10.9% during the base period.
5. Mr. Thompson believes that views, topography and access are major factors in determining land value. Views cause a significant variance in value depending on whether the view is of the mountains, city, or plains. The subject has a view of eastern Boulder, the power plant, smoke stacks, and a maintenance warehouse. Mr. Thompson testified that topography affects access and how much of the site is usable. The subject site receives morning and mid-day sun only. The slope of the property and the amount of sun received prohibits growth of anything other than a few trees and bushes.
6. Mr. Thompson testified that the subject property has a long steep access road that requires the use of a four-wheel drive vehicle in the winter. The road has ruts that are between 3" and 6" deep depending on the weather. Mr. Thompson considers the washboard ruts in the road to have a negative impact on property value.
7. Under cross-examination, Mr. Thompson explained that he does not have a real estate

background and is not a licensed appraiser. Petitioner's \$40,000.00 estimate to repair the subject site includes jack hammering 20 to 30 cubic yards of solid granite and hauling it down the steep, winding driveway. He does not believe that the house is structurally sound, but it is not in danger of falling down.

8. Upon questions from the Board, Mr. Thompson explained that the subject's low quality rating was due to structural problems, not the quality of the finish work. Petitioner did not present any evidence documenting the subject property's deficiencies, e.g. an engineer's report, a bid for repairs or photos.

9. Petitioner obtained the statistics showing a decline in value from the Boulder Area Realtor Association. Under re-direct, Mr. Thompson testified that the Realtor Association's definition of mountain property is identical to Boulder County's, and that the Realtor Association uses almost the same geographic locations as Boulder County. Petitioner acknowledged that the vast majority of homes included in the Realtor's Association statistics are trophy homes, that the statistics include a large area of Boulder County, and that the values provided are an average of all residential sales.

10. Petitioner is requesting a 2003 actual value of \$329,000.00 for the subject property.

11. Respondent's witness, Mr. Richard M. Mulvey, a Certified General Appraiser with the Boulder County Assessor's Office, presented an indicated value of \$424,000.00 for the subject property based on the market approach.

12. Mr. Mulvey presented three comparable sales ranging in sales price from \$549,000.00 to \$600,000.00 and in size from 1,348 to 2,437 square feet. After adjustments, the sales ranged from \$422,840.00 to \$434,160.00.

13. Mr. Mulvey testified that all of the comparables required time adjustments, as the market was increasing during the base period. Comparable Sale 1 is older in year of construction; superior in quality, condition, site size, view and driveway access; smaller in square footage but similar in basement finish. Large adjustments were necessary due to the major differences in quality, land size, and condition. Comparable Sale 2 is slightly smaller in square footage, smaller in basement finish, slightly superior in quality of construction and newer in age. Even in average condition, this property is superior to the subject. Land size is superior to the subject and the driveway has better access. Adjustments are large due to differences in basement finish, quality, condition, age and land size. Comparable Sale 3 is newer in age, superior in quality of construction, smaller in square footage and does not have a basement. Although the driveway is steep, the site is superior in size and location. Adjustments are large due to major differences in square footage, lack of basement, condition, age, quality of construction, and land size.

14. Mr. Mulvey explained that Comparable Sale 1 is located two lots north of the subject and that Comparable Sale 2 is located four lots north of the subject. Comparable Sale 3 is outside of the subject's subdivision but is located within one-half mile of the subject property.

15. Respondent's witness testified that the quality of the subject dwelling is at the low

end of an average quality rating. The subject has received little maintenance over the years and is only in fair condition overall. Similar to the subject, all of the comparables have views of the eastern plains and foothills. However, access is more difficult to the subject than it is to the comparable sales. The subject is inferior in exposure as it gets less winter sun than the comparables.

15. The property at 226 Granite Drive, a.k.a. the Haines Sale, is mentioned in Respondent's appraisal report but is not included in the market comparables grid. This property is located six lots north of the subject and sold in August 2001 for \$424,000.00. The site has superior access and rock formations. The structure was demolished after the sale and a new home was constructed.

16. Mr. Mulvey testified that all three comparables sold for at least \$100,000.00 more than the value assigned to the subject property. After adjustments, the indicated values of the comparable sales bracket the subject's assigned value. The Haines Sale, which sold as a tear down, further supports the subject's final value conclusion.

17. Respondent assigned an actual value of \$424,000.00 to the subject property for tax year 2003.

CONCLUSIONS:

1. Respondent presented sufficient probative evidence and testimony to prove that the subject property was correctly valued for tax year 2003.

2. The Board was convinced that the subject property requires maintenance and is in below-average condition. However, the Board believes that the substantial adjustments applied to Respondent's comparable sales adequately address the subject property's negative characteristics. The Board determined that the value assigned to the subject property takes into consideration all of the factors affecting its overall value.

3. Based on the Boulder Area Realtor Association's statistics, Petitioner asserted that market values declined in the subject's neighborhood during the base period. However, the Board could place little weight on the average sales price data, as averaging sales prices is not considered appropriate appraisal practice. The Mountain area median sales prices indicated no change from July 1, 2000 through June 30, 2002. Therefore, the Board removed the 0.3% per month positive time adjustment applied to Respondent's comparable sales. The resulting values ranged from \$402,720.00 to \$428,860.00, which still supports the subject property's assigned value.

4. Based on all of the evidence and testimony presented, the Board affirms Respondent's assigned value of \$424,000.00.

ORDER:

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 16th day of December 2004.

BOARD OF ASSESSMENT APPEALS

MaryKay Kelley

MaryKay Kelley

Rebecca Hawkins

Rebecca Hawkins

This decision was put on the record

DEC 14 2004

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

