

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>JOHN C. AND LISA K. SKINNER,</p> <p>v.</p> <p>Respondent:</p> <p>GRAND COUNTY BOARD OF EQUALIZATION.</p>	<p>Docket No.: 47905</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on May 5, 2008, Debra A. Baumbach and MaryKay Kelley presiding. John C. Skinner appeared pro se for Petitioners. Respondent was represented by Anthony H. DiCola, Esq. Petitioners are protesting the 2007 actual value of the subject property.

PROPERTY DESCRIPTION:

Subject property is described as follows:

**64 Columbine Drive, Grand Lake, Colorado
(Grand County Schedule No. R155070)**

The subject is a 1,512 square foot ranch style residence with garage built in 1973 on a 0.23-acre site in the Columbine Lake Subdivision. Located west of Grand Lake, the subdivision surrounds 40-acre Columbine Lake. Subdivision amenities include a boat launch, fishing, a clubhouse with indoor pool and Jacuzzi, and a gazebo with gas grill. Respondent has assigned a value of \$335,780.00 for tax year 2007. Petitioners are requesting a value of \$280,000.00.

Petitioners contend that the increase in assessed values for the subject property was excessive: 29% from 2006 (\$260,310.00) to 2007 (\$335,780.00); and 46% from 2004 (\$229,560.00) to 2007 (\$335,780.00).

Petitioners argued that Respondent’s 18% annual adjustments for time trending in the market approach were excessive, because they were based on a regression analysis using data from the larger Greater Lakes market area rather than data within Columbine Lake Subdivision alone.

Petitioners' value request was based on application of a 4% time adjustment to the 2005 actual value. He presented MLS-reported sales of homes within the Columbine Lake Subdivision as well as sales from the first halves of 2005 and 2006 that were similar in age and size and in the same price range as the subject. The average sale prices were \$293,700.00 for 2005 and \$298,977.00 for 2006, resulting in a 2% increase compared with Respondent's 29%. Petitioners also applied an additional 2% adjustment for the difference in average price per square feet between the two data periods, for a total appreciation of 4%. Petitioners applied the total appreciation of 4% to the actual value of \$260,310.00 for tax year 2005, resulting in a value of \$281,551.00.

Petitioners also applied the 4% time adjustment to Respondent's Sale 1, testifying to a recalculated value of \$281,000.00

Petitioners presented one comparable sale, the 624-square-foot cabin across the street (Schedule No. 156780), which sold June 2, 2006 for \$200,000. Petitioner testified that after adjustments for size and garage, it resulted in an adjusted value of \$270,300.00, which supports the requested value.

Petitioners contend that the subject's actual land value for tax year 2007 (\$106,500.00) increased by 49% from tax year 2006 (\$71,300.00) and did not agree with the 31% increase reported by Respondent for the Great Lakes Area. Petitioner testified that Respondent's land value was derived from sales in the Great Lakes Area rather than just the Columbine Lake Subdivision and included seven lake-front sites in the \$2,000,000.00 to \$3,000,000.00 range. Petitioner stated that Respondent should have made \$25,000.00 to \$30,000.00 adjustments in the market approach. Petitioners provided no supportive market data for this argument.

Petitioners contend that seven of Respondent's eight comparable sales sold in 2005, that two were located outside the subdivision, and that other 2006 sales within the subdivision were ignored. Respondent testified that two sales suggested by Petitioners were not used for the following reasons: Schedule No. 154580 was new construction listed by the builder for \$425,000.00, reduced to \$395,000.00, and sold for \$375,000.00 under duress so that the construction loan could be paid off and a second spec could be completed; Schedule No. 156780 was considerably smaller, built on piers, difficult to winterize, and inferior in comparison to homes built on foundations. The Board agrees that these sales are not good comparables.

Respondent presented eight comparable sales ranging in sales price from \$244,000.00 to \$335,000.00. After adjustments were made, the sales ranged from \$320,900.00 to \$356,600.00. Six sales are located within the Columbine Lake Subdivision. Sale 1 was given most weight followed by Sales 3 and 6. Market value was estimated at \$340,000.00.

Using 213 sales from the Great Lakes market area in a multiple regression analysis, Respondent applied an 18% annual or 1.51% monthly time adjustment in the market approach. This analysis was supported by seven sets of single-family home sales within the base period with price increases from 9.28% to 62.61%. Respondent used a second analysis containing data from within the subject subdivision to calculate the time adjustment, and reached an indicated a value of \$383,640.00.

Petitioners presented sufficient probative evidence and testimony to prove that the subject property was incorrectly valued for tax year 2007. The Board finds that Respondent's market analysis provides the best indication of value but that Sales 4 and 5 are not as representative of the subject subdivision as the other six sales within the subdivision.

The Board finds market data more reliable than regression analysis and gives more weight to Respondent's double sales data. However, the Board is not confident that the Respondent had sufficient knowledge of remodeling, additions, personal property, and/or sales concessions and considers it likely that these prices are inflated. Following deletion of the lowest and highest sales, which are outside the subject's price range, the remaining five sets show increases from 9.28% to 20.27%. The average annual increase is 14.03% or 1.17% per month, which the Board used to recalculate the comparable sales. Recalculated adjusted prices for the six Columbine Lake sales ranged from \$314,500.00 to \$349,000.00. Per Respondent's reliance on Sales 1, 3, and 6, value is estimated at \$330,000.00.

The Board concluded that the 2007 actual value of the subject property should be reduced to \$330,000.00.

ORDER:

Respondent is ordered to reduce the 2007 actual value of the subject property to \$330,000.00.

The Grand County Assessor is directed to change his 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 Colorado Revised Statutes ("CRS") section 24-4-106(11) (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 CRS section 24-4-106(11) (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.

Colo. Rev. Stat. § 39-8-108(2) (2007).

DATED and MAILED this 16th day of June 2008.

BOARD OF ASSESSMENT APPEALS

Debra A. Baumbach
Debra A. Baumbach

MaryKay Kelley
MaryKay Kelley

This decision was put on the record

JUN 16 2008

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

Heather Heinlein
Heather Heinlein

