

**BOARD OF ASSESSMENT APPEALS,
STATE OF COLORADO**

1313 Sherman Street, Room 315
Denver, Colorado 80203

Docket No.: 68661

Petitioner:

STEPHEN CASSADY,

v.

Respondent:

BOULDER COUNTY BOARD OF EQUALIZATION.

ORDER

THIS MATTER was heard by the Board of Assessment Appeals on July 29, 2016, Sondra W. Mercier and Debra A. Baumbach presiding. Petitioner appeared *pro se*. Respondent was represented by Mark Doherty, Esq. Petitioner is protesting the 2015 actual value of the subject property.

Subject property is described as follows:

**162 Ranch Road, Jamestown, Colorado
Boulder County Schedule No. R0090404**

The subject property is a three-story, single family, wood frame residence built in 1993. The home includes 3,507 square feet of above-grade living area. There are four bedrooms, two full bathrooms and one ¾-bathroom. According to the Boulder County records, other amenities include a 112-square foot work shop, 112-square foot patio and a 70-square foot tool shed. The site area consists of a 4.0 acre parcel that includes a well and septic system. The site is moderately treed and topography is gently sloping to the north and includes rock outcroppings. According to Petitioner, a seasonal stream crosses the property. The subject is located in the Bar K Ranch area approximately two miles west of Jamestown.

Petitioner is requesting an actual value of \$540,000 for the subject property for tax year 2015. Respondent assigned a value of \$380,000 for the subject property for tax year 2015, but is recommending an increase in value to \$518,000 pursuant to Section 39-5-125(1), C.R.S. that authorizes retroactive assessments of additional property taxes on property previously omitted from

the assessment rolls, including the “value of the improvements” located on the land. *Chew v. Bd. Of Assmnt. Appeals*, 673 P.2d 1028 (Colo. App. 1983).

Petitioner, Mr. Cassady, argued that Respondent incorrectly valued the subject property by omitting from the 2015 valuation the following improvements: a tool shed, a work shop and a patio. In addition, Petitioner stated that Respondent incorrectly measured the out-buildings. According to Petitioner, his measurements indicate that the tool shed is 75 square feet and the work shop and patio are 144 square feet each. Petitioner claimed that the tool shed was included in the 2006 purchase of the subject and that he built the work shop and patio sometime in 2011-2012.

To support his value conclusion, Petitioner presented an analysis of eleven comparable sales ranging in time adjusted sales prices from \$486,800 to \$907,500 and in size from 3,003 to 4,812 square feet. The sales are located within the general market area and are considered similar in size, location and style. The sales are reported as having a quality rating of “good” and “very good.” No adjustments were made for differences in physical characteristics. Petitioner gave greater emphasis to five sales ranging in time adjusted sales prices from \$562,800 to \$749,000 and in size from 3,000 to 7,363 square feet. Petitioner estimated a price per square foot for each of the time adjusted sales, calculated by dividing the sales price by the square footage. The sales ranged from \$153.00 ± to \$218.00± per square foot. Mr. Cassady correlated to the lower end of range at \$153.000 and concluded to an actual value of \$540,000 for the subject property for tax year 2015.

Respondent presented a value of \$518,000 for the subject property based on the market approach. Respondent’s witness, Ms. Mary Sampson, Licensed Residential appraiser with the Boulder County Assessor’s Office, testified that she completed an exterior and interior inspection of the property in mid-part of June, 2016.

Respondent’s witness presented five comparable sales ranging in sales price from \$392,500 to \$662,500 and in size from 1,824 to 2,492 square feet. Ms. Sampson considered location being a key factor in selecting comparable sales. All five sales are located in the Jamestown market area approximately ½ mile to one mile from the subject property. Based on the limited number of sales, she relied on the extended five-year base period. The sales were adjusted for time, land area, view, outbuildings, effective year build, design, quality rating, living area square footage, basement area, finish, walk-out basement area, and garage. Ms. Sampson testified that she based her adjustments on the market-extracted data, and her appraisal experience and knowledge. After adjustments were made, the sales ranged from \$411,000 to \$530,000. With emphasis on Sale 1, Ms. Sampson concluded to a value of \$518,000 for the subject property.

Ms. Sampson acknowledged that there was a slight difference in square footage of the patio and work shop area between Petitioner’s measurements and hers. The witness noted that although she did not include the larger wood trim pieces in the measurement, she did not consider the difference to affect the value significantly.

Ms. Sampson disagreed with Petitioner’s selection of comparable sales and value conclusion based on an average cost per square foot of the sales. Ms. Sampson stated that Petitioner’s sales are located in a competing economic area reflecting different market perceptions. Ms. Sampson contended that Petitioner did not make adjustments for differences affecting the value.

The Board finds flaws in Respondent's market approach. Respondent's sales are 41% to 93% smaller in square footage than subject property requiring sizable adjustments. Respondent's Sale 2 has an outbuilding over 50% larger than the subject's tool shed and workshop area requiring a large adjustment. Overall, Respondent's gross adjustments range from 42.3% to 60.7%.

In contrast, while Petitioner's sales are located in a competing economic area, the Board was persuaded they provide a more accurate indication of value for the subject. Petitioner's sales are more similar to the subject property than Respondent's sales requiring lesser degree of adjustments.

Although the Board finds Petitioner's sales more comparable to the subject, the Board does not agree with Petitioner's methodology in deriving a value without taking into consideration/adjusting for factors affecting the value. On the other hand, while the Board disagrees with Respondent's selection of comparable sales, the Board finds Respondent's appraisal methodology, including computation of the adjustments, to be the most persuasive.

The Board reviewed Petitioner's five sales and made appropriate adjustments relying on Respondent's adjustment methodology. In addition, the Board adopted Petitioner's measurements regarding the tool shed, work shop and patio area based on the information presented by Petitioner. The Board finds that Petitioner's requested value of \$540,000 is adequately supported by the testimony and evidence presented at the hearing.

ORDER:

Respondent is ordered to increase the 2015 actual value of the subject property to \$540,000.

The Boulder 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 23rd day of August 2016.

BOARD OF ASSESSMENT APPEALS

Sondra W. Mercier

Sondra W Mercier

Debra A. Baumbach

Debra A. Baumbach

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

Milla Lishchuk

Milla Lishchuk

