

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

1313 Sherman Street, Room 315
Denver, Colorado 80203

Docket No.: 69098

Petitioner:

**WAYNE W. WELLS ESTATE AND MARION J.
WELLS,**

v.

Respondent:

GARFIELD COUNTY BOARD OF EQUALIZATION.

ORDER

THIS MATTER was heard by the Board of Assessment Appeals on April 18, 2017, Sondra W. Mercier and MaryKay Kelley presiding. Marion J. Wells appeared pro se on behalf of Petitioners. Respondent was represented by Katharine A. Johnson, Esq. Petitioners are protesting the 2016 actual value of the subject property.

Subject property is described as follows:

**6691 County Road 309, Parachute, Colorado
Garfield County Schedule No. R270462**

The subject property consists of a ranch-styled home and a Quonset hut on 186.4 acres. The acreage is classified as agricultural land. The 1,752-square-foot residence, built in 1979, has an unfinished basement and a two-car garage. The Quonset hut, a 1,200 square-foot metal structure with concrete floor, was constructed in 1983. Land value is not disputed.

Respondent assigned a value of \$198,170 for tax year 2016 (\$193,580 for the residence, \$2,360 for the Quonset hut, and \$2,230 for the land). Petitioner is requesting a value of \$163,210 (\$160,070 for the residence, \$910 for the Quonset hut, and \$2,230 for the land).

Ms. Wells discussed the residential improvement. While not presenting an analysis of her own, she addressed Respondent's appraisal, disagreeing with Respondent's analysis of increasing values and the application of 1.04% per month positive time adjustment. She argued that values in the Rulison area in which the subject is located have declined at a negative 0.5% per month rate. Her estimate was based on three factors. First, she argued that the area was predominantly rural, some

distance from services and amenities, and dotted with oil and gas wells negatively impacting job and housing markets due to the volatility of the energy industry. Second, she compared Respondent's positive 1.04% time adjustment to the 0.5% negative time adjustment for a neighboring property at 6702 County Road 309 (also owned by Ms. Wells). Third, she testified about four sets of matched-pair sales with per-month declines between 0.006% and 0.029%.

Ms. Wells described the Quonset hut, noting its age, lack of heat and water, and an inadequate 15-amp electrical circuit. She estimated cost new to be \$5,600 for a delivered structure per discussion with a Canadian manufacturer and \$2,400 for labor based on her personal experience for a total of \$9,100. Estimating a 24-year useful life, she considered the structure to be almost fully depreciated and applied physical obsolescence of 90% to conclude to a value of \$910.

Respondent's witness, Amber Knox, Ad Valorem Appraiser for the Garfield County Assessor's Office, presented a Sales Comparison Analysis for the subject residence independent of land. She presented five sales ranging in sale price from \$306,000 to \$345,000. After adjustments for time, land values, condition, size and room count, basement size and finish, garages and outbuildings, the adjusted sale prices ranged from \$195,413 to \$290,900. Ms. Knox placed greatest weight on Sale One, with an adjusted value of \$256,219, due to its proximity to the subject, similar access to amenities, ranch elevation, and low net adjustment.

Ms. Knox argued value increase during the base period, referencing a regression analysis that included the rural Parachute/Battlement Mesa economic area in which the subject is located. She testified that, while the subject's economic area had the lowest percent of increase within the county, all areas indicated value increase.

Ms. Knox addressed Petitioners' argument about distance to services and amenities. Referencing page 24 of Exhibit A, she displayed distances to services and amenities for the subject and all five comparable sales, concluding that all were similar, required no adjustments, and had no impact on value.

Ms. Knox gave no weight to Petitioners' four sets of matched-pair sales due to the predominance of pre-or-post-base period dates: only two fell within the base period or extended base period.

Ms. Knox presented a Cost Approach using the Marshall & Swift Residential Cost Handbook to value the Quonset hut. She applied a physical depreciation of 80%, which reflected both age and functional obsolescence, and concluded to a value of \$3,370.

Petitioners presented insufficient probative evidence and testimony to prove that the subject property was incorrectly valued for tax year 2016.

"The actual value of residential real property shall be determined solely by consideration of the market approach to appraisal." Section 39-1-103(5)(a), C.R.S. Respondent's witness correctly completed a site-specific appraisal of the subject residence, comparing sales of similar properties and adjusting for time, size, and a variety of physical characteristics.

Petitioners did not provide sufficient probative evidence to convince the Board that Respondent's time adjustments were incorrect. Neither Petitioners' comparison of the assessor's time adjustment for the subject and a single other property (6702 County Road 309) nor Petitioners' description of the subject neighborhood, or Petitioners' matched-pair sales analysis are more persuasive than Respondent's regression analysis and discussion of distance to services and amenities.

Petitioners' valuation of the subject Quonset hut is not supported by written documentation or professional estimates. Respondent's use of a recognized cost service is market based and convincing.

The Board finds Respondent's Market Analysis for the subject residence and the Cost Approach for the Quonset hut to be supported and persuasive.

ORDER:

The petition is denied.

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 11th day of May, 2017.

BOARD OF ASSESSMENT APPEALS

Sondra W. Mercier

Sondra Mercier

MaryKay Kelley

MaryKay Kelley

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

Milla Lishchuk

Milla Lishchuk

