

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>SOPHICOLL, LLC,</p> <p>v.</p> <p>Respondent:</p> <p>DENVER COUNTY BOARD OF EQUALIZATION.</p>	<p>Docket No. 45806</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on January 24, 2007, Karen E. Hart and Diane M. DeVries presiding. Petitioner was represented by Jack F. Fox. Respondent was represented by Charles T. Solomon, Esq. Petitioner is protesting the 2005 actual value of the subject property.

PROPERTY DESCRIPTION:

Subject property is described as follows:

**2201 South Sheridan Boulevard, Denver, Colorado
Denver County Schedule No. 04251-00-048-000**

The subject property consists of a 2,622 square foot traditional auto service garage with three service bays located on 18,745 square feet of B-3 zoned land with frontage on Sheridan Boulevard. The exterior walls of the building are metal with a wall height of 12 feet. The land-to-building ratio is ample at 7.15:1.

Respondent assigned an actual value of \$229,000.00 to the subject property for tax year 2005. Petitioner is requesting a 2005 actual value of \$125,000.00 for the subject property.

For the income approach, Petitioner used an average net operating income of \$14,157.00, a 5% vacancy rate and an 11% capitalization rate to conclude to an indicated value of \$122,265.00 or \$125,000.00 rounded.

Petitioner presented two qualified comparable sales ranging in sales price from \$175,000.00 to \$188,000.00. No adjustments were made to the Petitioner's comparable sales to reflect differences in physical characteristics.

Respondent presented the following indicators of value:

Market:	\$243,800.00
Cost:	\$158,500.00
Income:	\$241,100.00

Respondent presented four comparable sales ranging in sales price from \$140,000.00 to \$230,000.00 and in size from 1,314 to 2,617 square feet. After adjustments were made for year of construction, wall height, and land-to-building ratio, the adjusted sales prices ranged from \$237,400.00 to \$276,500.00.

Respondent used a state-approved cost estimating service to derive a market-adjusted cost value for the subject property of \$158,500.00.

Respondent used potential gross income of \$26,220.00 less 5% vacancy, and 10% expenses before real property taxes, leaving a net operating income of \$22,418.00. Applying a 9.3% capitalization rate resulted in an indicated actual value of \$241,100.00 based on the income approach.

The Board believes the income approach provides the best indication of value for the subject property. Respondent's income approach is appropriately based on market rental rates and expense information, and Respondent's 9.6% capitalization rate was substantiated.

Respondent presented sufficient probative evidence and testimony to prove that the value assigned to the subject property for tax year 2005 is correct.

ORDER

The appeal is denied.

APPEAL RIGHTS

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 1st day of March 2007.

BOARD OF ASSESSMENT APPEALS

Karen E. Hart
Karen E. Hart

Diane M. DeVries
Diane M. DeVries

This decision was put on the record

MAR 01 2007

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

