

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>WEST RIDGE GROUP LLC,</p> <p>v.</p> <p>Respondent:</p> <p>MONTROSE COUNTY BOARD OF EQUALIZATION.</p>	<p>Docket No.: 48210</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on April 30, 2008, James R. Meurer and Karen E. Hart presiding. Petitioner was represented by Phillip Anselmo, an LLC member. Respondent was represented by Carolyn Clawson, Esq. Petitioner is protesting the 2007 actual value of the subject properties.

PROPERTY DESCRIPTION:

Subject properties are described as follows:

**722 & 724 South Wortman Avenue, Olathe, Colorado
(Montrose County Schedule Nos. R0019269 & R0019270)**

Schedule number R0019269, 722 S. Wortman Ave., consists of a 1-story house that was moved to the current site and is estimated to have a year built of 1950. It has 1,069 square feet of living area on a 7,322 square foot site.

Schedule number R0019270, 724 S. Wortman Ave., consists of a 1.5-story house built in 1888 with an adjusted year built of 1940, a gross living area of 1,709 square feet, and is situated on a 10,511 square foot site.

Petitioner believes Respondent has not considered the structural deferred maintenance and functional obsolescence existing at the subject properties. The properties are in poor condition, have

difficult floor plans, and small bedrooms. One of the houses has a disconnected furnace and is heated with a wood stove.

The subject properties were listed on the open market for over six months during the spring and summer seasons for \$79,950.00 and there were no offers. The listing prices were determined using comparables sales from the assessor's records and suggestions from a realtor tour of the subject properties.

Petitioner presented no comparable sales. However, Petitioner believes the assessor used sales from the correct area but used three-bedroom comparables rather than two-bedroom properties. Three-bedroom homes are more valuable as they have a higher rent potential than a two-bedroom home.

Petitioner believes a gross rent multiplier of 6 should be used to value the subject properties, using gross rental income of \$695.00 per month, or \$8,340 annual rent for each house.

Additionally Petitioner believes the assessor's time trending calculation is flawed and the assessor's 23.7% time adjustment is not reasonable. According to Petitioner, property values were stable if not declining.

Petitioner is requesting 2007 actual values for the subject properties as follows:

722 S. Wortman Ave.	R0019269	\$75,000.00
724 S. Wortman Ave.	R0019270	\$80,000.00

For subject property 722 S. Wortman Ave., Respondent's witness presented three comparable sales ranging in sales price from \$114,000.00 to \$124,000.00 and in size from 966 to 1,104 square feet. After adjustments were made, the sales ranged from \$121,886.00 to \$125,407.00.

For subject property 724 S. Wortman Ave., Respondent's witness presented three comparable sales ranging in sales price from \$112,000.00 to \$123,000.00 and in size from 1,414 to 1,708 square feet. After adjustments were made, the sales ranged from \$118,613.00 to \$130,264.00.

Certified Residential Appraiser, Teri A. Warner, with the Montrose Assessor's Office testified that she chose her comparable sales based primarily on age, size, and location. After completing her analysis, she determined that the comparable sale value ranges did not support the assigned actual value and recommended a reduction in value for each house.

The time trending factor came from a large area of similar influences, Economic Area 6. There was no time trend analysis for the town of Olathe. Ms. Warner was not involved in establishing the economic area boundaries or time adjustment factors.

Ms. Warner inspected 724 S. Wortman Ave. Ms. Warner testified that the assessor records had the incorrect square footage for the upper story, which was corrected to a half story upon inspection. She also adjusted the age of the home as she could feel the wind blow through it during her inspection. Regarding 722 S. Wortman Ave., she had to estimate the interior condition of the house by

looking through the windows as the tenant was not home. She assumed the condition of both houses was similar and believes her adjustment grid accurately reflects the poor condition of the subject properties.

Respondent assigned actual values to the subject properties for tax year 2007 as follows:

722 S. Wortman Ave.	R0019269	\$130,640.00
724 S. Wortman Ave.	R0019270	\$144,900.00

Respondent is recommending a reduction in value as follows:

722 S. Wortman Ave.	R0019269	\$120,840.00
724 S. Wortman Ave.	R0019270	\$120,730.00

Sufficient probative evidence and testimony was presented to prove that the subject properties were incorrectly valued for tax year 2007.

The Board was not convinced that Respondent's time trending calculation was correct for the town of Olathe, but Petitioner did not present convincing evidence for an alternative time trending factor. Therefore, the Board believes that the value of the subject property at 724 S. Wortman is best taken from the lower end of the comparable sales range, represented by Comparable Sale 1 that occurred near the end of the data collection period. This sale is least affected by the time trending factor.

Regarding the property at 722 S. Wortman Ave., the Board affirms Respondent's recommended reduction to \$120,840.00, noting that the recommendation falls below the indicated sales range and most recent sale value indication of \$121,886.00.

Petitioner presented no documentation to support his gross rent multiplier calculation.

The Board concluded that the 2007 actual values of the subject properties should be reduced to the following:

722 S. Wortman Ave.	R0019269	\$120,840.00
724 S. Wortman Ave.	R0019270	\$118,610.00

ORDER:

Respondent is ordered to reduce the 2007 actual values of the subject properties as follows:

R0019269	\$120,840.00
R0019270	\$118,610.00

The Montrose 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 CRS § 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 § 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).

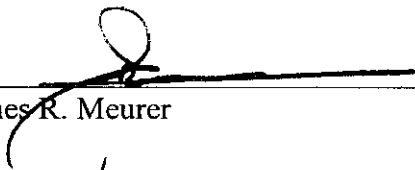
In addition, if the decision of the Board is against Respondent, Respondent may petition the Court of Appeals for judicial review of alleged procedural errors or errors of law within thirty days of such decision when Respondent alleges procedural errors or errors of law by the Board.

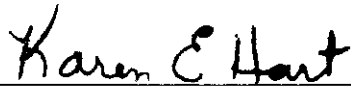
If the Board does not recommend its decision to be a matter of statewide concern or to have resulted in a significant decrease in the total valuation of the respondent county, Respondent may petition the Court of Appeals for judicial review of such questions within thirty days of such decision.

CRS § 39-8-108(2) (2008).

DATED and MAILED this 23rd day of September 2008.

BOARD OF ASSESSMENT APPEALS

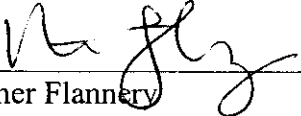

James R. Meurer


Karen E. Hart

This decision was put on the record

SEP 23 2008

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


Heather Flannery

