

<p><b>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO</b> 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p><b>GREENFIELD INVESTMENTS, LLC,</b></p> <p>v.</p> <p>Respondent:</p> <p><b>ARAPAHOE COUNTY BOARD OF EQUALIZATION.</b></p>	<p><b>Docket No.: 52203</b></p>
<p><b>ORDER</b></p>	

**THIS MATTER** was heard by the Board of Assessment Appeals on January 10, 2011, Debra A. Baumbach, Gregg Near, and Louesa Maricle presiding. Michael and Margaret Bond appeared pro se on behalf of Petitioner. Respondent was represented by George Rosenberg, Esq. Petitioner is protesting the 2009 actual value of the subject property.

Subject property is described as follows:

**909-929 S. Peoria Street, Aurora, Colorado  
Arapahoe County Parcel No. 1973-14-4-21-020**

The subject property is a 150-unit apartment property with two stories above ground and a third level that is partially below grade. The improvements were built in 1972-1973 and consist of two interior hallway apartment buildings and a single story structure that houses the leasing office, maintenance shop, fitness center, indoor pool, and other community amenities. The buildings are concrete masonry unit (CMU) construction with wood floors and roof decks. Exterior walls include painted concrete stucco, limited areas of exposed and painted CMU, and cementitious wood lap siding and stack stone veneer on the balconies. Site improvements include a central courtyard, outdoor pool, tennis court, picnic area, landscaping, concrete sidewalks, and asphalt-paved driveways and parking areas. The apartment unit mix includes four studios, 122 one-bedroom, and 24 two-bedroom units.

Petitioner is requesting an actual value of \$6,000,000.00 for the subject property for tax year 2009. Respondent assigned a value of \$6,750,000.00 for the subject property.

Petitioner contends that Respondent has inaccuracies in the physical description of the subject property and has failed to recognize the deferred maintenance at the property. Respondent used sales of apartment properties that are not comparable to the subject property in design. Also, it is not appropriate for Respondent to use sales located outside the city of Aurora.

Petitioner's witness, Mr. Michael Bond, testified that the design of the subject property, with interior hallways and one level that is partially below grade, makes it less valuable than properties with all stories above grade and exterior access to the apartments. Mr. Bond presented five comparable sales ranging in price from \$28,571.00 to \$38,636.00 per unit and in size from 42 to 450 units. Three of the sales occurred during the 18-month base period and two took place during the prior six months. Mr. Bond did not make specific market adjustments to the sales, but testified about differences between the comparables and the subject property including size, design, age, condition, and location. The witness testified about deferred maintenance at the property including the need for new roofs, boiler repairs or replacement, and other, unidentified capital improvements. The witness estimated the cost of the deferred maintenance at approximately \$521,320.00. An August 2008 bid from a roofing contractor was presented with a cost estimate of \$292,320.00. Though the bid is dated after the end of the base period, the witness testified that it was his opinion the bid would have been similar if it was made two months earlier, which would have been within the base period. Repair bids for the other deferred maintenance cited were not provided. Mr. Bond testified about discounts he believed should be made to the comparable sales based on his experience as an investor. Mr. Bond also presented testimony about three additional sales, but he considered them less comparable to the subject. Petitioner concluded to a 2009 market value for the subject of \$40,000.00 per unit, which is equivalent to a total value of \$6,000,000.00.

Respondent presented a value of \$7,050,000.00 for the subject property based on the market approach. Mr. Steve J. Poland, a Certified Residential Appraiser with the Arapahoe County Assessor's Office, testified as a witness for Respondent. The witness presented five comparable sales that occurred during the 18-month base period, ranging in price from \$46,184.00 to \$59,155.00 per unit and in size from 105 to 511 units. Mr. Poland made qualitative adjustments to the sales including, but not limited to, location, number of units, age, building size, design, quality, condition, and average rent per unit. The witness testified that he considered differences in location among the sales; he analyzed through his analysis of the average rents among the subject property and the comparables. Further, the witness had considered the sales used by Petitioner but eliminated them because they were determined to be unqualified sales or for other reasons were not considered comparable to the subject property. Because the witness did not estimate quantitative adjustments, adjusted value conclusions for the sales were not provided. The witness testified that he placed most weight on three sales that ranged in price from \$46,200.00 to \$52,300.00 per unit. The witness concluded to a value for the subject property of \$47,000.00 per unit and a total value for the property of \$7,050,000.00. Respondent requested that the Board uphold the assigned value of \$6,750,000.00 for tax year 2009.

Petitioner presented sufficient probative evidence and testimony to prove that the subject property was incorrectly valued for tax year 2009.

The Board agrees with Respondent that the use of comparable sales located outside the city of Aurora is reasonable, but the design of the subject does impact the value relative to some of the

comparables. The Board is convinced that the subject property has deferred maintenance that must be considered in the value. Respondent's witness used good condition for the property with no deferred maintenance seen, but testified that if deferred maintenance existed, it would be appropriate to adjust the value for the cost. Petitioner provided insufficient evidence to support the entire cost of the deferred maintenance claimed, but the Board concludes that roof replacement is required. The Board has relied on Petitioner's qualified sale during the base period, Respondent's sales, and testimony by both parties concerning the building design and deferred maintenance. Considering all the factors, the Board concludes that the value of the subject should be reduced to \$44,000.00 per unit.

The Board concluded that the 2009 actual value of the subject property should be reduced to \$6,600,000.00.

**ORDER:**

Respondent is ordered to reduce the 2009 actual value of the subject property to \$6,600,000.00.

The Arapahoe County Assessor is directed to change his/her 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-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 Section 24-4-106(11), C.R.S. (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.

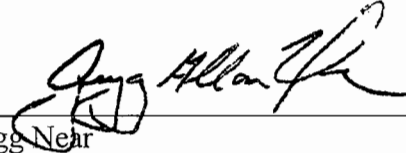
Section 39-8-108(2), C.R.S.

DATED and MAILED this 11 day of February 2011.

**BOARD OF ASSESSMENT APPEALS**



Debra A. Baumbach

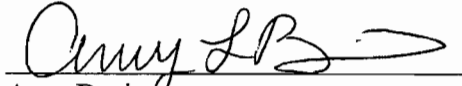


Gregg Neir



Louesa Maricle

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

  
Amy Bruins