

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

1313 Sherman Street, Room 315
Denver, Colorado 80203

Docket No.: 53274

Petitioner:

DENNIS L. MICALETTI,

v.

Respondent:

**JEFFERSON COUNTY BOARD OF
EQUALIZATION.**

ORDER

THIS MATTER was heard by the Board of Assessment Appeals on October 18, 2010, Diane M. DeVries and Louesa Maricle presiding. Petitioner was represented by an agent, Tom Keyes of Elite Property Services, Inc. Respondent was represented by Martin E. McKinney, Esq. Petitioner is protesting the 2009 actual value of the subject property.

Subject property is described as follows:

**5727Allison Street, Arvada, Colorado
Jefferson County Schedule No. 006976**

The subject property is a one-story former single family residence that has been converted to commercial office use. The building was constructed in 1946 and contains 1,481 square feet of above grade space. The building does not have a basement. The building construction is wood frame with vinyl siding and a pitched roof with composition shingles. The property also has a 616 square foot three-car detached garage and paved open parking spaces. The structures are situated on a 12,500 square foot lot at the southwest corner of Allison Street and Ralston Road and have good visibility from the Ralston Road traffic arterial.

Petitioner is requesting a value of \$222,150.00 for tax year 2009. Respondent assigned a value of \$287,300.00.

Petitioner's agent presented the following indicators of value:

Cost:	\$163,617.00
Income:	\$173,530.00
Market:	\$222,150.00

In lieu of preparing a cost approach and income approach to value, Mr. Keyes presented the analyses for those approaches presented by Respondent at the Board of Equalization hearing.

For the market approach, Petitioner presented ten comparable sales ranging in price from \$202,500.00 to \$750,000.00 and in size from 1,306 to 6,719 square feet including basement area, if applicable. Using this gross square footage basis, the sale prices ranged from \$84.69 to \$172.28 per square foot. Six of the sales occurred during the January 1, 2007 through June 30, 2008 base period and four of the sales occurred in 2005 and 2006. Mr. Keyes discussed qualitative adjustments to the sales including, but not limited to, construction quality, age, site size, location, building size, basements, and garages. Because the witness did not estimate quantitative adjustments, adjusted value conclusions for the sales were not provided. Mr. Keyes testified that he placed most weight on four sales that ranged in price from \$84.69 to \$165.08 per square foot and concluded to a per square foot value for the property of \$150.00. Based on \$150.00 per square foot, Mr. Keyes concluded to a value for the subject property of \$222,150.00 by the market approach.

Mr. Keyes testified that he gave little weight to the value indications by the cost and income approaches and primary weight to the market approach. Petitioner's final conclusion of value for the subject property was \$222,150.00.

Respondent presented the following indicators of value:

Cost:	Not used
Income:	Not used
Market:	\$355,440.00

Respondent assigned an actual value of \$287,300.00 to the subject property for tax year 2009. Based on the market approach, Respondent presented an indicated value of \$355,440.00 for the subject property.

Ms. Darla K. Jaramillo, an appraiser with the Jefferson County Assessor's Office, testified as witness for Respondent. The witness testified that she considered the cost approach unreliable in the valuation of the subject property because of the age of the improvements. The witness also considered the income approach unreliable because most houses that have been converted to commercial use are owner-occupied and recent arm's-length leases are scarce. Ms. Jaramillo relied on the market approach analysis for the subject property.

The witness presented four comparable sales including three sales that occurred during the base period and one sale that took place in 2006. The sale prices ranged from \$202,500.00 to \$303,000.00 and in size from 918 to 1,575 square feet above grade. Using the building area above grade, the sale prices presented ranged from \$175.24 to \$278.56 per square foot. Ms. Jaramillo made

adjustments to the sales for features including location, rentable area, access, visibility, condition, and accessory buildings. After adjustments, the indicated sale prices ranged from \$219.04 to \$264.64 per square foot. Based on \$240.00 per square foot derived from the market approach, the witness concluded to a value for the subject property of \$355,440.00.

Respondent presented sufficient probative evidence and testimony to support the assigned value for the subject property for tax year 2009.

Petitioner's price per square foot unit of comparison analysis was based on the combined above grade and basement square footage, if any, of each sale. For one sale relied on by Petitioner, Petitioner also included the square footage of support structures on the property. For another sale used by Petitioner, Respondent provided convincing testimony that the building square footage used by Petitioner was inaccurate. Using this methodology, Petitioner has assigned equal value to basement space, garages, and other utility structures. All of these factors resulted in a lower range of indicated price per square foot values.

The Board concludes that it is unlikely the basement space and supporting structures have the same utility and market value as the above grade space in the primary building. The Board further concludes that Petitioner's range of the comparable sale prices per square foot does not adequately reflect the necessary adjustments for the differences in basement area and accessory buildings between the comparable sales and the subject property. Therefore, Petitioner's analysis does not produce a credible indication of value.

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-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).

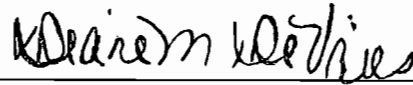
In addition, if the decision of the Board is against Respondent, Respondent may petition the Court of Appeals for judicial review of alleged procedural errors or errors of law within thirty days of such decision when Respondent alleges procedural errors or errors of law by the Board.

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.

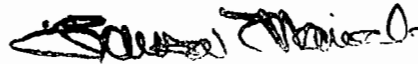
Section 39-8-108(2), C.R.S.

DATED and MAILED this 5 day of November 2010.

BOARD OF ASSESSMENT APPEALS

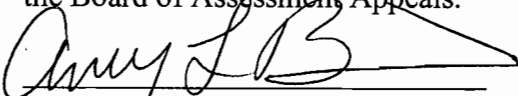


Diane M. DeVries



Louesa Maricle

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


Amy Bruins