

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>ROBERT S. AND SHARON A. CHRISTIE,</p> <p>v.</p> <p>Respondent:</p> <p>DENVER COUNTY BOARD OF EQUALIZATION.</p>	
<p>Attorney or Party Without Attorney for the Petitioner:</p> <p>Name: Robert S. Christie Address: 1429 Race Street Denver, Colorado 80206 Phone Number: (303) 394-4658</p>	<p>Docket Number: 42618</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on February 25, 2004, Rebecca Hawkins and Judee Nuechter presiding. Petitioner appeared pro se. Respondent was represented by, Ms. Alice Major, Esq.

PROPERTY DESCRIPTION:

Subject property is described as follows:

**1429 Race Street, Denver, Colorado
(Denver County Schedule No. 05021-04-011-000)**

Petitioner is protesting the 2003 actual value of the subject property, a single-family residential dwelling located at 1429 Race Street in Denver, Colorado.

ISSUES:

Petitioner:

Petitioner disagrees with Respondent's valuation; he believes that they did not take the location of his property into consideration, that they used the wrong comparable sales and needed to make more adjustments.

Respondent:

Respondent contends that the subject property has been properly valued using the market approach.

FINDINGS OF FACT:

1. Mr. Robert Christie presented the appeal on behalf of Petitioners.
2. Based on the market approach, Petitioner presented an indicated value of \$425,000.00 for the subject property.
3. Petitioner presented six comparable sales ranging in sales price from \$430,000.00 to \$580,000.00 and in size from 2,728 to 4,095 square feet. After adjustments were made, the sales ranged from \$267,400.00 to \$444,625.00.
4. The Petitioner testified that he has been a licensed Real Estate Broker since 1994 and concentrates primarily on relocation in the metro area.
5. Mr. Christie testified that location is important in the valuation of single-family dwellings and if a property borders a park or a lake it would have a high location adjustment. The subject property borders Colfax Avenue and it is not as desirable as those bordering a park. The 1400 block of Race Street is half commercial use. There is a 24-hour Walgreen's Drug Store that occupies almost half of the block and a bed and breakfast is also located on the block. The remainder is high-rise apartments and conversions of up to seven apartments. The subject property is located on this block along with a few residential single-family dwellings. There are numerous bars and restaurants nearby which indicates that noise can be an issue in the neighborhood.
6. The Petitioner testified that his dwelling would be considered in good condition, but not excellent condition as the Respondent has indicated. It has the original charm and has been restored on the interior with a modest kitchen replacement. The boiler is from the 1950's with original plumbing and some electrical updating. There is a non-functional bath in the basement. He has replaced the roof on the dwelling. The garage is a cinder-block structure.
7. The Petitioner presented his comparable sales to the Board and indicated that his Sale 1 is the only true comparable sale since it has a similar location in the 1400 block near Colfax Avenue and a Burger King Restaurant within close proximity. There are no other businesses on

Gilpin Street and the listing agent for Sale 1 indicated that the nearby Burger King was the largest obstacle in marketing the property. There are also converted condos on this block with other single-family residences. Mr. Christie believes that a location adjustment to this sale is indicated at \$25,000.00 for less commercial use in the neighborhood than his location. The gross living area for Sale 1 differs between the Multiple Listing Service information and public records because the listing Broker utilized an adjustment for the possibility of future attic expansion. The Petitioner feels that red brick exterior is superior to the exterior appeal of his dwelling and made an adjustment of \$10,000.00. Petitioner indicated that Sale 1 has more updating and superior overall conditions than the subject property.

8. The Petitioner discussed his additional comparable sales and indicated to the Board the criteria he used in determining the appropriate adjustments. The block on which Sale 2 is located has more single-family homes and is closer to Cheesman Park than the subject for a 5 percent adjustment. He has been inside this dwelling and knows that it has an apartment on the top floor. He does not know if the Respondent considered this amenity. He believes that the gross living area for Sale 2 is incorrect based on public records. Sale 3 has a high-rise apartment across the street and he applied a 2.5 percent location adjustment to this sale. It also had a \$160,000.00 remodel prior to sale and he indicated an \$80,000.00 adjustment for condition. Mr. Christie indicated that he had been inside the dwelling indicated as Sale 4. It needed a new kitchen. There were apartments near this sale.

9. Based on questions from the Board, the witness testified that his time adjustment was based on the county formula. He used similar adjustments for gross living area and quality as the Respondent used, although he did not agree with the price per square foot that the Respondent utilized. He thought it should have been a stronger adjustment.

10. Petitioner is requesting a 2003 actual value of \$425,000.00 for the subject property.

11. Respondent's witness, Mr. Richard Phinney, a Certified General Appraiser with the Denver County Assessor's Office, presented an indicated value of \$498,000.00 for the subject property based on the market approach.

12. The Respondent's witness presented three comparable sales ranging in sales price from \$405,000.00 to \$549,000.00 and in size from 2,323 to 2,973 square feet. After adjustments were made, the sales ranged from \$459,475.00 to \$528,025.00.

13. Mr. Phinney testified that the subject property is a single-family dwelling with 5,600 square feet of land and 2,600 square feet of masonry construction, which was built in approximately 1900. The Petitioner purchased the property in 1994 in poor condition; it has since undergone a meticulous restoration based on an exterior inspection. Mr. Phinney was denied access to the property other than the basement in 1998. There are partition frame walls in the basement, but no

finish. The bathroom fixtures are in place in the basement, although Petitioner indicated they are non-functioning. The room count shown in Respondent's appraisal is based on notes from prior appraisers.

14. The Respondent's witness testified that there is a location impact from Colfax Avenue, which indicates a negative external obsolescence. Typically the neighborhoods have more owner-occupied residences as one moves away from Colfax Avenue. Overall superior conditions for single-family dwellings are also observed as the distance from Colfax Avenue is increased, as well as increased values for those properties.

15. Mr. Phinney presented Respondent's comparable sales and the criteria used for the adjustments. Sale 1 had a negative time trend of .34 percent per month. The rear corner of the comparable sale's lot was adjacent to the corner of the Burger King parking lot and was considered highly comparable to the subject's view of Walgreen's. He did make an adjustment to this sale as being slightly superior, although he believes he would not make that adjustment today since he feels it is more comparable to the subject property. Sale 2 has less exposure to the commercial environment on Colfax Avenue but is located next to a high-rise apartment building. This area is considered a superior location as compared to the subject property. Sale 3 is a superior block with no high-rises and a lower density than the subject neighborhood.

16. Respondent's witness presented Exhibit 2, a list of all two-story sales from 2,000 to 3,400 square feet that occurred during the base period. This list was stratified by condition and sorted by price per square foot. This data was presented as rebuttal for the Petitioner's rebuttal exhibit.

17. Mr. Phinney testified that the square footage for Sale 1 per the Multiple Listing Service is correct with the county records and that Mr. Christie had added the basement size to the gross living area to indicate a 2,893 square feet in his report. The witness indicated that he believes the location adjustment applied by Mr. Christie was overstated. The potential to expand attic area into living area is an unnecessary adjustment. Typically, gas hot water heat systems are higher quality than gas forced air systems and may indicate an adjustment. His research has not indicated that red brick exteriors are superior to stucco exteriors.

18. The Respondent's witness testified that Petitioner's Sale 5 indicated excessive adjustments for view and location based on his study of the marketplace. Market data also indicates that dwellings with a one-bedroom apartment typically sell for \$20.00 square foot less than homes without apartments and he cannot support the Petitioner's adjustment for that amenity. An adjustment for an upper floor laundry would not be objectionable to Mr. Phinney, although he has no data to support the adjustment.

19. The Respondent's witness testified that he did not use the sales contained in Petitioner's rebuttal due to a wide variation in gross living area as compared to the subject property and that there are more representative properties available. He noted that Realtors frequently overstate gross living area. Petitioner's Sale 6 is located across from Warren Village, a residential program operated by Warren Lutheran Church for low-income, single-parent families and backs to a high-rise apartment. Mr. Phinney does not believe a location adjustment was warranted and that the

comparable location may be inferior to the subject property.

20. During cross-examination, Respondent's witness testified that he did not use 1337 High Street and that he believes the Petitioner misrepresented the condition of the property.

21. Respondent assigned an actual value of \$478,800.00 to the subject property for tax year 2003.

CONCLUSIONS:

1. Respondent presented sufficient probative evidence and testimony to prove that the subject property was correctly valued for tax year 2003.

2. The Board was most persuaded by Respondent's witness. Mr. Phinney presented a well-documented and reasonably adjusted market approach to value.

3. The Board noted that the comparable sales report presented by the Petitioner contained adjustments typically not considered in proper appraisal practice and that those adjustments were considered inappropriate. Especially noted are the adjustments for view and for block location, which is considered double dipping in appraisal practice. Red brick exterior is typically considered in the appeal rating of the sales comparison analysis. Potential for expansion, granite kitchens, remodeled baths and master suites are not typical items for adjustments but are considered in the overall condition rating.

4. The Board believes that the location adjustments applied by the Respondent were appropriate. A review of the Petitioner's comparable sales with appropriate location adjustments, elimination of those adjustments typically not individualized, and corrected gross living area for Sale 1 supports Respondent's assigned value.

5. After careful consideration of all of the evidence and testimony presented, the Board affirms the assigned value of \$478,800.00.

ORDER:

The petition is denied.

APPEAL:

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

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 5th day of April, 2004.

BOARD OF ASSESSMENT APPEALS

Rebecca Hawkins
Rebecca A. Hawkins

Judee Nuechter
Judee Nuechter

This decision was put on the record

APR 05 2004

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

