

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>RHR LLC,</p> <p>v.</p> <p>Respondent:</p> <p>JEFFERSON COUNTY BOARD OF EQUALIZATION.</p>	<p>Docket No.: 49293</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on December 11, 2008, Karen E. Hart and Sondra W. Mercier presiding. Petitioner was represented by Richard H. Ralston, manager for RHR LLC. Respondent was represented by Writer Mott, Esq. Petitioner is protesting the 2007 actual value of the subject property.

PROPERTY DESCRIPTION:

Subject property is described as follows:

**11740 Airport Way, 35-E, Broomfield, Colorado
(Jefferson County Schedule No. 201471)**

The subject is a 4,340 square foot airplane hangar built in 1995 that is located in a six unit building. The square footage was determined by the Assessor based on exterior measurement. The subject building has been sold as condominium units; however, it does not appear to have been legally demised.

Petitioner is requesting a 2007 actual value of \$77,309.00 for the subject property. Petitioner's value is based on the Assessor's actual value of \$23.47 per square foot for a six unit hangar identified as Hangar 33 A-F (Schedule No. 200328). Petitioner applied this value to the subject, deducted depreciation of 26% and added \$1,933.00 for depreciated concrete skirting, bringing the total value for the subject to \$77,309.00.

Respondent presented the following indicators of value:

Cost:	\$122,200.00
Market:	\$192,700.00
Income:	Not applied

Respondent used a state-approved cost estimating service to derive a market-adjusted cost value for the subject property of \$122,200.00. Respondent applied 26% depreciation to the building and 69% to the concrete skirting. Respondent placed the greatest reliance on this approach.

Based on the market approach, Respondent presented an indicated value of \$192,700.00 for the subject property. Respondent presented six comparable sales ranging in sales price from \$155,000.00 to \$212,500.00. All of the comparables were 3,300 square feet in size and built in 2002. Respondent's witness testified to concerns in using the sales comparison approach, including the difference in age between the subject unit and the comparables and the fact that the comparable units had been legally demised as condominium units.

Respondent did not apply the income approach to derive a value for the subject property due to the limited data available for comparison.

Respondent's witness testified that the difference between the square footage valuation of the subject property and Petitioner's comparable Hangar 33 A-F is an economy of scale. Hangar 33 is valued as one 26,040 square foot building due to its single ownership of all six units whereas the subject property is valued as a 4,340 square foot condominium unit due to individual ownership of separate units. Building costs per square foot decrease as building size increases, resulting in a lower value per square foot for Hangar 33 A-F.

Respondent assigned an actual value of \$122,200.00 to the subject property for tax year 2007.

Respondent presented sufficient probative evidence and testimony to prove that the tax year 2007 valuation of the subject property was correct.

Petitioner presented no indication of the actual value of the subject using any of the three approaches to value.

Petitioner used an equalization argument to support the requested value of \$77,309.00. Once the actual value of the subject property has been determined, the Board can then consider an equalization argument if evidence or testimony is presented which shows the Board that the assigned values of the equalization comparables were derived by application of the cost, market or income approach and that each comparable was correctly valued. Since that evidence and testimony was not presented, the Board gave little weight to the equalization argument presented by Petitioner.

The Board concluded that Respondent correctly valued the subject property as an individual hangar unit.

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 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 28th day of January 2009.

BOARD OF ASSESSMENT APPEALS

Karen E Hart

Karen E. Hart

This decision was put on the record

JAN 28 2009

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

Heather Flannery
Heather Flannery

Sondra W. Mercier

Sondra W. Mercier

