

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

1313 Sherman Street, Room 315  
Denver, Colorado 80203

**Docket No.: 52532**

Petitioner:

**ALEX CRANBERG AND SUSAN MORRICE,**

v.

Respondent:

**ARAPAHOE COUNTY BOARD OF  
EQUALIZATION.**

**ORDER**

**THIS MATTER** was heard by the Board of Assessment Appeals on September 9, 2010, Debra A. Baumbach and MaryKay Kelley presiding. Petitioners were represented by Mills H. Ford, agent. Respondent was represented by George Rosenberg, Esq. Petitioners are protesting the 2010 actual value of the subject property.

Subject property is described as follows:

**2711 Willamette Lane, Greenwood Village, Colorado  
(Arapahoe County Schedule No. 2077-13-2-01-009)**

The subject is a 4.879-acre vacant residential site. It was purchased by the owners (Petitioners) of 5280 South University Boulevard, an adjoining improved site. Although it carries a lower tax rate because it is contiguous to the improved site, the two are separately titled and have no legal relationship.

Respondent assigned an actual value of \$2,196,000.00 for tax year 2009. Petitioners are requesting a value of \$1,730,000.00.

Mr. Ford, Petitioners' agent and appraiser, described the subject's relationship to 5280 South University Boulevard. A gravel road provides access from Willamette Lane through the subject site to what is called the "dominant estate". Each lot has a pond, the two interconnecting. The ponds are man-made and well-fed, but the location of the well is unknown. Mr. Ford testified that Greenwood Village's community development personnel voiced concerns about securing a construction permit due to the road, the pond, and setbacks.

Mr. Ford presented an indicated value of \$1,730,000.00 for the subject property based on the market approach. He presented five comparables ranging in sales price from \$685,000.00 to \$1,450,000.00 and in size from 1.87 to 3.98 acres. After adjustments were made, the sales ranged from \$1,187,100.00 to \$2,151,119.00.

Respondent presented an indicated value of \$2,196,000.00 for the subject property based on the market approach. The witness presented three comparable sales, two of which were used by Petitioners, ranging in sales price from \$685,000.00 to \$1,450,000.00, from \$287,815.00 to \$612,500.00 per acre, and in size from 2.0 to 2.81 acres. After adjustments were made, the per-acre unit prices ranged from \$417,331.00 to \$645,016.00. The witness, reconciling to a per-acre value of \$500,000.00, applied an additional negative 10% adjustment for the site's contiguous relationship with 5280 South University Boulevard.

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

The Board finds that, pursuant to Section 39-1-103(5)(c), C.R.S., the value of the subject property should reflect actual use on January 1, 2009 as an independent single family residential lot. Separately titled, its only relationship with 5280 South University Boulevard is common ownership. No legal relationship exists with 5280 South University Boulevard.

The Board has no confidence in the conclusion of either party's market approach. Respondent's price-per-acre analysis is flawed because a straight-line application (sales priced divided by acreage) does not appropriately address a variety of lot sizes, the subject and comparable sales are all single building sites with diminishing returns beyond what is required for a building envelope, the typical residential buyer's goal is a building lot, and a price-per-acre analysis skews the analysis and value conclusion. Further, Respondent's theory, that an additional excess ground adjustment is warranted due to the contiguous relationship with the dominant site, is incorrect, as the subject site is an independent legal entity. Petitioners' size adjustments are confusing and without merit, and the excess land adjustments have no relevance to a stand-alone site. Excess land is not at issue.

The Board dismisses the following sales, common to both parties: 5295 South University Boulevard (Petitioners' Sale 4 and Respondent's Sale 1 because it included a residence requiring demolition, the cost and inconvenience of which would additionally reduce value), and 5900 East Belleview Avenue (Petitioners' Sale 2 and Respondent's Sale 3 because it did not meet the 2.5 minimum acreage required for new construction and would not market to a buyer interested in a stand-alone site).

Three sales remain comparable to the subject: 5565 South Madison Lane (Petitioners' Sale 1 with 3.98 acres and a sales price of \$1,450,000.00), 3901 East Long Road (Petitioners' Sale 3 and Respondent's Sale 2 with 2.81 acres and a sales price of \$1,450,000.00), and 5461 South Highline Circle (Petitioners' Sale 5 with 1.87 acres and a sales price of \$1,100,000.00). When compared with the two above-captioned larger sales, the Board is not convinced that the subject's size carries additional value. It finds that a time adjustment is appropriate for vacant

sites but was not supported by research parameters (improved properties and metropolitan-wide land sales per Petitioners' witness). It is not persuaded that the road, pond, or setbacks would negatively impact a building permit or marketability, nor would slope or configuration impact construction.

The Board concludes that the 2009 actual value of the subject property should be reduced to \$1,730,000.00.

**ORDER:**

Respondent is ordered to reduce the 2009 actual value of the subject property to \$1,730,000.00.

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 15 day of October 2010.

BOARD OF ASSESSMENT APPEALS

Debra A. Baumbach  
Debra A. Baumbach

MaryKay Kelley  
MaryKay Kelley

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

[Signature]

Amy Bruins

