# 2018
# Gunnison County Board of Equalization:
# Hearing # 10

The Gunnison County Assessor's Office has been asked to communicate the assignment results for a single property that was appraised as part of our mass appraisal assignment.

The Uniform Standards of Professional Appraisal Practice (USPAP) defines mass appraisal as: the process of valuing a universe of properties as of a given date using standard methodology, employing common data, and allowing for statistical testing.

All of the sales used for Gunnison County's mass appraisal can be viewed on the Gunnison County web site (www.gunnisoncounty.org).

For the purposes of the mass appraisal, market value is defined as:

> "The most probable price, expressed in terms of money, that a property would bring if exposed for sale in the open market in an arm's-length transaction between a willing seller and a willing buyer, both of whom are knowledgeable concerning all the uses to which it is adapted and for which it is capable of being used." – Property Assessment Valuation, 1996, IAAO

The classification of property for each year is determined by its use on the assessment date (January 1st). Once property is classified for property tax purposes, it shall remain so classified until such time as its actual use changes. Commercial property is valued by considering the cost, market (sales comparison) and income approaches. Residential property is valued solely by consideration of the market approach.

For the 2018 property tax year, the effective **appraisal date is June 30, 2016**, as required by § 39-1-104(10.2)(a)(d), Colorado Revised Statutes.

The single property being characterized for this hearing is identified as:

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|---|---|
| **Property Owner:** | **MANUS CONNIE S et al** |
| **Account Number:** | **R014078** |
| **Parcel Number:** | **2917-262-20-029** |
| **Legal Description:** | **LOT 7 BLK 5 MARBLE SKI AREA 1** |
| **Value:** | **$177,720** |

# CBOE # 10 Narrative

Subject property comprises a 0.375 acre parcel in the Town of Marble, with a 1,200 sq ft structure which is currently classified and valued as a commercial workshop/retail space.

The current property owner discontinued business operations on the property several years ago, and since that time has stated the intention to convert the property into a residential dwelling. However, under Colorado assessment law, discontinuation of a business operation alone does not cause a property's classification to change. Classification for tax purpose only changes at such time as a different use is established.

For some time the property owner has been in the process of modifying the property to make it suitable for residential use, including the installation of a kitchen and bathroom. Staff from the Assessor's Office inspected the property on September 26th 2018, and observed that the conversion was very close to being complete. The property owner stated that the property would shortly be under lease to a tenant who plans to occupy the property as a residence starting in October. Once this happens, the conditions for changing the use of the property to residential will have been met. Based on the statutory requirement that property be classified according to its actual use as of January 1st of each year, the subject property would qualify for residential classification in 2019.

Based on the foregoing facts and observations, and the relevant statutory language, the Assessor's Office believes that the current classification of the property as commercial for tax year 2018 is correct.