CBOE #352

TIMBERLINE; R003169

2019 REAL PROPERTY NOTICE OF DETERMINATION

Gunnison County
COLORADO

Kristy McFarland
Gunnison County Assessor
221 N Wisconsin St, Suite A
Gunnison, CO 81230

Date of Notice: August 15, 2019
Phone: (970) 641-1085
Fax: (970) 641-7920
Email: assessor@gunnisoncounty.org
Website: http://www.gunnisoncounty.org/assessor.html

ACCOUNT NUMBER	TAX YEAR	TAX AREA	PARCEL NUMBER
R003169	2019	200	3255-031-36-009

PROPERTY OWNER	LEGAL DESCRIPTION
ELK AVENUE PARTNERS LLC PO BOX 836 CRESTED BUTTE, CO 812240836	LOTS 17-18 BLK 21 CRESTED BUTTE #543557 Timberline

PROPERTY CLASSIFICATION	PROPERTY OWNER'S ESTIMATE OF VALUE	ASSESSOR'S VALUATION	
		ACTUAL VALUE PRIOR TO REVIEW	ACTUAL VALUE AFTER REVIEW
Commercial Received County Administration 9/16/19	2017 1,251,000	2,067,370	1,768,730 (298,640)
TOTALS		$2,067,370	$1,768,730

The Assessor has carefully studied all the available information, giving particular attention to the specifics included on your protest. The Assessor's determination of value after review is based on the following:

The actual value of the property is determined by appropriate consideration of the approaches to appraisal set forth in § 39-1-103(5)(a), C.R.S.

The physical inventory of your property was corrected after our office completed an on-site inspection.

If you disagree with the Assessor's decision, you have the right to appeal to the County Board of Equalization for further consideration, § 39-8-106(1)(a), C.R.S.

The deadline for filing real property and personal property appeals is September 15.

The Assessor establishes property values. The local taxing authorities (county, school district, city, fire protection, and other special districts) set mill levies. The mill levy requested by each taxing authority is based on a projected budget and the property tax revenue required to adequately fund the services it provides to its taxpayers. The local taxing authorities hold budget hearings in the fall. If you are concerned about mill levies, we recommend that you attend these budget hearings. Please refer to last year's tax bill or ask your Assessor for a listing of the local taxing authorities.

Please refer to the reverse side of this notice for additional information.

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APPEAL PROCEDURES

County Board of Equalization Hearings will be held from September 1 through November 1 at Gunnison County Courthouse or Blackstock Government Center.

To appeal the Assessor's decision, complete the Petition to the County Board of Equalization shown below, and mail or deliver a copy of both sides of this form to:

Gunnison County Board of Equalization
200 E Virginia Ave
Gunnison, CO 81230
(970) 641-0248

Elk Ave. Partners
R003169
Timberline

To preserve your appeal rights, your Petition to the County Board of Equalization must be postmarked or delivered on or before **September 15 for real property and personal property** – after such date, your right to appeal is lost. You may be required to prove that you filed a timely appeal; therefore, we recommend that all correspondence be mailed with proof of mailing.

You will be notified of the date and time scheduled for your hearing. The County Board of Equalization must mail a written decision to you within five business days following the date of the decision. The County Board of Equalization must conclude hearings and render decisions by November 1, § 39-8-107(2), C.R.S. If you do not receive a decision from the County Board of Equalization and you wish to continue your appeal, you must file an appeal with the Board of Assessment Appeals by December 8, § 39-2-125(1)(e), C.R.S.

If you are dissatisfied with the County Board of Equalization's decision and you wish to continue your appeal, you must appeal within 30 days of the date of the County Board's written decision to ONE of the following:

Board of Assessment Appeals
1313 Sherman Street, Room 315
Denver, CO 80203
(303) 866-5880
www.dola.colorado.gov/baa

District Court
Contact the District Court in the county where the property is located. See your local phone book for the address and telephone number.

Binding Arbitration
For information about binding arbitration, contact the County Board of Equalization at the address above.

If the date for filing any report, schedule, claim, tax return, statement, remittance, or other document falls upon a Saturday, Sunday, or legal holiday, it shall be deemed to have been timely filed if filed on the next business day, § 39-1-120(3), C.R.S.

PETITION TO COUNTY BOARD OF EQUALIZATION

What is your estimate of the property's value as of June 30, 2018? (Your opinion of value in terms of a specific dollar amount is required for real property pursuant to § 39-8-106(1.5), C.R.S.)

$ 1,228,283.00

What is the basis for your estimate of value or your reason for requesting a review? (Please attach additional sheets as necessary and any supporting documentation, i.e., comparable sales, rent roll, original installed cost, appraisal, etc.)

See attached letter

ATTESTATION

I, the undersigned owner or agent* of the property identified above, affirm that the statements contained herein and on any attachments hereto are true and complete.

Signature

970-641-1903
Telephone Number

9-13-19
Date

*Attach letter of authorization signed by property owner.

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EXHIBIT A
Page 1 of 2

LAW OF THE ROCKIES

Members
Marcus J. Lock
Jacob A. With
Kendall K. Burgemeister

Of Counsel
John R. Hill, Jr.

Associate
Austin J. Chambers
William P. Edwards*
*Licensed in Utah only

525 N. Main Street, Gunnison, CO 81230 | 970.641.1903
lawoftherockies.com | Fax: 970.641.1943
Email: jwith@lawoftherockies.com

September 13, 2019

VIA UNITED STATES MAIL
AND VIA HAND DELIVERY

Gunnison County Board of Equalization
200 E. Virginia Ave.
Gunnison, CO 81230

Re: ***Protest and Appeal of Notices of Determination for: Lots 17-18, Block 21, Crested Butte, CO (R003169 – "Timberline")***

Dear Gunnison County Board of Equalization,

I represent Elk Avenue Partners LLC ("EAP") and am writing to protest and appeal the Notice of Determination for the Timberline building.

- 2018 Assessor Actual Value: $1,251,240
- 2019 Assessor Actual Value from NOD: $1,768,730.00
- Percent increase: 41%

There are no actual comparable buildings sold in Gunnison County during the appraisal period. A portion of the Timberline building is located in a floodplain. Coal Creek runs through the approximate middle of this lot, rendering approximately one-half of the lot unusable. The second floor of the building has outdated kitchen equipment, but is not useable for a restaurant. Because this second story is not functional, it demands a very low rental rate.

The Assessor has overvalued the property by failing to consider the lack of value on one-half of the parcel and failing to recognize that the second story has low functionality.

A review of the actual values for actual comparable properties located very closely to the Timberline building shows that there is a discrepancy with the mass appraisal system in valuing the Timberline building:

- Kochevars/Soupcon: $142.24 per square foot
- Wooden Nickel: $234.7 per square foot

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EXHIBIT A
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LAW OF THE ROCKIES

- Talk of the Town: $198.18 per square foot
- Average price per square foot: $191.71
- Assessor's NOD for Timberline: $296.56 per square foot
- Timberline's actual value if average is used: $1,143,358.44

The net operating income ("NOI") of the property from 2016 through 2018 is calculated using actual rental values and actual expenses. Even using conservative numbers and assuming a 100% occupancy, this rental valuation approach provides a market value of $1,228,283.

The NOI value of $1,228,283 is relatively close to the average value of $1,143,358.44 using other comparable properties. The consistency between these two values demonstrates that they more appropriately reflect actual market value than the Notice of Determination value by the Gunnison County Assessor. Accordingly, EAP requests that the Board of Equalization adopt an actual value for the property of $1,228,283.

Sincerely,

Jacob A. With
LAW OF THE ROCKIES

CBOE #362

EXHIBIT B
Page 1 of 1

September 12, 2019

VIA FIRST CLASS MAIL
AND HAND DELIVERY

Gunnison County Board of Equalization
200 E. Virginia Ave.
Gunnison, CO 81230

Re: ***Protest and Appeal of Notices of Determination for: Lots 17-18, Block 21, Crested Butte, CO (R003169 – "Timberline"); Lots 25-29, Block 22, Crested Butte, CO (R003509 – "Somrak"); Lots 1-4, Block 27, Crested Butte, CO (R003352 – Donita's); Lots 8-10, Block 27, Crested Butte, CO (R003354 – "Butte")***

Dear Gunnison County Board of Equalization,

Elk Avenue Partners, LLC ("EAP"), the owner of the above described properties, does hereby authorize Jacob A. With and Law of the Rockies to file an appeal and protest to the Board of Equalization for the properties, including appearing at any hearings or any other proceedings for the same.

Sincerely,
Elk Avenue Partners, LLC

Daniel Dow, Member

LAW OF THE
ROCKIES
Attorneys at Law
525 N. Main St.
Gunnison, CO 81230

UNITED STATES POSTAGE
PITNEY BOWES
02 1P $ 001.45⁰
0000300456 SEP 13 2019
MAILED FROM ZIP CODE 81230

Gunnison County Board of
Equalization
200 E. Virginia Ave.
Gunnison, CO 81230

Received
County Administration
9/16/19 (VIA MAIL)
HAND DELIVERED +
EMAILED COPIES