Received
County Adminstration
7/5/13

CBOE # 32

2013 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: June 25, 2013
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
R005176	2013	500	3177-234-18-008

AGENT	LEGAL DESCRIPTION
DENA HILDRETH 1313 W OHIO AVE GUNNISON, CO 81230 OWNER: NORDIC INN LLC	LOTS 1,2 BLK D CHALET VILLAGE ADDN 1 #616550

PROPERTY CLASSIFICATION		PROPERTY OWNER'S ESTIMATE OF VALUE	ASSESSOR'S VALUATION	
			ACTUAL VALUE PRIOR TO REVIEW	ACTUAL VALUE AFTER REVIEW
Residential			617,460	617,460
	TOTALS		$617,460	$617,460

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.

No information containing data with the defined time frame was submitted.

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 appeals is July 15.
The deadline for filing personal property appeals is July 20.

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 July 1 through August 5 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

To preserve your appeal rights, your Petition to the County Board of Equalization must be postmarked or delivered on or before **July 15 for real property** and on or before **July 20 for 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 August 5, § 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 September 12, § 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 a list of arbitrators, contact the County Commissioners at the address listed for the County Board of Equalization.

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, 2012? (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.)

$ 140,000

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.)

The only comparable sale in Mt Crested Butte in the past 5 years was MLS #35323, sold in October 2012 for $242,500. Our lot is much smaller. Please see attached letter from Red Lady Realty. We are basing this on the amount we purchased the property for in 2012.

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	Telephone	Number Date
	(970) 275-4123	07/03/2013

*Attach letter of authorization signed by property owner.

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EXHIBIT A
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THE NORDIC INN, LLC

July 3, 2013

To Whom It May Concern:

Please allow this letter to serve as authorizaiton for Dena Hildreth to act as our agent throughout the appeals process on our properties.

Sincerely,

John A. Johnson

PO Box 127
Crested Butte, CO 81224
(970)349-5542

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EXHIBIT B
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Red LADY REALTY INC.
www.redladyrealty.com

March 18, 2013

John A. Johnson
Nordic Inn, LLC
P.O. Box 127
Crested Butte, CO 81224

Re: Nordic Inn Building, Lot 4 Block D #251692, Town of Mt. Crested Butte, Colorado
14 Treasury Rd., Mt. Crested Butte, Colorado 81224

Dear Mr. Johnson,

This is in reply to your request for a broker's opinion of value for the building situated on Lot 4, Block D, The Nordic Inn.

The entire parcel acquired on November 2, 2012 comprised 6 land parcels including Lots 1, 2, and 3, Inn Sites 4 and 5, Block D and Lot 1, Block C. Four of the parcels are vacant with the Inn situated on Inn Site 4 and the residence known as the Chalet situated on Lot 3.

Lots 1 and 2, Block D, are zoned low density multi-family lots (LDMF) comprising .945 ac. By way of value of the property, the only sales comparable at Mt. Crested Butte in the past 5 years at Mt. Crested Butte is the 3.23 acre property on Snowmass Rd. MLS # 35323 sold 10/9/12 for $242,500. This sale, of a parcel 3.4 times Lots 1 and 2, indicates a value of Lots 1 and 3 of $70,000 each, total **$140,000**.

Lot 3 is a smaller LDMF lot with the 1,200 sq. ft. Chalet structure is situated between Nordic Inn LLC parcels Lot 2 and Inn Site 5 making it effectively "bookended" by the Nordic parcels. Noting the age of the residence, the location inside the Nordic property and the absence of comparable sales for the past 5 years, it is the opinion of this broker the .275 acre site has an approximate value of **$70,000**.

Lot 1 Block C located across the Treasury Rd. cul-de-sac is a level .31 ac. single-family homesite situated adjacent to LDMF property. By way of value, the 14 residential lots sold at Mt. Crested Butte in the previous 12 months have closed at an average price of $5.33 per sq. ft. At $5.33 per sq. ft., Lot 1, comprising 13,503 sq. ft. has an approximate value of **$71,970**.

Inn Site 5, zoned high density multi-family, is located east of the Nordic Inn and has a topography with the western 1/3 of the property (closest to the Inn) somewhat level and the eastern 80' sloping steeply upward. The adjacent southern structure, Evergreen Condominiums, is 4 stories tall and shades the usable portion of Inn Site 5. No high density multi-family land parcels have sold since 2007. With no sales comparables

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EXHIBIT B
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occuring in 6 years, my estimate of value for this property with only 1/3 level ground is **$100,000.** The property would only sell at a strongly incentivized price.

Inn Site 4 with the Nordic Inn is a mostly level .8 acre parcel situated on Treasury Rd. with good visibility from the Gothic County Rd. The value of the property is difficult to determine because, as indicated above, no high density multi-family lots have sold in over 6 years. Land sales have been the most severely impacted type of real estate during the recession period with sales only occurring at deeply discounted prices. Land sale prices are occurring at 2002 prices with only a very few buyers taking on the tax burden of owning vacant land with no development prospect in the foreseeable future. My judgment is Inn Site 4 would sell at a price of about **$150,000**.

The estimates of value for the several land parcels total:

Lots 1 and 2, Block D	$140,000
Lot 3, Block D	$70,000
Lot 1 Block C	$71,970
Inn Site 5	$100,000
Inn Site 4	$150,000
Total	**$531,970**

The November, 2012 purchase price for the Nordic Inn property was $2,040,000. With the above data indicating the land value is in the $532,000 range, the net value of the Nordic Inn building is **$1,508,000.**

An alternate methodology using construction costs will strongly confirm this **$1,508,000** valuation. Crested Butte area residential construction costs for premium quality construction and commercial construction costs are broadly estimated by construction companies as $350 per sq. ft. and up. Such a replacement cost, for the 11,544 sq. ft. (per County Assessor) building, results in a value of the building greater than $4 million.

This estimate of value for the Nordic Inn building is an estimate by a licensed Colorado Realtor. It is not an appraisal.

I would be pleased to provide additional, supporting data if requested. Thank you for the opportunity to be of service.

Sincerely,

Sam W. Lumb

Sam W. Lumb
Associate Broker
Colorado License #4001 6197

Dena Hildreth
Nordic Inn
1313 W. Ohio, Office
Gunnison, CO 81230

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