2013
Gunnison County Board of Equalization:
Hearing #33

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.

The comparable 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 quoted:

> "Market value is 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

Commercial property is valued by considering the cost, market and income approaches.

For the 2013 property tax year, the effective appraisal date is June 30, 2012, as required by §39-1-104(10.2)(a)(d), Colorado Revised Statutes.

The following page(s) will characterize the petitioner's property and compare it to a few examples selected from the "Commercial Sales" list.

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

Property Owner: NORDIC INN LLC
Account Number: R005179
Parcel Number: 3177-234-18-015
Legal Description: INN SITE 4 & 5
Value: $1,821,940

Commercial Sales Comparables Inventory and Account Value Summary

Owner: NORDIC INN LLC
OwnerAddress PO BOX 127

CRESTED BUTTE

LEA: 60080
ACCOUNT #: **R005179** **NBHD:** 350100
PARCEL #: **317723418015** Appraisal Approach: Market **Econ. Area:** 6

	Subject	Comp 1	Comp 2	Comp 3
Account No	R005179	R027463	R001953	R003402
Address	16 TREASURY RD	701 W US HIGHWAY 50	411 E TOMICHI AVE	510 WHITEROCK AV
	MT CRESTED BUTTE 81225	GUNNISON 81230	GUNNISON 81230	CRESTED BUTTE 812
Business		Days Inn	Super 8	Inn at Crested Butte
General Information				
Number of Bldgs	1	1	1	2
Year Built	1963	1982	1987	1993
Construction	Wood Frame	Wood Frame	Wood Frame	Wood Frame
Occupancy	Motel	Motel	Motel	Motel
Quality	Fair	Fair	Fair	Average
Size Comparison				
Main Area (SF	11544	16312	22637	8892
Room Count	27	44	52	16

Value Summary

Sale Date	9/29/2010	1/26/2009	6/2/2008
TASP $/Room	$14,290	$32,830	$88,000
Sales Price	$975,000	$1,940,000	$1,600,000
Time Adjusted Sales Price	$760,750	$1,707,200	$1,408,000

Your Account Value	$1,821,940	
Additional Lot	$514,230	
Motel Value	$1,307,710	$48,430 per room

Subject R005179 (HDMF) 34,282 sqft X $15 = $514,230

60070 - MT CB LOW DENSITY MULTI-FAMILY $15 PER SQ FT

Typical Use: Townhomes

Approach: Locational adjustment to Crested Butte land value

The locational adjustment was calculated by comparing the most recent 2 years of average quality / average condition townhomes in Crested Butte versus Mt (districts 500 and 501). The average sales price per square foot was $286 in CB versus $184 in Mt CB, yielding a locational adjustment of 1.55. The CB land val (typical townhome development area) previously developed is $23 per square foot.

Indicated Value: $23/sq ft ÷ 1.55 = $15/sq ft.

60080, 60130 & 60135 - MT CB HIGH DENSITY MULTI-FAMILY $15 PER SQ FT

Typical Use: Condominiums

Approach: Adjustment to LDMF land value based on relative utility for development

The adjustment was calculated by comparing the likely development cost and sales income of a 3 acre parcel developed as townhomes versus condominiums. Typical development as townhomes would result in 16 parcels with 1,200 sq ft footprint improvements, each with 3,000 sq ft of living area (including walkout Marshall Swift construction cost of the improvements at $61/sq ft would be 16 x 1,200 x $61 = $1,171,200. Potential sales income, based on an average sales of $17 /sq ft of living area would be: 16 x 3,000 x $175 = $8,400,000. Abstracted value of land would be $8,400,000 – $1,171,200 = $7,228,800.

Typical development as a condominium complex would result in sixty 1,000 sq ft units. Assuming 200 sq ft of additional GCE improvement area per unit, this v a 24,000 sq ft footprint three story building. Marshall Swift construction cost of the improvement at $78/sq ft would be 24,000 x 78 = $1,872,000. Potential s on an average sales price of $150/sq ft of living area would be 60 x 1,000 x $150 = $9,000,000. Abstracted land value would be $9,000,000 – $1,872,000 = $7,

This analysis indicates that there is presently no significant economic benefit to land zoned as HDMF over land zoned as LDMF. This is a direct result of the cu condominium units on the market in Mt Crested Butte and the relatively low sales prices per square foot being realized.

Indicated Value: Same as LDMF, $15/sq ft.

: Crested Butte
lue for East Hall

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basement).
price

would result in
ales income, based
272,000

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