2013
Gunnison County Board of Equalization:
Hearing #32

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

Vacant land 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 "Economic Area 6 Vacant Land Sales" list.

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

Property Owner: **NORDIC INN LLC**
Account Number: **R005176**
Parcel Number: **3177-234-18-008**
Legal Description: **LOTS 1 & 2 BLK D CHALET VILLAGE 1**
Value: **$617,460**

Subject R005176 (LDMF) 41,164 sqft X $15 = $617,460

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

.
basement).
price

would result in
ales income, based
272,000

rrent surplus of