

# Residential Property Valuation

Your home is likely the most important investment you have, and the Gunnison County Assessor's Office is committed to helping you understand your rights as a property owner and the process of valuation. The assessor determines the actual value of residential property every two years in odd-numbered years. This is called a reappraisal. As with any appraisal, value is established as of a specific date, and for ad valorem appraisal this date is dictated by statute to be June 30th of the year preceding the reappraisal. For example, the appraisal date for the 2021 Reappraisal is June 30, 2020.



There is another important date for property valuation —the assessment date, which is January 1st of each year. Although property is valued as of the appraisal date, it is valued given the property characteristics that exist as of the assessment date.

Beginning with the TABOR Amendment to the Colorado constitution in 1992, the assessor may only consider the market, or sales comparison, approach to determine the actual value of residential property. The market approach uses arm's length market sales of similar properties which are analyzed, compared, and adjusted, to arrive at a value for a property. Colorado law requires that market value for residential property is established using sales from

a specific time frame. This time frame, known as the study period, consists of the eighteen months preceding the appraisal date. Colorado law however, allows the assessor to extend the study period in six month increments, up to 5 years. The Gunnison County Assessor's Office utilizes a 24-month study period except when sales volume is low.

There are many things that have to take place in the assessor's office to make a reappraisal successful. Information that is reliable and relevant has to be gathered, such as property characteristics and sales data. That information is then analyzed to understand market trends and influences. As a part of the "mass appraisal" process we next create mathematical models based on the contribution made to sale prices by various characteristics such as location, size and age, just to name a few. After that, the value of each property in the county is calculated based on those models. Values are then reviewed and tested to make sure they are as fair and equitable as possible before the final Notices of Valuation are mailed on May 1st.

The value stated on the Notice of Value will be used to calculate property taxes for two years unless a change is made to the physical characteristics of the home, such as a remodel, or the value is adjusted through appeals. New characteristics are added to the property record as of January 1 the following year.

