

2019
ROUTT COUNTY BOARD OF EQUALIZATION
Hearing Date: August 5th, 2019

Account#: R6256380 **PIN#:** 291001001

Owner of Record: MOUNTAIN MEADOWS PRESERVE, LLC

Legal Description: FUTURE EXPANSION PARCEL PORCHES II FILING 1 (AKA COMMON ELEMENTS SUBJECT TO DEVELOPMENT RIGHTS) 2.63AC

Appraisal Date: June 30, 2018

Assessment Date: January 1, 2019

Sales Collection Period: 24 months from July 1, 2016 thru June 30, 2018

Definition of Market Value: “The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.” The Appraisal of Real Estate, 12th ed., 2001, page 22.

2019 Original Assessor Value: **\$1,220,000**

Assessor-level appeal: **No Adjustment was made**

Property Type: Vacant Development Parcel

Appeal Summary:

At **Assessor-level**, the petitioner’s agent filed an appeal. Later, support documents stated, “**MT Werner Road:** Parcel is oddly shaped and subject to heavy traffic and load noise from four lane highway of Mt. Werner Road that is the main access directly to Steamboat Ski Area.

History: Prior experience from Owner revealed this property to be difficult to develop and sell.

COMPARABLE SALE: R8179032 Parcel B Casey’s Pond with 5.95 acres sold December 2017 for \$3,250,000 or \$546,494 per acre. This property is comparable to the subject based on proximity to the Ski Area, however, has much higher development potential with zoning of MF3. Also, this property does parallel Walton Creek Road, but this is a two-lane road. Also, the development was able to utilize the wetlands as a buffer between the development and the road.

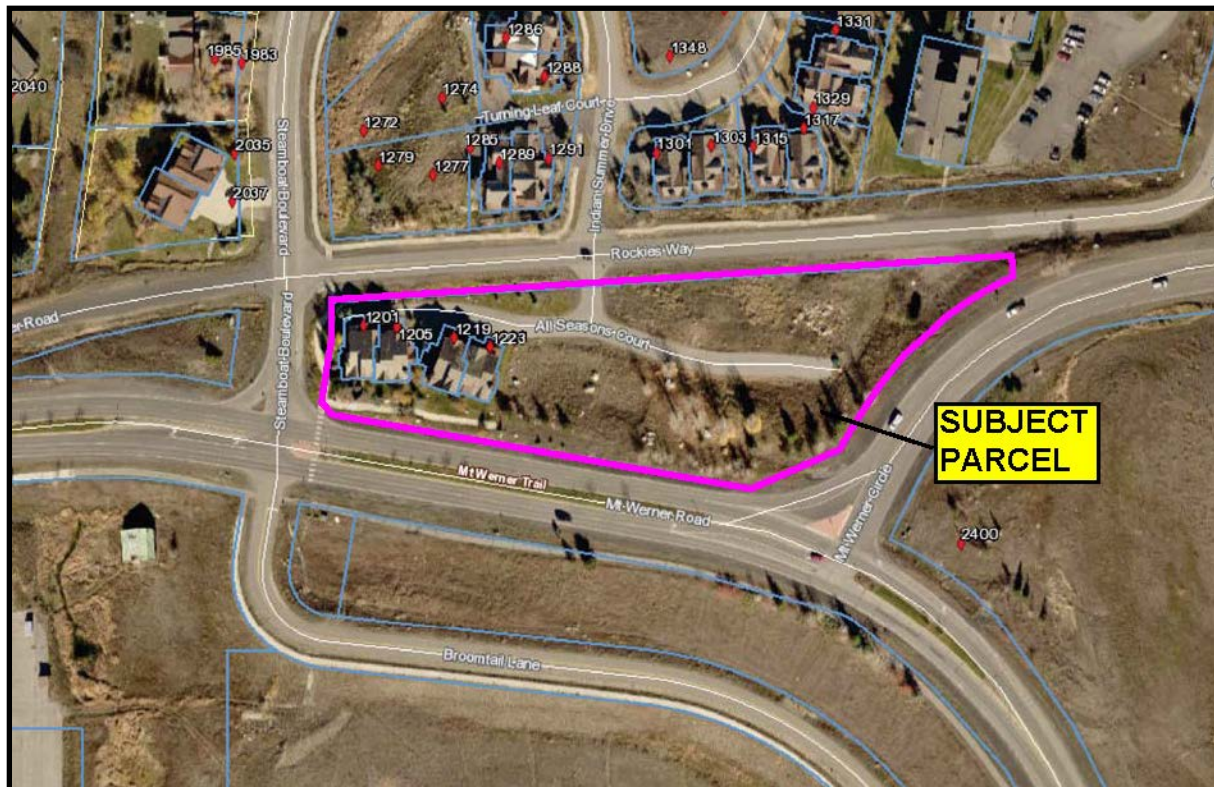
Request: The subject property deals with heavy traffic noise due to the proximity to Mount Werner Road. Additionally, the unit is currently valued at \$547,000 per acre or \$1,220,000 for the 2019RA. The subject property should be valued less than the comparable sale at Casey’s Pond as it is a superior location, larger, higher development potential, regular parcel shape and without the impact of noise and traffic on Mt Werner Road. We request an adjusted value to \$1,000,000.”

AT CBOE, simply stated, “Under team review . . .” No adjusted value amount was requested at this level. At the assessor-level of appeals, the actual value was not adjusted – the system value remains at **\$1,220,000**

Discussion:

Subject Description:

Located in the Porches subdivision (Mores), the subject parcel is situated north of Mt. Werner Road. The parcel is bound by Rockies Way to the north, Mt. Werner Circle to the east, Mt. Werner Rd. to the south and Steamboat Blvd. to the west. The subject parcel measures 2.23 net acres (4 townhome units are already built at the west end of lot) and is level in topography and irregular in shape.



While the parcel is irregular in shape, preliminary marketing drawings indicate an additional seven sets of townhomes or 14 individual units could potentially be built on this site (see addendum). This parcel is Zoned RR-1. Townhome and/or duplex units are a use-by-right under this zoning classification. Often, these sets are initially built as duplexes (2 units) and then when the structures are built and the party walls are in place, they are rerecorded into legal townhome units (condominiumized).

The Market Approach:

During the period, two development parcels similar to the subject property sold.

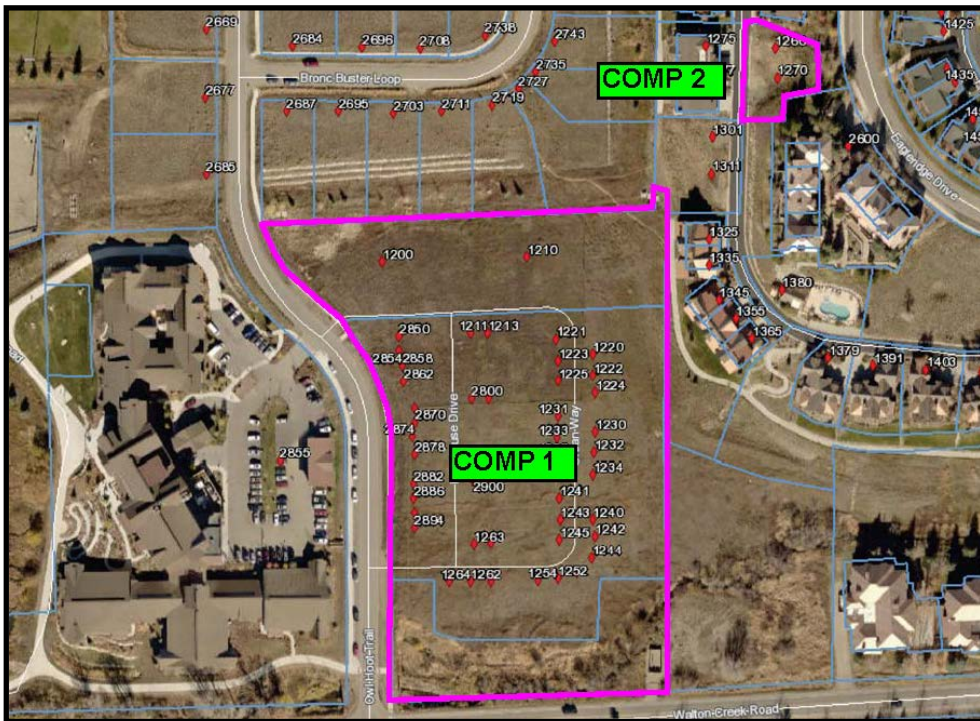
Located south of the subject and across from the Casey's Pond Care Center, R8179032 – Parcel B Casey's Pond Subdivision sold for \$3,250,000 or \$546,218/ac.. This parcels measures 5.95 acres in size, is zoned MF3 and is rectangular in shape. The respective parcel is mostly level in topography and suffered from some flood zone issues at its southern end. This wet area has been designated as open space and is approximately .9 acres. Much of the infrastructure needed to be installed at the time of sale.

R8179360 – Lot 2 Eagleridge Chadwick Subd. F1 is located to the south as well. This parcel is mostly rectangular with some contour and measures .24 acres. Lot 2 sold for \$250,000 or \$1,041,667/ac. Infrastructure was in place in the road at the time of sale.

Adjustment Grid:

Qualitative Land Grid for Future Expansion Parcel Porches II Filing I																				
Comp.	ACCT#	NBHD	LEGAL	Description	SALE DATE	ADJSP	ADJSP \$/AC	ACRES	ADJ.	TOPO/ SHAPE	ADJ.	FLOOD	ADJ.	INFRA-STRUCTURE	ADJ.	LOCATION NOISE/ EXTERNAL	ADJ.	ZONE DIST.	ADJ.	INDICATED VALUE \$/Ac
PERIOD SALES, RECONCILED TO VALUE																				
1	R8179032	Mountain	PARCEL B CASEY'S POND SUBDIVISION	Located at the NW corner of Owl Hoot Trail and Walton Creek Road. Across from Casey's Pond care center (heavier traffic)	12/12/17	\$3,250,000	\$546,218	5.95	(+)(+)(+)	Level Typical	(-)	Appx .90 Ac	(+)	Not Installed Inferior	(+)(+)(+)	Near Ski Base Low Noise	(-)	MF3 Superior	(-)(-)(-)	> \$546,218 (12)
2	R8179360	Mountain	LOT 2 EAGLERIDGE CHADWICK SUBD F1	Located on east side of Eagle Glen Drive. RR-1 zoning, Remains vacant	05/15/18	\$250,000	\$1,041,667	0.24	(-)(-)(-)	Sloping Irregular	(+)	None	(=)	Installed Similar	(=)	Near Ski Base Quiet	(-)(-)(-)	RR-1	(=)	<<< \$1,041,700 (5)
Sample Mean							\$793,943	3.095												Reconciled \$/Ac
SUBJECT	Mountain						2.63 Gross Acres/2.23 Net Acres Future Expansion Parcel (Porches)			Net 2.23	Level Irregular	None	Installed	Near Ski Base Moderate Noise	RR-1					\$547,000
CALCULATION (rounded)																2.23 Ac x \$547,000/Ac		\$1,220,000		

Comp 1: On a per acre analysis, upward adjustments are made to this comparable for its larger acreage (economy of scale). Because the parcel is mostly rectangular, a downward adjustment is made. Downward adjustments are also made to the comparable for its superior location away from a heavily traveled street and its superior zoning density allowances. Upward adjustments are made because its infrastructure need to be installed. This comparable indicates a value slightly higher than \$546,218 an acre.



Comp 2: On a per acre basis, a downward adjustment is made for this comparable's inferior size (economy of scale). This property is also located in a slightly quieter location and therefore a downward adjustment is made. An upward adjustment is made for its inferior grade as it has some contour. This property is zoned the same as the subject and its infrastructure was already in place. This property indicates a value moderately lower than \$1,041,700/ac. The subject property value is reconciled at \$547,000/ac or **\$1,219,810 (\$1,220,000 – rounded)**.

To the further support the above analysis, several other vacant developed sites sold in the Wildhorse Subdivision to the south:

- A) R8179923 @ \$195,000 / Dwelling Unit (06-30-2017)
- B) R8179780 @ \$220,000 / Dwelling Unit (12-08-2017)
- C) R8179779 @ \$210,000 / Dwelling Unit (10-12-2016)
- D) R8180260 @ \$245,000 / Dwelling Unit (04-05-2018)



These sales indicate a dwelling unit range of \$195,000 - \$245,000. The median of \$215,000 can be multiplied times the subject's potential number of units.

If only 7 potential duplex units are multiplied x \$215,000, a total of \$1,505,000 is indicated.

If 14 legally condominiumized townhome units are multiplied x \$215,000, a total of \$3,010,000 is indicated.

On the conservative end, if only 7 legally condominiumized townhome units are multiplied x \$215,000, again \$1,505,000 is indicated

Sales Comparison Indication: **\$1,220,000 or \$547,000 / ac (rounded)**

Assessor Points:

1. The petitioner argues that the Casey's Pond Sale is superior because it is not affected negatively by side street noise/traffic, etc. However, it is situated across from the Casey's Pond Care Center which also carries some traffic and noise. While not as severe as the subject property along Mt. Werner, the Qualitative Adjustment grid takes this into consideration indicating a value of \$1,220,000 or \$547,000 / ac.
2. The petitioner does not analyzed the single dwelling unit sales that occurred in Wild Horse Meadows (Flattops) that indicate a median sales price of \$215,000 / dwelling unit. With even the most conservative of estimates of the subject being capable of only seven duplex lots, a value of \$1,505,000 is indicated. It is likely the density will be higher.

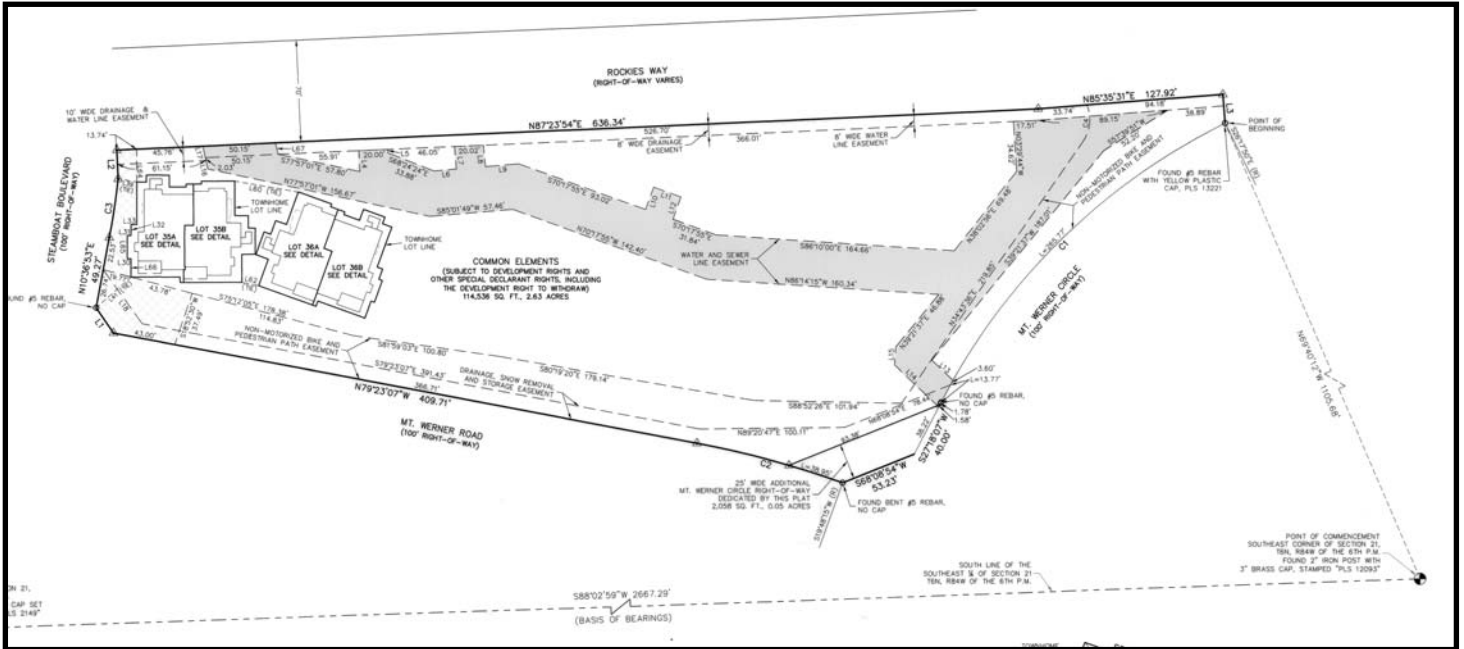
Recommendation:

Deny the petitioner's request to lower the 2019RA value to **\$1,000,000** upholding the Assessor's 2019RA Assessor Level Adjusted value of **\$1,220,000**.



Kevin M. Krause
Routt County Assessor's Office – Commercial Properties
CR1324436

Subject Plat



Historical Marketing Scheme



Fourteen individual units or seven duplex buildings are illustrated.

Comparable Map – Wide Shot

