Received
County Administration
10/4/2017
Email: K. McFarlane
J. Ost

Wallace McNeill

405 Red Oak Road
P.O. Box 570
Owensville, MO 65066
Phone 573-437-4125
Fax 573-437-2350
Cell 314-238-4000

September 29, 2017

Gunnison County Administration
200 East Virginia Ave.
Gunnison, CO 81230

RE: CBOE# 08

Dear Board Members,

Enclosed is 5 copies of the documentation for my hearing scheduled at 10:15 a.m. on Monday, October 9, 2017.

I am unable to be present but I have called and left my cell phone number of 314-238-4000 for a phone conference.

Regards,

Wallace McNeill

Wallace McNeill

405 Red Oak Road
P.O. Box 570
Owensville, MO 65066
Phone 573-437-4125
Fax 573-437-2350
Cell 314-238-4000

September 7, 2017

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

RE: Account # R002783
Parcel # 3255-022-26-005
Legal Description: Lots 17-21 Blk 56 Crested Butte #526925, #542268 #577158

Dear Board Members,

Please allow this to serve as my formal request to appeal my 2017 Real Property Notice of Determination for my residential/commercial building located at 16 6th Street, Crested Butte, Colorado.

First of all let me state that I will be unable to attend in person because of my required business travel. In September and October I have five international business trips and have very few days in the U.S., all of which are required for my U.S. operations.

As a quick summary view of this property let me make the following points.

1. I have owned the property 15 years.

2. Of the 15 years of ownership, the first 2 years I had my own business operating at the location. The balance of my ownership the building has remained vacant until June 1, 2015. The entire time the building was vacant it was being professionally marketed for lease.

3. The second floor residential apartment is deed restricted to people that have lived in Crested Butte 1 year or more and must sign at least a 6 month lease. As an investment property this severely limits the value for resale.

4. The 1st floor commercial property has been difficult to lease for two reasons, size and location.

   Size: It is 3000 square feet and is not divisible. The number of retail businesses seeking that amount of space are almost non-existent.

   Location: It was originally built as a restaurant location. Whether it is a restaurant or a retail location the same problem always exists – It is not on Elk.

5. The existing restaurant tenant was tremendously behind on their rent and in April 2016 their rent was reduced in order to try and keep them as a tenant. This tenant is once again in non-compliance with their lease for failure to pay monies due according to their lease. The tenant would like to terminate their lease.

In order to fully understand how totally unrealistic the 2017 valuation is I have attached information regarding the 2013, 2015 and 2017 valuations. To simplify the analysis please understand the following:

2013	Gunnison County Board of Equalization Findings and Determinations	$ 835,100.00
2015	Valuation	$ 923,370.00
2017	Valuation	$1,646,780.00

The 2017 Valuation is a 112% increase in the commercial valuation and a 42.3% increase in the residential value over the 2015 valuation.

I have included the pertinent information for the 2013 and 2017 appeals as follows:

1. Gunnison County Board of Equalization Findings and Determinations for 2013.

2. My 2013 written appeal argument.

3. The May 28, 2013 email I sent to the Gunnison County Assessor regarding the property value.

4. The May 15, 2017 appeal request and associated valuation argument addressed to the Gunnison County Assessor.

In my final comments regarding valuation I would like to point out that there are no real comparables for this property. To take a smaller commercial space and try to extrapolate the value just doesn't work because the smaller spaces are in much greater demand and therefore command a much higher rent per square foot and subsequent sales price. The other limitation is that you can't value a non-Elk commercial space by valuations on Elk. We are definitely talking about apples and oranges.

Without the comparable sale approach to appraisal all you have is the cost of replacement or the income approach. The cost of replacement approach is not generally used and the income approach, given the income and expense numbers which have been provided to the county, would not even produce the 2015 valuation. The income approach must also be adjusted by the fact the tenant is not in financial compliance with their lease and the extremely high vacancy factor for this property over the last 15 years.

My Valuation for the property is the same as the 2015 Valuation:

Residential:	$ 444,380.00
Commercial:	$ 478,990.00
Total:	$ 923,370.00

I appreciate the opportunity to provide this information to the Gunnison County Board of Equalization and once again I want to convey my regret that I can't appear in person.

Sincerely Yours,

Wallace McNeill

encl.

RECEIVED
SEP 5 2017

Gunnison County
COLORADO

2017 REAL PROPERTY NOTICE OF DETERMINATION

Kristy McFarland
Gunnison County Assessor
221 N Wisconsin St, Suite A
Gunnison, CO 81230

Date of Notice: August 31, 2017
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
R002783	2017	200	3255-022-26-005

PROPERTY OWNER	LEGAL DESCRIPTION
MCNEILL WALLACE PO BOX 570 OWENSVILLE, MO 65066-0570	LOTS 17-21 BLK 56 CRESTED BUTTE #526925 #542268 #577158

PROPERTY CLASSIFICATION	PROPERTY OWNER'S ESTIMATE OF VALUE	ASSESSOR'S VALUATION	
		ACTUAL VALUE PRIOR TO REVIEW	ACTUAL VALUE AFTER REVIEW
Commercial Residential		1,014,580 632,200	1,014,580 632,200
TOTALS		$1,646,780	$1,646,780

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.

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 and personal property appeals is September 15.

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.

APPEAL PROCEDURES

County Board of Equalization Hearings will be held from September 1 through November 1 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 **September 15 for real property and 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 November 1, § 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 December 8, § 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 information about binding arbitration, contact the County Board of Equalization at the address above.

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, 2016? (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.)

$ 923,370.00

Residential $444,380.00
Commercial $478,990.00

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.)

See attached.

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: [signature]
Telephone Number: 314-238-4000
Date: 9/7/17

*Attach letter of authorization signed by property owner.

Gunnison County
COLORADO

Gunnison County Board of County Commissioners
Phone: (970) 641-0248 · Fax: (970) 641-3061
Email: bocc@gunnisoncounty.org · www.GunnisonCounty.org

JUL 29 RECD

GUNNISON COUNTY BOARD OF EQUALIZATION

FINDINGS AND DETERMINATIONS

July 25, 2013

CBOE #51
Wallace McNeill
PO BOX 570
Owensville, MO 65066-0570

Schedule Number: R002783
Property Description: LOTS 17-21 BLK 56 CRESTED BUTTE #526925 #542268 #577158

Dear Property Owner,

The Gunnison County Board of Equalization has reviewed your petition appealing the decision of the County Assessor on the value of the above-described property. After such review, the Board has ordered the following:

VALUATION FOR ASSESSMENT ORDERED:

Type	Actual Value
Commercial	$ 465,280.00
Residential	$ 369,820.00
Total	$ 835,100.00

Sincerely,

Paula Swenson, Chairperson
Gunnison County Board of Equalization

NOTE: If the Board has denied your petition, in whole or in part, you have certain important appeal rights that are explained in the enclosure to this letter. Any appeal must be filed within thirty days of the date of the written decision of the County Board of Equalization.

Cc: Gunnison County Assessor's Office

Encl: Notice of Rights & Arbitrator List

Wallace McNeill
405 Red Oak Road
P.O. Box 570
Owensville, MO 65066
Phone 573-437-4125
Fax 573-437-2350
Cell 314-238-4000

May 24, 2013 Sent via email and certified mail

Mr. George Lickiss
Gunnison County
Assessor's Office
221 N. Wisconsin St., Suite A
Gunnison, CO 81230

RE: Account # R002783
Parcel # 3255-022-26-005
Legal Description: Lots 17-21 Blk 56 Crested Butte #526925, #542268, #577158

Dear Mr. Lickiss,

I wish to protest the valuation of this property.

Residential: The second floor, accessed by an uncovered exterior staircase, was built as living quarters for the employees of the first floor commercial business. Its' design and quality of finish were done with one thing in mind, low cost. No upgrades or improvements have been made since its' original construction. The space layout is very poor. On the positive side the space has abundant windows providing a high light level. Market valuation has been arrived at by applying $225 per square foot. This space would require an investment in excess of $100,000 in upgrades in order to make it attractive on the marketplace. The 2013 property valuation is a 12.4% increase over the 2011 valuation.

Commercial: This space has been professionally marketed and has remained vacant for the past 8 years. Despite the market conditions the property valuation increased 23.3% in 2011 and is increasing 12.4% on the 2013 proposed valuation. These increases are clearly not in "sync" with the commercial real estate market. In an attempt to value the property based on the income approach I spoke to knowledgeable local real estate professionals to ascertain rental rates and capitalization rates. The responses were as follows:

Rental Rate (NNN)		Capitalization Rate	
High	Low	High	Low
16	10	12	9

The following represents the most extreme combinations, both high and low, in the income evaluation of this property:

Rental Rate (NNN)	Capitalization Rate	Commercial Property Valuation
16 ($48,000)	9	$533,333
10 ($30,000)	12	$250,000

Rental rates and capitalization rates are subject to many different opinions. As I stated, the above numbers represent honest opinions of knowledgeable real estate professionals as of June 30, 2012.

In an attempt to value this property according to the market approach I will start by saying that there are no ideal comparables to use in this type of valuation. The closest thing to a comparable would be the following:

Property:	615 Teocalli Ave. Crested Butte Bed & Breakfast
Location:	Adjacent to the Subject Property
Zoning:	Tourist (20390)
Use:	Bed & Breakfast Commercial (Laundry) Residential
Total S/F:	8271 square foot
Prior Sale:	August 3, 2011 $1,400,000 ($169.27 per square foot)
2013 Real Property Valuation:	$1,229,610 ($148.67 per square foot)

For the sake of comparison the numbers are as follows:

615 Teocalli

Sale Price:	$169.27 per square foot
2013 Real Property Valuation:	$148.67 per square foot

16 6th Street

2013 Real Property Valuation	$295.30 per square foot

Even though another properties' property assessment is not admissible for valuation purposes it is interesting to note that the subject property is 2 times the valuation per square foot of 615 Teocalli and the subject property is valued at 175% of the sale price (per square foot) of 615 Teocalli. Adjusting the 615 Teocalli sale price and 2013 real property valuation for the number of square feet in the subject property provides the following valuations:

615 Teocalli Sale Price/Square Foot:	$169.27
Subject Property Square Feet:	4820
Valuation of Subject Property:	$815,881.40

615 Teocalli 2013 Real Property Valuation/Square Foot:	$148.67
Subject Property Square Feet:	4820
Valuation of Subject Property:	$716,589.40

Sincerely,

Wallace McNeill

LuAnn Vogt

From: Wallace McNeill [wallacemcn@aol.com]
Sent: Tuesday, May 28, 2013 1:25 PM
To: kmcfarland@gunnisoncounty.org
Cc: luann@lynflex.com
Subject: 16 6th Street Crested Butte

Kristy

I appreciate the kindness of your response. I understand the assessment laws in Colorado which are very different than the rest of the country and in Missouri where I have been a licensed real estate broker for 38 years. My experience has been solely in commercial and investment real estate. While Colorado law states that the three approaches to real estate appraisal can and should be employed in developing assessment valuations we all must use business common sense in realizing that a 100+ year old building on Elk Avenue with a questionable foundation generating $25.00 per square foot nnn has a far greater value per square foot than a 15 year old building generating $14.00 per square foot nnn. It doesn't seem fair to use the income approach when that creates the highest valuation and the cost of replacement approach when that creates greater value. Unfortunately no one purchases investment commercial property on cost of replacement but on its value from the income approach. Someone would be remiss in their thinking if they were to acquire this building based on the current assessed valuation thus creating a user cost of greater than $30.00 per square foot. Either as an investor or as a user no one would want to handicap themselves financially by creating such a situation.

Everyone in the Gunnison Valley wants to see the area succeed so people are able to work and find jobs so they can live in what we all know is one of the most beautiful places in the world. Taxes of all kinds are necessary but hopefully should not be applied in such a manner as to render a property economically obsolete.

I was surprised and encouraged to have received a personalized response from you. While I realize from past experience with the Assessor's Office that any chance of there being a reduction in my assessment is remote it was nice to know someone is reading information that took a great deal of time to prepare.

Best regards,
Wallace
Wallace McNeill
Owner 16 6th Street, Crested Butte, Colorado

Sent from my iPad

Wallace McNeill

405 Red Oak Road
P.O. Box 570
Owensville, MO 65066
Phone 573-437-4125
Fax 573-437-2350
Cell 314-238-4000

May 15, 2017 Sent via email and US mail

Ms. Kristy McFarland
Gunnison County Assessor
221 N. Wisconsin St., Suite A
Gunnison, CO 81230

RE: 2017 Real Property Notice of Evaluation
Account# R002783

Dear Kristy,

Please allow this to serve as my formal request to appeal my 2017 Real Property Valuation on 16 6th Street, Crested Butte, Colorado.

I appreciated the time you spent on the phone with me on May 8, 2017. As you suggested I am providing a brief summary of the results of the past 3 valuations (see attached, Exhibit 1) and some points that I would like to make regarding the 2017 Real Property Notice of Valuation.

1. The commercial portion has been vacant 10 out of the past 12 years despite being professionally marketed.

2. The current commercial tenant is financially not in compliance with their lease, has closed their business since December 15, 2016, and has requested out of their lease. It is important to note that the original lease with this tenant commenced on June 1, 2015 and was renegotiated as of April 1, 2016 to a lower rental rate in the effort to retain the tenant. Unfortunately this tenant still continues with their struggle. It appears that this property will become vacant.

3. The residential space was leased as of November 15, 2016. This space is deed restricted and is required to remain long term leased continuously to someone qualifying as a local resident having resided in Crested Butte for a year or more. Any type of deed restriction reduces the marketability of a piece of real estate and in turn it's valuation.

4. The 2017 valuation is a 112% increase in commercial valuation and a 42.3% increase in residential valuation in relation to the current valuation.

5. If the 2017 valuation takes effect it is estimated that the property taxes will increase from $11,568.06 now in effect to $22,869.91. When a property is an investment property and in turn leased, the expenses such as real estate taxes and insurance ultimately have to be paid from rental proceeds. Very few, if any tenants would want to lease in a building with high taxes resulting from an overvaluation.

6. In 2013 through a lengthy and time consuming process The Gunnison County Board of Equalization made findings and determinations for the valuation of this property (copy attached). In 2015 this valuation was increased by 10.6% and the proposed increase from 2015 to 2017 is 112% for the Commercial portion and 42.3% for the Residential. After the intense scrutiny that took place in 2013 by myself and the Gunnison County Board of Equalization, how could the marketplace and the performance of this property within the marketplace have increased so incredibly. Quite simply it didn't.

I have been a property owner in Crested Butte and Mt. Crested Butte since 1981. I have paid my taxes and understand the importance of this but at the same time expect a fair valuation for tax purposes. The current proposed valuation would render a property that has struggled continuously for the past 12 years economically obsolete for rental purposes.

For valuation purposes I place my property at the 2015 level of $478,990 Commercial and $444,380 Residential.

Regards,

Wallace McNeill

Exhibit 1

2013 Valuation – The result of an appeal with findings and determinations from the Gunnison County Board of Equalization dated July 25, 2013, copy of which is attached.

Commercial	$465,280.00
Residential	$369,820.00
Total	$835,100.00

2015 Valuation – No appeal filed.

Commercial	$478,990.00
Residential	$444,380.00
Total	$923,370.00

2017 Valuation

Commercial	$1,014,580.00
Residential	$ 632,200.00
Total	$1,646,780.00

Gunnison County
COLORADO

Gunnison County Board of County Commissioners
Phone: (970) 641-0248 · Fax: (970) 641-3061
Email: bocc@gunnisoncounty.org · www.GunnisonCounty.org

JUL 29 REC'D

GUNNISON COUNTY BOARD OF EQUALIZATION

FINDINGS AND DETERMINATIONS

July 25, 2013

CBOE #51
Wallace McNeill
PO BOX 570
Owensville, MO 65066-0570

Schedule Number: R002783
Property Description: LOTS 17-21 BLK 56 CRESTED BUTTE #526925 #542268 #577158

Dear Property Owner,

The Gunnison County Board of Equalization has reviewed your petition appealing the decision of the County Assessor on the value of the above-described property. After such review, the Board has ordered the following:

VALUATION FOR ASSESSMENT ORDERED:

Type	Actual Value
Commercial	$ 465,280.00
Residential	$ 369,820.00
Total	$ 835,100.00

Sincerely,

Paula Swenson, Chairperson
Gunnison County Board of Equalization

NOTE: If the Board has denied your petition, in whole or in part, you have certain important appeal rights that are explained in the enclosure to this letter. Any appeal must be filed within thirty days of the date of the written decision of the County Board of Equalization.

Gunnison County Assessor's Office

Notice of Rights & Arbitrator List

2015 REAL PROPERTY NOTICE OF VALUATION

Gunnison County
COLORADO

Kristy McFarland
Gunnison County Assessor
221 N. Wisconsin St., Suite A
Gunnison, CO 81230

Date of Notice: May 1, 2015
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
R002783	2015	200	3255-022-26-005

PROPERTY OWNER	LEGAL DESCRIPTION
11466*54**50***0.829**1/1**********AUTO**MIXED AADC 990 MCNEILL WALLACE ETAL PO BOX 570 OWENSVILLE MO 65066-0570	LOTS 17-21 BLK 56 CRESTED BUTTE #526925 #542268 #577158

MAY 1 2015

PROPERTY CLASSIFICATION	PRIOR YEAR ACTUAL VALUE as of June 30, 2012	CURRENT YEAR ACTUAL VALUE as of June 30, 2014	+ OR - CHANGE
Residential	369,820	444,380	+74,560
Commercial	465,280	478,990	+13,710
TOTALS	$835,100	$923,370	+$88,270

The tax bill you receive next January will be based on the current year actual value. If the Senior Citizen or Disabled Veteran Property Tax Exemption has been applied to your residential property, it is not reflected in the current year actual value shown above.

The following property characteristics are for the primary structure or land type. For a complete inventory listing, please visit the Gunnison County Assessor website. Please verify your inventory and contact us if any corrections are needed.

LAND

LAND DESCRIPTION	LAND TYPE	ACRES
Spec.Purpose-Land	Commercial	0.22
Single Fam.Res.-Land	Residential	0.14

ELECTRICITY:	Installed
SEWER:	Central Installed
WATER:	Domestic Installed
SITE ACCESS:	Paved Access

OTHER ATTRIBUTES:

On Busy Street
Over Sized Lot
Year Around Govt Maintained

SUBDIVISION:

Crested Butte (Town Of)

PRIMARY IMPROVEMENT

OCCUPANCY TYPE:	Single Family Residential
BUILDING DESCRIPTION:	Res With Commercial
CONSTRUCTION QUALITY:	Fair
EXTERIOR CONDITION:	Average
EFFECTIVE YEAR BUILT:	1999
PERCENT COMPLETE:	100%
ABOVE GRADE LIVING AREA:	1,820 sq ft
BASEMENT:	
GARAGE:	
TOTAL IMPROVEMENTS ON ACCOUNT:	2
CONDOMINIUM:	

Go paperless next year!
Go to eNoticesOnline.com and register with this code:
GNN-30L2TEXK

YOU HAVE THE RIGHT TO PROTEST THE CLASSIFICATION AND/OR VALUATION OF YOUR PROPERTY.

2017 REAL PROPERTY NOTICE OF VALUATION

Gunnison County
COLORADO

Kristy McFarland
Gunnison County Assessor
221 N. Wisconsin St., Suite A
Gunnison, CO 81230

Date of Notice: May 1, 2017
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
R002783	2017	200	3255-022-26-005

PROPERTY OWNER

6026 2 MB 0.423 **<24>**1/2**G50****AUTO**MIXED AADC 990
MCNEILL WALLACE
PO BOX 570
OWENSVILLE MO 65066-0570

LEGAL DESCRIPTION

LOTS 17-21 BLK 56 CRESTED BUTTE #526925 #542268 #577158

RECEIVED
MAY 05 2017

PROPERTY CLASSIFICATION	PRIOR YEAR ACTUAL VALUE as of June 30, 2014	CURRENT YEAR ACTUAL VALUE as of June 30, 2016	+ OR - CHANGE
Residential	444,380	632,200	+187,820
Commercial	478,990	1,014,580	+535,590
TOTALS	$923,370	$1,646,780	+$723,410

The tax bill you receive next January will be based on the current year actual value shown above. If the Senior Citizen or Disabled Veteran Property Tax Exemption has been applied to your residential property, it is not reflected in the current year actual value.

The following property characteristics are for the primary structure or land type. For a complete inventory listing, please visit the Gunnison County Assessor website. Please verify your inventory and contact us if any corrections are needed.

LAND

LAND DESCRIPTION	LAND TYPE	ACRES
Spec.Purpose-Land	Commercial	0.22
Single Fam.Res.-Land	Residential	0.14

ELECTRICITY:	Installed
SEWER:	Central Installed
WATER:	Domestic Installed
SITE ACCESS:	Paved Access
	Year Around Govt Maintained

OTHER ATTRIBUTES:

Typical Or Average Views
Over Sized Lot

SUBDIVISION:

Crested Butte (Town Of)

PRIMARY IMPROVEMENT

OCCUPANCY TYPE:	Single Family Residential
BUILDING DESCRIPTION:	Res With Commercial
CONSTRUCTION QUALITY:	Fair
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PERCENT COMPLETE:	100%
ABOVE GRADE LIVING AREA:	1,820 sq ft
BASEMENT:	
GARAGE:	
TOTAL IMPROVEMENTS ON ACCOUNT:	2
CONDOMINIUM:	

Go paperless next year!
Go to eNoticesOnline.com and register with this code:
GNN-GMQBN65E

YOU HAVE THE RIGHT TO PROTEST THE CLASSIFICATION AND/OR VALUATION OF YOUR PROPERTY.

RECEIVED
SEP 5 2017

Gunnison County
COLORADO

2017 REAL PROPERTY NOTICE OF DETERMINATION

Kristy McFarland
Gunnison County Assessor
221 N Wisconsin St, Suite A
Gunnison, CO 81230

Date of Notice: August 31, 2017
Phone: (970) 641-1085
Fax: (970) 641-7920
Email: assessor@gunnisoncounty.org
Website: http://www.gunnisoncounty.org/assessor.html

CBOE # 08

ACCOUNT NUMBER	TAX YEAR	TAX AREA	PARCEL NUMBER
R002783	2017	200	3255-022-26-005

PROPERTY OWNER	LEGAL DESCRIPTION
MCNEILL WALLACE PO BOX 570 OWENSVILLE, MO 65066-0570	LOTS 17-21 BLK 56 CRESTED BUTTE #526925 #542268 #577158

Received
County Administration
9/11/17

PROPERTY CLASSIFICATION	PROPERTY OWNER'S ESTIMATE OF VALUE	ASSESSOR'S VALUATION	
		ACTUAL VALUE PRIOR TO REVIEW	ACTUAL VALUE AFTER REVIEW
Commercial Residential		1,014,580 632,200	1,014,580 632,200
TOTALS		$1,646,780	$1,646,780

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.

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 and personal property appeals is September 15.

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Please refer to the reverse side of this notice for additional information.

APPEAL PROCEDURES

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Gunnison County Board of Equalization
200 E Virginia Ave
Gunnison, CO 81230
(970) 641-0248

CBOE #08

To preserve your appeal rights, your Petition to the County Board of Equalization must be postmarked or delivered on or before **September 15 for real property and 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 November 1, § 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 December 8, § 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 information about binding arbitration, contact the County Board of Equalization at the address above.

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, 2016? (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.)

$ 923,370.00

Residential $444,380.00
Commercial $478,990.00

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.)

See attached.

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: [signature]
Telephone Number: 314-238-4000
Date: 9/7/17

*Attach letter of authorization signed by property owner.

CBOE #08

EXHIBIT A
Page 1 of 3

Wallace McNeill

405 Red Oak Road
P.O. Box 570
Owensville, MO 65066
Phone 573-437-4125
Fax 573-437-2350
Cell 314-238-4000

September 7, 2017

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

RE: Account # R002783
Parcel # 3255-022-26-005
Legal Description: Lots 17-21 Blk 56 Crested Butte #526925, #542268 #577158

Dear Board Members,

Please allow this to serve as my formal request to appeal my 2017 Real Property Notice of Determination for my residential/commercial building located at 16 6th Street, Crested Butte, Colorado.

First of all let me state that I will be unable to attend in person because of my required business travel. In September and October I have five international business trips and have very few days in the U.S., all of which are required for my U.S. operations.

As a quick summary view of this property let me make the following points.

1. I have owned the property 15 years.

2. Of the 15 years of ownership, the first 2 years I had my own business operating at the location. The balance of my ownership the building has remained vacant until June 1, 2015. The entire time the building was vacant it was being professionally marketed for lease.

3. The second floor residential apartment is deed restricted to people that have lived in Crested Butte 1 year or more and must sign at least a 6 month lease. As an investment property this severely limits the value for resale.

4. The 1st floor commercial property has been difficult to lease for two reasons, size and location.

   Size: It is 3000 square feet and is not divisible. The number of retail businesses seeking that amount of space are almost non-existent.

   Location: It was originally built as a restaurant location. Whether it is a restaurant or a retail location the same problem always exists – It is not on Elk.

CBOE #03

EXHIBIT A
Page 2 of 3

5. The existing restaurant tenant was tremendously behind on their rent and in April 2016 their rent was reduced in order to try and keep them as a tenant. This tenant is once again in non-compliance with their lease for failure to pay monies due according to their lease. The tenant would like to terminate their lease.

In order to fully understand how totally unrealistic the 2017 valuation is I have attached information regarding the 2013, 2015 and 2017 valuations. To simplify the analysis please understand the following:

2013	Gunnison County Board of Equalization Findings and Determinations	$ 835,100.00
2015	Valuation	$ 923,370.00
2017	Valuation	$1,646,780.00

The 2017 Valuation is a 112% increase in the commercial valuation and a 42.3% increase in the residential value over the 2015 valuation.

I have included the pertinent information for the 2013 and 2017 appeals as follows:

1. Gunnison County Board of Equalization Findings and Determinations for 2013.

2. My 2013 written appeal argument.

3. The May 28, 2013 email I sent to the Gunnison County Assessor regarding the property value.

4. The May 15, 2017 appeal request and associated valuation argument addressed to the Gunnison County Assessor.

In my final comments regarding valuation I would like to point out that there are no real comparables for this property. To take a smaller commercial space and try to extrapolate the value just doesn't work because the smaller spaces are in much greater demand and therefore command a much higher rent per square foot and subsequent sales price. The other limitation is that you can't value a non-Elk commercial space by valuations on Elk. We are definitely talking about apples and oranges.

Without the comparable sale approach to appraisal all you have is the cost of replacement or the income approach. The cost of replacement approach is not generally used and the income approach, given the income and expense numbers which have been provided to the county, would not even produce the 2015 valuation. The income approach must also be adjusted by the fact the tenant is not in financial compliance with their lease and the extremely high vacancy factor for this property over the last 15 years.

My Valuation for the property is the same as the 2015 Valuation:

Residential:	$ 444,380.00
Commercial:	$ 478,990.00
Total:	$ 923,370.00

CBOE # 08

EXHIBIT A
Page 3 of 3

I appreciate the opportunity to provide this information to the Gunnison County Board of Equalization and once again I want to convey my regret that I can't appear in person.

Sincerely Yours,

Wallace McNeill

encl.

CBOE #08

EXHIBIT B
Page 1 of 3

Wallace McNeill

405 Red Oak Road
P.O. Box 570
Owensville, MO 65066
Phone 573-437-4125
Fax 573-437-2350
Cell 314-238-4000

May 15, 2017

Sent via email and US mail

Ms. Kristy McFarland
Gunnison County Assessor
221 N. Wisconsin St., Suite A
Gunnison, CO 81230

RE: 2017 Real Property Notice of Evaluation
Account# R002783

Dear Kristy,

Please allow this to serve as my formal request to appeal my 2017 Real Property Valuation on 16 6th Street, Crested Butte, Colorado.

I appreciated the time you spent on the phone with me on May 8, 2017. As you suggested I am providing a brief summary of the results of the past 3 valuations (see attached, Exhibit 1) and some points that I would like to make regarding the 2017 Real Property Notice of Valuation.

1. The commercial portion has been vacant 10 out of the past 12 years despite being professionally marketed.

2. The current commercial tenant is financially not in compliance with their lease, has closed their business since December 15, 2016, and has requested out of their lease. It is important to note that the original lease with this tenant commenced on June 1, 2015 and was renegotiated as of April 1, 2016 to a lower rental rate in the effort to retain the tenant. Unfortunately this tenant still continues with their struggle. It appears that this property will become vacant.

3. The residential space was leased as of November 15, 2016. This space is deed restricted and is required to remain long term leased continuously to someone qualifying as a local resident having resided in Crested Butte for a year or more. Any type of deed restriction reduces the marketability of a piece of real estate and in turn it's valuation.

CBOE #06

EXHIBIT B
Page 2 of 3

4. The 2017 valuation is a 112% increase in commercial valuation and a 42.3% increase in residential valuation in relation to the current valuation.

5. If the 2017 valuation takes effect it is estimated that the property taxes will increase from $11,568.06 now in effect to $22,869.91. When a property is an investment property and in turn leased, the expenses such as real estate taxes and insurance ultimately have to be paid from rental proceeds. Very few, if any tenants would want to lease in a building with high taxes resulting from an overvaluation.

6. In 2013 through a lengthy and time consuming process The Gunnison County Board of Equalization made findings and determinations for the valuation of this property (copy attached). In 2015 this valuation was increased by 10.6% and the proposed increase from 2015 to 2017 is 112% for the Commercial portion and 42.3% for the Residential. After the intense scrutiny that took place in 2013 by myself and the Gunnison County Board of Equalization, how could the marketplace and the performance of this property within the marketplace have increased so incredibly. Quite simply it didn't.

I have been a property owner in Crested Butte and Mt. Crested Butte since 1981. I have paid my taxes and understand the importance of this but at the same time expect a fair valuation for tax purposes. The current proposed valuation would render a property that has struggled continuously for the past 12 years economically obsolete for rental purposes.

For valuation purposes I place my property at the 2015 level of $478,990 Commercial and $444,380 Residential.

Regards,

Wallace McNeill

CBOE # 06

EXHIBIT 3
Page 3 of 3

Exhibit 1

2013 Valuation – The result of an appeal with findings and determinations from the Gunnison County Board of Equalization dated July 25, 2013, copy of which is attached.

Commercial	$465,280.00
Residential	$369,820.00
Total	$835,100.00

2015 Valuation – No appeal filed.

Commercial	$478,990.00
Residential	$444,380.00
Total	$923,370.00

2017 Valuation

Commercial	$1,014,580.00
Residential	$ 632,200.00
Total	$1,646,780.00

CBOE # 08

EXHIBIT C
Page 1 of 2

2017 REAL PROPERTY NOTICE OF VALUATION

Gunnison County
COLORADO

Kristy McFarland
Gunnison County Assessor
221 N. Wisconsin St., Suite A
Gunnison, CO 81230

Date of Notice: May 1, 2017
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
R002783	2017	200	3255-022-26-005

PROPERTY OWNER	LEGAL DESCRIPTION
6026 2 MB 0.423 **<24>**1/2**G50****AUTO**MIXED AADC 990 MCNEILL WALLACE PO BOX 570 OWENSVILLE MO 65066-0570	LOTS 17-21 BLK 56 CRESTED BUTTE #526925 #542268 #577158

RECEIVED
MAY 05 2017

PROPERTY CLASSIFICATION	PRIOR YEAR ACTUAL VALUE as of June 30, 2014	CURRENT YEAR ACTUAL VALUE as of June 30, 2016	+ OR - CHANGE
Residential	444,380	632,200	+187,820
Commercial	478,990	1,014,580	+535,590
TOTALS	$923,370	$1,646,780	+$723,410

The tax bill you receive next January will be based on the current year actual value shown above. If the Senior Citizen or Disabled Veteran Property Tax Exemption has been applied to your residential property, it is not reflected in the current year actual value.

- The following property characteristics are for the primary structure or land type. For a complete inventory listing, please visit the Gunnison County Assessor website. Please verify your inventory and contact us if any corrections are needed.

LAND

LAND DESCRIPTION	LAND TYPE	ACRES
Spec.Purpose-Land	Commercial	0.22
Single Fam.Res.-Land	Residential	0.14

ELECTRICITY:	Installed
SEWER:	Central Installed
WATER:	Domestic Installed
SITE ACCESS:	Paved Access
	Year Around-Govt Maintained

OTHER ATTRIBUTES:
Typical Or Average Year
Over Sized Lot

SUBDIVISION:

PRIMARY IMPROVEMENT

OCCUPANCY TYPE:	Single Family Residential
BUILDING DESCRIPTION:	Res With Commercial
CONSTRUCTION QUALITY:	Fair
EXTERIOR CONDITION:	Average
EFFECTIVE YEAR BUILT:	1999
PERCENT COMPLETE:	100%

ABOVE GRADE LIVING AREA:	1,820 sq ft
BASEMENT:	
GARAGE:	
TOTAL IMPROVEMENTS ON ACCOUNT:	2
CONDOMINIUM:	

Go paperless next year!

CBOE #08

EXHIBIT C
Page 2 of 2

2015 REAL PROPERTY NOTICE OF VALUATION

Gunnison County
COLORADO

Kristy McFarland
Gunnison County Assessor
221 N. Wisconsin St., Suite A
Gunnison, CO 81230

Date of Notice: May 1, 2015
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
R002783	2015	200	3255-022-26-005

PROPERTY OWNER

11466*54**50***0.829**1/1**********AUTO**MIXED AADC 990
MCNEILL WALLACE ETAL
PO BOX 570
OWENSVILLE MO 65066-0570

LEGAL DESCRIPTION

LOTS 17-21 BLK 56 CRESTED BUTTE #526925
#542268 #577158

RECEIVED MAY 1 2015

PROPERTY CLASSIFICATION	PRIOR YEAR ACTUAL VALUE as of June 30, 2012	CURRENT YEAR ACTUAL VALUE as of June 30, 2014	+ OR - CHANGE
Residential	369,820	444,380	+74,560
Commercial	465,280	478,990	+13,710
TOTALS	$835,100	$923,370	+$88,270

The tax bill you receive next January will be based on the current year actual value. If the Senior Citizen or Disabled Veteran Property Tax Exemption has been applied to your residential property, it is not reflected in the current year actual value shown above.

The following property characteristics are for the primary structure or land type. For a complete inventory listing, please visit the Gunnison County Assessor website. Please verify your inventory and contact us if any corrections are needed.

LAND

LAND DESCRIPTION	LAND TYPE	ACRES
Spec.Purpose-Land	Commercial	0.22
Single Fam.Res.-Land	Residential	0.14

ELECTRICITY:	Installed
SEWER:	Central Installed
WATER:	Domestic Installed
SITE ACCESS:	Paved Access

OTHER ATTRIBUTES:

On Busy Street
Over Sized Lot
Year Round Govt Maintained

SUBDIVISION

PRIMARY IMPROVEMENT

OCCUPANCY TYPE:	Single Family Residential
BUILDING DESCRIPTION:	Res With Commercial
CONSTRUCTION QUALITY:	Fair
EXTERIOR CONDITION:	Average
EFFECTIVE YEAR BUILT:	1999
PERCENT COMPLETE:	100%

ABOVE GRADE LIVING AREA:	1,820 sq ft
BASEMENT:	
GARAGE:	
TOTAL IMPROVEMENTS ON ACCOUNT:	2
CONDOMINIUM:	

Go paperless next year!

YOU HAVE THE RIGHT TO ... CLASSIFICATION AND ... OF YOUR PROPERTY

EXHIBIT D
Page 1 of 2

CBOE #08

Gunnison County
COLORADO

Gunnison County Board of County Commissioners
Phone: (970) 641–0248 · Fax: (970) 641–3061
Email: bocc@gunnisoncounty.org · www.GunnisonCounty.org

JUL 29 RECD

GUNNISON COUNTY BOARD OF EQUALIZATION

FINDINGS AND DETERMINATIONS

July 25, 2013

CBOE #51
Wallace McNeill
PO BOX 570
Owensville, MO 65066-0570

Schedule Number: R002783
Property Description: LOTS 17-21 BLK 56 CRESTED BUTTE #526925 #542268 #577158

Dear Property Owner,

The Gunnison County Board of Equalization has reviewed your petition appealing the decision of the County Assessor on the value of the above-described property. After such review, the Board has ordered the following:

VALUATION FOR ASSESSMENT ORDERED:

Type	Actual Value
Commercial	$ 465,280.00
Residential	$ 369,820.00
Total	$ 835,100.00

Sincerely,

Paula Swenson, Chairperson
Gunnison County Board of Equalization

NOTE: **If the Board has denied your petition, in whole or in part, you have certain important appeal rights that are explained in the enclosure to this letter. Any appeal must be filed within thirty days of the date of the written decision of the County Board of Equalization.**

Gunnison County Assessor's Office

Notice of Rights & Arbitration Use

EXHIBIT E
Page 1 of 3

CBOE #08

Wallace McNeill

405 Red Oak Road
P.O. Box 570
Owensville, MO 65066
Phone 573-437-4125
Fax 573-437-2350
Cell 314-238-4000

May 24, 2013

Sent via email and certified mail

Mr. George Lickiss
Gunnison County
Assessor's Office
221 N. Wisconsin St., Suite A
Gunnison, CO 81230

RE: Account # R002783
Parcel # 3255-022-26-005
Legal Description: Lots 17-21 Blk 56 Crested Butte #526925, #542268, #577158

Dear Mr. Lickiss,

I wish to protest the valuation of this property.

Residential: The second floor, accessed by an uncovered exterior staircase, was built as living quarters for the employees of the first floor commercial business. Its' design and quality of finish were done with one thing in mind, low cost. No upgrades or improvements have been made since its' original construction. The space layout is very poor. On the positive side the space has abundant windows providing a high light level. Market valuation has been arrived at by applying $225 per square foot. This space would require an investment in excess of $100,000 in upgrades in order to make it attractive on the marketplace. The 2013 property valuation is a 12.4% increase over the 2011 valuation.

Commercial: This space has been professionally marketed and has remained vacant for the past 8 years. Despite the market conditions the property valuation increased 23.3% in 2011 and is increasing 12.4% on the 2013 proposed valuation. These increases are clearly not in "sync" with the commercial real estate market. In an attempt to value the property based on the income approach I spoke to knowledgeable local real estate professionals to ascertain rental rates and capitalization rates. The responses were as follows:

Rental Rate (NNN)		Capitalization Rate	
High	Low	High	Low
16	10	12	9

The following represents the most extreme combinations, both high and low, in the income evaluation of this property:

Rental Rate (NNN)	Capitalization Rate	Commercial Property Valuation
16 ($48,000)	9	$533,333
10 ($30,000)	12	$250,000

Rental rates and capitalization rates are subject to many different opinions. As I stated, the above numbers represent honest opinions of knowledgeable real estate professionals as of June 30, 2012.

In an attempt to value this property according to the market approach I will start by saying that there are no ideal comparables to use in this type of valuation. The closest thing to a comparable would be the following:

Property:	615 Teocalli Ave. Crested Butte Bed & Breakfast
Location:	Adjacent to the Subject Property
Zoning:	Tourist (20390)
Use:	Bed & Breakfast Commercial (Laundry) Residential
Total S/F:	8271 square foot
Prior Sale:	August 3, 2011 $1,400,000 ($169.27 per square foot)
2013 Real Property Valuation:	$1,229,610 ($148.67 per square foot)

For the sake of comparison the numbers are as follows:

615 Teocalli

Sale Price:	$169.27 per square foot
2013 Real Property Valuation:	$148.67 per square foot

16 6th Street

2013 Real Property Valuation	$295.30 per square foot

Even though another properties' property assessment is not admissible for valuation purposes it is interesting to note that the subject property is 2 times the valuation per square foot of 615 Teocalli and the subject property is valued at 175% of the sale price (per square foot) of 615 Teocalli. Adjusting the 615 Teocalli sale price and 2013 real property valuation for the number of square feet in the subject property provides the following valuations:

615 Teocalli Sale Price/Square Foot:	$169.27
Subject Property Square Feet:	4820
Valuation of Subject Property:	$815,881.40

615 Teocalli 2013 Real Property Valuation/Square Foot:	$148.67
Subject Property Square Feet:	4820
Valuation of Subject Property:	$716,589.40

Sincerely,

Wallace McNeill

EXHIBIT F
Page 1 of 1

CBOE # 06

LuAnn Vogt

From: Wallace McNeill [wallacemcn@aol.com]
Sent: Tuesday, May 28, 2013 1:25 PM
To: kmcfarland@gunnisoncounty.org
Cc: luann@lynflex.com
Subject: 16 6th Street Crested Butte

Kristy

I appreciate the kindness of your response. I understand the assessment laws in Colorado which are very different than the rest of the country and in Missouri where I have been a licensed real estate broker for 38 years. My experience has been solely in commercial and investment real estate. While Colorado law states that the three approaches to real estate appraisal can and should be employed in developing assessment valuations we all must use business common sense in realizing that a 100+ year old building on Elk Avenue with a questionable foundation generating $25.00 per square foot nnn has a far greater value per square foot than a 15 year old building generating $14.00 per square foot nnn. It doesn't seem fair to use the income approach when that creates the highest valuation and the cost of replacement approach when that creates greater value. Unfortunately no one purchases investment commercial property on cost of replacement but on its value from the income approach. Someone would be remiss in their thinking if they were to acquire this building based on the current assessed valuation thus creating a user cost of greater than $30.00 per square foot. Either as an investor or as a user no one would want to handicap themselves financially by creating such a situation.

Everyone in the Gunnison Valley wants to see the area succeed so people are able to work and find jobs so they can live in what we all know is one of the most beautiful places in the world. Taxes of all kinds are necessary but hopefully should not be applied in such a manner as to render a property economically obsolete.

I was surprised and encouraged to have received a personalized response from you. While I realize from past experience with the Assessor's Office that any chance of there being a reduction in my assessment is remote it was nice to know someone is reading information that took a great deal of time to prepare.

Best regards,
Wallace
Wallace McNeill
Owner 16 6th Street, Crested Butte, Colorado

Sent from my iPad