

**BASE VILLAGE IMPACT ON REAL ESTATE MARKET IN SNOWMASS  
VILLAGE, CO  
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I have been spent a couple days reading, reviewing and trying to interpret the Amended and Restated Consolidation Service Plan relating to the Base Village Metro District #1 and District #2 and came away with what I think is an understanding the idea of how they are or were to work. It seems that Metro District #1, which is described as the "Service District", was created to coordinate the financing and construction and/or acquire all improvements and may own and operate some of the public facilities. The Base Village Metro District #2 is known as "Financing District" which will generate the tax revenues as necessary for the public improvements and services. The document goes on to state "that these districts will create several benefits for the inhabitants of the community and Snowmass Village". (But, nowhere does this document share what or where those "several benefits" might be).

The cost to the owners for these two districts looks like someplace in the \$27 mil + for District #1 and \$13 to \$14 mil for District #2. Included in these costs to the BV owners are the Funnel and the Ski Way bridges over and under Wood Road, Trails and sidewalks, storm drainage improvements, Aqua Center, Snowmass Cabriolet Landing Site (from Center I believe), Day Skier Parking (??) and Building 2A Arts/Conference Center.

Also under Exhibit D-2 of the Metro District Improvement are; the snowmelting of Wood Road and Lower Carriage Way, the Base Village Wood Rd and Lower Carriage Way Road Improvements (?—New roads it looks like), snowmelt of Lower Carriage Way Road (from approximately the Willows down in front of the Lichenhearth and Tamaracks to in front of the entry to BV parking, (partial funding??) for the Brush Creek Rd & Wood Rd roundabout and Wood Rd bridge and last but not the least is \$946,247 for a new custom built 100ft articulating ladder Pierce brand "Sky-Arm" fire truck for the Sn-Wildcat Protection District and lastly a \$555,000 contingency fund.

All of these expenses to the new owners of units in the BV are not to exceed 49.5 mils. Adding that to the 38.9 mils that all other Snowmass Village property owners pay would indicate a total mil levy to these condominium owners (all most all 2<sup>nd</sup> home owners and therefore not eligible to vote in Snowmass Village) indicates that they will pay a total of approximately 88.4 mils or 227% of what the rest of the property owners in Snowmass Village pay. Seems a bit steep! On top of that these owners also have to pay a second 1% transfer tax (for a total of 2% where the rest of us pay only 1%) and they pay a one time fee of another \$5,000 or \$6000 initiation fee of some kind for some benefit when they close on their transaction.

The other important point to be made is the it appears from this document that even though owners will pay for many of these items the actual items paid for will be dedicated to the TOSV. What a wonderful gift these new owners are providing the rest of the TOSV property owners! Interesting what can occur when one group of owners are not allowed to vote and another group of owners can not only vote but vote as to how much the other group has to pay!!

Last but not the least is the it appears from what I have been able to learn about this structure that the TOSV Council (elected only by those people that live here full time and not 2<sup>nd</sup> home owners) is one of the two bodies that govern these districts. Related is the other entity that is empowered to govern one of these districts.

This all sounds a bit like a situation that our founding fathers of the United States would have called: “**Taxation Without Representation**”. It seems so close to that concept that I can only conclude that I must be missing a bunch of the details. In reviewing the amenities and improvements that these owners are paying for it does seem that many of them will be used by the guests who stay throughout the village as well and the locals that use the amenities and improvements during the ski season and summer events.

It is very possible that the developer and TOSV had a number of possibilities of how to structure the improvement and operating costs of this new village. One would have had these costs incorporated into the purchase price of the individual condominium units when were bought and closed by the buyers. The problem here is that the cost of the units therefore might have been more than the market would bear and the developer may not have been able to make a reasonable profit!! Considering what is happening at BV right now the development may not make economic sense to the developer and they might elect to simply walk away. Not a good outcome.

I do believe that as this loading up of owner expenses become clear and better understood by the prospective buyers of properties in BV and by the local real estate community the sale of BV properties will become much more difficult in the future. But it might actually enhance to salability of condominiums in other Snowmass projects.

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