
A Real Property Appraisal Report



COLUMBINE VICTORIAN HOTEL

136 West Tomichi Avenue

Gunnison, CO 81230

Prepared For:

The Gunnison Bank and Trust Company

**232 West Tomichi
Gunnison, CO 81230**

Effective Date:

January 16, 2026



EAST-WEST FILE #25304

January 21, 2026

Ms. Sarah Kosin
Lending Operations and Compliance Specialist
The Gunnison Bank and Trust Company
232 West Tomichi / P.O. Box 119
Gunnison, CO 81230

**RE: Real Property Appraisal Report
Columbine Victorian Hotel
136 West Tomichi Avenue
Gunnison, Gunnison County, CO 81230
East West File #25304**

Dear Ms. Kosin:

In fulfillment of our agreement as outlined in the Letter of Engagement, East West Econometrics (East-West) is pleased to transmit our appraisal, based on the scope of work of this assignment and presented in an appraisal report format. The leased fee market value opinion has an effective date of January 16, 2026. The opinion of value reported below is qualified by certain assumptions, limiting conditions, certifications, and definitions, which are set forth in the report.

The subject represents a hotel building known as the Columbine Victorian Hotel building, located in Gunnison Colorado. In addition to hotel rooms, the subject has 3 retail units on the ground level. The building was purchased in 2013 for \$720,000. The subject is located in downtown Gunnison building and originally operated as a hotel beginning in 1880. The subject building is approximately 15,000 square feet and is located on a 0.29-acre corner parcel with two-story configuration. The subject was condemned by the City of Gunnison in 2022 due to the overall condition of the subject, but over the past 3 years, the owner has expended over \$350,000 to replace the roof, structural repairs, electrical system upgrades to bring the subject to current code, all new flooring, interior and exterior building painting, and replacing of the majority of the plumbing, as well as cosmetic items. It is a masonry structure. The subject is not currently listed for sale or under contract. The owner intended to lease the three retail units and to operate a 20-unit hotel on the second floor.

The appraisal will be used by Gunnison Bank and Trust, the client, for loan financing. You, as the client, are responsible for reading this report in its entirety. It may not be distributed to or relied upon by other persons or entities without written permission of East-West. However, the client may provide complete, final copies of the appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. If the appraisers are required to explain or testify as to appraisal results other than to respond to the client for routine and customary questions, a separate engagement will be signed between the appraiser and the clients.

Please note that our consent to allow an appraisal report prepared by East-West, or portions of such report, to become part of or be referenced in any public offering, the granting of such consent will be at our sole discretion and, if given, will be on condition that we will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to us, by a party satisfactory to us. We do consent to your submission of the reports to rating agencies, loan participants, or your auditors in its entirety (but not component parts) without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed and the reasoning leading to the opinion of value. The analysis, opinions and conclusions were developed based on, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in the *Uniform Standards of Professional Appraisal Practice* (USPAP), the requirements of the *Code of Professional Ethics* and *Standards of Professional Appraisal Practice* of the Appraisal Institute, The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), 2010 Interagency Appraisal Guidelines, Title XI Regulations and client’s appraisal standards. Please note that this appraisal was prepared according to the 2014-2015 Edition of USPAP.

Based on the analysis contained in the following report and subject to any extraordinary assumptions applied, the market value of the subject property is concluded as follows:

MARKET VALUE CONCLUSION

<u>Appraisal Premise</u>	<u>Interest Appraised</u>	<u>Effective Date</u>	<u>Value Conclusion</u>
As Is	Leased Fee	January 16, 2026	\$1,700,000

The analysis contained in this appraisal is based upon assumptions and estimates that are subject to uncertainty and variation. These estimates are often based on data obtained in interviews with third parties, and such data are not always completely reliable. In addition, we make assumptions as to future behavior of consumers, and the general economy, which are highly uncertain. It is, however, inevitable that some assumptions will not materialize and that unanticipated events may occur which will cause actual achieved operating results to differ from the financial analyses contained in this report, and these differences may be material. Therefore, while our analysis was conscientiously prepared on the basis of our experience, and the data available, we make no warranty of any kind that the conclusions presented will, in fact, be achieved. Additionally, we have not been engaged to evaluate the effectiveness of management, and we are not responsible for future marketing efforts, and other management actions upon which actual results may depend.

We take no responsibility for any events, conditions, or circumstances affecting the market that exists subsequent to the effective date of this appraisal. This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and addenda.

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis or if East-West can be of further service, please contact us.

Respectfully submitted,

EAST WEST ECONOMETRICS LLC



Martin S. Kane MAI M.S.
Commercial Appraiser
stevekane@eastwesteconometrics.com
Colorado Certified General
Appraiser #CG40013915

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CERTIFICATION

Certification Statement

The undersigned do hereby certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- Martin Kane MAI has conducted a personal inspection of the property that is the subject of this report. Only an exterior inspection was undertaken.
- David Kane, appraisal trainee, provided assistance in the development of the descriptive section of this appraisal. No one else provided significant assistance in the preparation of this report.
- The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- Based on the scope of work, the attributes of the subject and my appraisal experience, we are competent to complete this assignment.

- No loan amount or value was discussed between the appraiser and with the borrower/property owner or any employee with the bank.
- We have performed no other services, as appraisers or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- That as of the effective date of this report, all appraisers involved with the preparation and reporting of this assignment are in good standing with the Colorado State Board of Real Estate Appraisers.
- Martin Kane MAI is in good standing with the Appraisal Institute.
- As of the date of this report, Martin Kane MAI has completed the continuing education program of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.



Martin S. Kane MAI M.S.
Commercial Valuation Analyst
stevekane@eastwesteconometrics.com
Colorado Certified General
Appraiser #CG40013915

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Type:	Lodging / Retail Property
Location:	136 W. Tomichi Ave, Gunnison, CO 81230
Assessor Account Numbers:	R001684
Parcel Number:	3701-363-32-004
Interest Appraised:	Leased Fee
Effective Date:	1/16/2026
Intended user/ use:	The Gunnison Bank and Trust / Loan financing
Ownership:	Gunnison Lodging LLC
Exposure Time:	Less than 12 months
Highest and Best Use	
As Vacant:	Commercial development
As Improved:	Same
Site & Improvements	
Zoning:	CBD Zoning District- City of Gunnison
Flood Zone:	Zone X
Gross Land Area (sf):	12,500 sf (per assessor)
Gross Building Area (sf):	15,000 square feet (per assessor sketch)
Year built:	1880 (remodeled/renovated 2025/2026)
Effective Age:	25 Years

PARAMETERS OF THE APPRAISAL

This appraisal report, the letter of transmittal, and the certification of value, are made expressly subject to the following assumptions and limiting conditions, as well as any hypothetical conditions and extraordinary assumptions referenced in the appraisal:

GENERAL ASSUMPTIONS

1. Legal and Title Considerations Pertaining to the Property

- No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
- The subject property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

2. Illustrative Material and Information Provided by Others

- The appraiser(s) assumes that the intended user of this report has been provided with copies of available building plans and all leases and amendment, if any, that encumber the property.
- Currently there are no standards for the uniform measurement of improved properties. The appraiser(s) has utilized standard appraisal procedures common in the local market area to determine the total improved areas of the subject and has used those results for the sole purpose of completing the appraisal assignment. Please note this does NOT constitute a guarantee as to the accuracy of these measurements, except as they pertain to typical appraisal procedures for obtaining such measurements. The intended user of this report is advised to consult with an architect or other professional to ensure the accuracy of building measurements for engineering, legal or other non-appraisal purposes.
- The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

- All engineering studies and architectural plans are assumed to be correct. The plot plans and illustrative material in this report are included only to help the reader visualize the subject property.

3. Property Utilization

- Responsible ownership and competent property management are assumed.
- It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
- It is assumed that the subject property is in full compliance with all applicable federal, state, and local environmental regulations and laws, along with applicable covenants, conditions, and restrictions unless the lack of compliance is stated, described, and considered in the appraisal report.

4. Scope of the Inspection, Property Conditions

- Only a visual surface inspection of the property has been made by the appraiser(s). It is assumed that there are no hidden or unapparent conditions of the subject property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining engineering studies that may be required to discover them.
- It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless non-conformity has been identified, described, and considered in the appraisal report.
- It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national governments or private entity or organization have been or can be obtained or renewed for any use on which the opinion of the value contained in this report is based.
- Nothing in this report should be deemed a certification or guaranty as to the structural and/or mechanical soundness of the building(s) and systems that relate to the functions and operations of the property. Rather the appraisal assumes functions, operations, and energy efficiency levels are satisfactory and consistent with the age of the property, unless otherwise noted. The intended user is urged to retain experts in analysis of such systems, if desired.

5. Appraisals Made Subject to Completion

- On all appraisals subject to satisfactory completions, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements according to specifications and as stated in the report, and in compliance with all laws, regulations and other restrictions, in a workmanlike manner, and without delay. Represented designs and engineering are assumed to be correct and adequate.

6. Environmental Disclaimer

- Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser(s). The appraiser(s), however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, toxic mold, and other potentially hazardous materials may affect the value of the property. The value concluded in this appraisal is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user is urged to retain an expert in this field, if desired.

7. Market Data Presented

- The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to change with future conditions.

LIMITING CONDITIONS

1. Allocation of Value

- Any allocation of the total values concluded in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunctions with any other appraisal and are invalid if so used.

- Any opinions of value provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the opinion of value, unless such proration or division of interests has been set forth in the report.

2. Possession, Confidentiality, Distribution and Use of Report

- Possession of this report, or a copy thereof, does not carry with it the right of publication.
- Information contained in the appraisal may be utilized by the intended user, but the report remains the property of East West Econometrics LLC.
- This report shall not be used by anyone, but the intended user specified in the report or an appropriate third party as may be determined by the intended user at his/her sole discretion, without written approval, and then only in its entirety.
- Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or East West Econometrics LLC) shall be disseminated to the public through advertising, public relations, news, sales or other media without the prior written consent and approval of the Managing Director of East West Econometrics LLC.
- All conclusions and opinions concerning the analysis which are set forth in the report were prepared by the appraisers whose signatures appear on the appraisal report. No change of any item in the report shall be made by anyone other than the appraisers, and East West Econometrics LLC shall have no responsibility if any such unauthorized change is made.
- Disclosure of the contents of the appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute.

3. Limitations of the Appraisal Services

- The appraiser, by reason of this appraisal, is not required to give further consultation or testimony or be in attendance in court with reference to the subject property in question unless arrangements have been made previously.
- Opinions of value contained in this report are the professional opinions of the appraiser(s). There is no guarantee, written or

implied, that the subject property will sell or lease for the indicated amounts within the indicated time frame.

- Acceptance and use of information in this report in any manner or purpose is acknowledgement that the entire report has been read by the intended user and that he/she agrees with the conclusion and the data contained in this report.
- The intended user agrees to notify the appraiser(s) of any error, omissions, or invalid data **within 30 days** of receipt of the appraisal and return the report along with all copies to the appraiser(s) for correction prior to any use whatsoever.

4. Auxiliary Reports and Related Data by Others

- Unless stated otherwise, no auxiliary studies or reports related to the subject property, such as surveys, environmental impact reports, special market studies, highest and best use reports, feasibility analysis, or reports regarding modifications to the property for either compliance with the Americans with Disabilities Act, structural, or other reasons, have been furnished or reported to the appraiser(s) by the intended user. Data presented with respect to the subject's ownership, marketing, and income history is made available through the intended user, the borrower, or related parties. Provision of such auxiliary data, or the discovery of same by the appraiser(s), is beyond the scope of the appraisal services contracted. The appraiser(s) reserves the unlimited right to alter, amend, revise, or rescind any of the statements, findings, opinions, values, estimates, or conclusions upon any discovery or provision of such data or analysis, subsequent to it becoming known to the appraiser(s).

5. Limitations Related to the Definition of Value

- The value concluded under the specified value definition is “the most probable price which a property should bring.”

As a point of clarification, the definition of value represents what a prudent, knowledgeable purchaser, under no necessity to buy would be willing to pay to purchase the property in a current sale. By this, value is representative of the price paid by the buyer, not the net proceeds to the seller. That is, the value does not consider payment of current sales commissions, title policy fees, legal fees, liens, past due taxes, or other disposition costs.

6. Americans with Disabilities Act Compliance

- The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser(s) has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirement of the ADA would reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact would have a negative impact upon the value of the property. Since the appraiser(s) has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in concluding the value of the subject property.

SCOPE OF WORK¹

We have been assigned by the client to develop an opinion of the subject's leased fee market value, based on the current "as is" condition.

We have made a determination as to the scope of work necessary to solve the client's appraisal problem. The appraisal, based on the scope of work, in accordance with Standard 1 (Real Property Appraisal, Development), in an appraisal report format, prepared in accordance with USPAP Standard 2 (Real Property Appraisal, Reporting), effectively demonstrates our analysis to derive the valuation conclusions.

Intended Use:

The intended use of this appraisal is for loan financing by the client, Gunnison Bank and Trust.

Intended User:

The intended user(s) of this report is Gunnison Bank and Trust (client).

Property Rights Appraised:

Based on the scope of the appraisal assignment, the leased fee property interests were appraised. The leased fee interest is defined as follows:

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease. (*Dictionary of Real Estate, Sixth Edition*)

Value Opinion:

Based on the scope of the appraisal assignment a "market value" opinion was developed.

"Market value," as used in this report, is defined as:

Market Value - The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

¹ Scope of Work - The type and extent of research and analyses in an assignment. *USPAP 2026-2027 Edition*

Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and Seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: “(12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994); Appraisal Institute, *The Dictionary of Real Estate Appraisal, Fourth Edition*, (Chicago, 2002) Page 177”

Note that the valuation makes no reduction for commission on sale, unpaid taxes, or liens against the property.

Effective Date of Value:

The effective date of this appraisal analysis is January 16, 2026.

Inspecting Appraisers:

Martin Kane MAI personally inspected the subject. Only an exterior inspection was undertaken, although the first floor retail unit were observed through front windows.

Extent of Inspection:

The inspecting appraiser observed the subject's site and the exterior of the building. The interior of the retail units were observed through front windows. Only a surface inspection was performed to verify the physical attributes.

Property Documents Received:

In connection with the scope of work assignment, the appraisers obtained both written and verbal information on the subject from the property owner.

Market Analysis:

Information was collected from the CCIM Site to Do Business, the Gunnison Multi-Listing Services (MLS), Costar, city/town, and county officials; brokers experienced in the market; published data sources; appraisers' file data; and parties involved in the subject. This information was then used to develop the highest and best use analysis, and the applicable approaches to value.

The State of Colorado does not require disclosure of sales prices, the terms of sale, or mortgage details in public records. Moreover, privacy legislation precludes lenders from revealing the mortgage terms without the written permission of the borrower. The appraisers have accumulated the market data contained in this report over a period of several years, from a variety of sources that are believed to be reliable.

Highest and Best Use:

The highest and best use was determined "As Vacant" and "As Improved." Under the scope of work assignment, the subject was appraised to its highest and best use.

Hypothetical Conditions:

A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Hypothetical conditions are contrary to known facts about the physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.²

There were no hypothetical conditions.

Extraordinary Assumptions:

An extraordinary assumption is an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about

² USPAP 2026-2027 Edition

conditions external to the property, such as market conditions or trends; or about the integrity of data used in the analysis.²

We relied on information from the owner, assessor and building department concerning the overall interior condition of the subject and its functionality. We have applied an extraordinary assumption that this information is reasonably accurate and reliable. Our assumption that that the condemnation of the subject has been canceled could not be confirmed by the city due to confidentiality issues, so we relied on information from the owner that the subject is not condemned due to the remodeling efforts of the owner.

The use of these extraordinary assumptions may affect the assignment results.

Personal Property:

No personal property has been included in the valuation of the subject.

Approaches to Value:

Under the scope of work assignment, the following approaches to value were considered and used in this appraisal:

Approach	Used
Cost Approach	No
Sales Comparison Approach	Yes
Income Approach	Yes

Cost Approach:

The cost approach was considered but was concluded to not be applicable in this assignment due to depreciation issues. It was not necessary for a credible and reliable opinion of value, in our opinion.

Sales Comparison Approach:

The sales comparison approach was used in this assignment to develop the “as is” value of the subject.

Income Approach:

The income approach was used to develop the “as is” value of the subject.

Reconciliation:

The applicable approaches to value were reconciled in order to determine a final value for the subject property.

EXPOSURE TIME

The exposure time, as defined in USPAP (2026-2027 Edition), is the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

We examined the reported days on market for both currently listed and recently sold commercial properties in the Gunnison area. Based on the reported marketing times from these sales, we concluded the subject, at the concluded value of this appraisal, would have required an exposure period of 15 months prior to the effective date.

SUBJECT DESCRIPTION



ASSESSOR GIS AERIAL MAP (Parcel outlined in green)

The subject represents a mixed-use commercial property (colloquially known as the Columbine Victorian Hotel) located at 136 W. Tomichi Avenue in Gunnison, CO. It is a single parcel property, with a gross land area of approximately 12,500 per the assessor calculations. The building has a gross area of approximately 15,000 square feet (per assessor sketch). The building is situated in downtown Gunnison on the northeastern corner of W. Tomichi Avenue and N. Wisconsin Street.

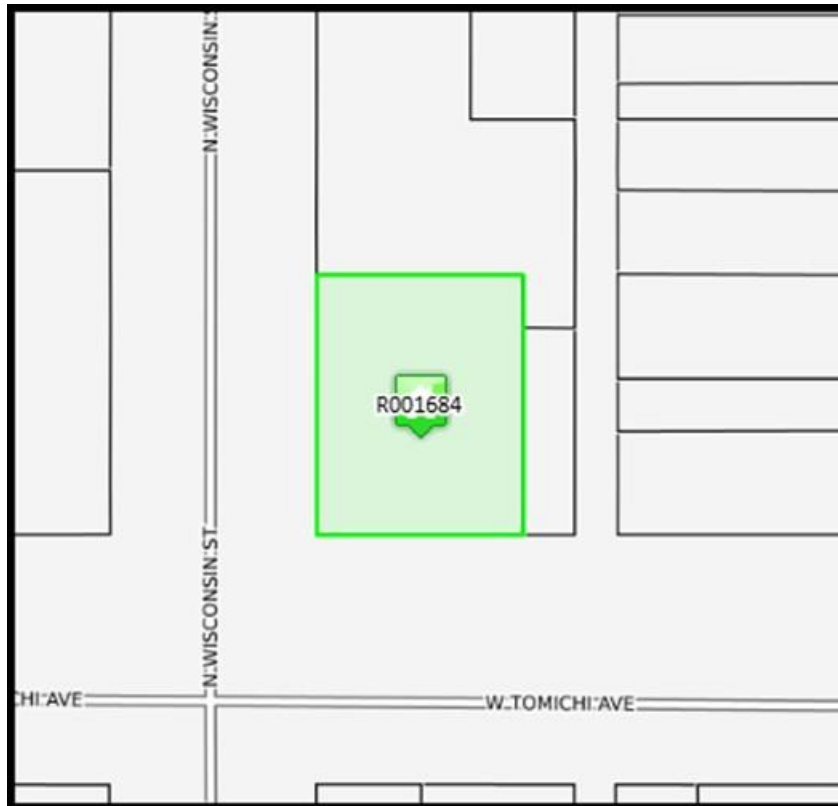
The City of Gunnison is the largest municipality in Gunnison County. The site is situated in the CBD (Central Business District) Zoning District, under the jurisdiction of the City of Gunnison. The subject is located in Flood Zone X, an area of low flood risk. The subject is situated on the northern side of West Tomichi Avenue (US 50), which is the primary commercial corridor in the City of Gunnison.

The main level of the building contains three commercial units that were previously utilized as restaurant/bar/lounge and retail uses. The second floor of the building contains twenty lodging units, caretaker's residence, and lobby area.

The subject property was condemned in early 2022 by the City of Gunnison due to extensive water damage from a long-term leak in the roof and its overall structural integrity. The owner elected to repair the building in lieu of demolishing the structure. The owner has conducted an extensive remodel/renovation project in order to bring the building back to code. It was reported the project has been completed and the electrical system inspection is the only pertinent item remaining before the certificate of occupancy is obtained. It was reported that all remaining issues with the city will be remedied prior to February 1, 2026. The owners will confirm with the city whether extended stay lodging will be a permitted use.

The owners intend to market the lodging units as extended stay accommodations. Possible tenants could include individuals working in Crested Butte. The western unit consists of two combined units will be marketed for lease for \$6,000 per month. The likely tenant type will be a restaurant/bar/tavern. The eastern unit will be leased to a restaurant tenant with an asking rent of \$2,500 per month. The central unit will be leased to a retail tenant with an asking monthly rent of \$1,500. It was reported there has been interest in leasing the western unit, though all units expected to be occupied within twelve months.

PROPERTY IDENTIFICATION



Assessor GIS Parcel Map (parcel highlighted in green)

Location/Address:	136 W. Tomichi Avenue, Gunnison, CO 81230
Legal Summary:	PART OF LOTS 8-12, BLOCK 21, ORIGINAL GUNNISON, City of Gunnison, County of Gunnison, State of Colorado
Assessor's Parcel Number:	3701-363-32-004
Current Ownership:	Gunnison Lodging LLC
Sale/Marketing History	
Previous Sale(s) Date:	The subject has not been sold in the last three years.
Current Listing or Contract:	No
Pending Sale Price:	N/A
Comments:	To the best of our knowledge the subject is not currently listed for sale. The subject is currently being repaired/renovated in

order to lift the current condemnation order by the City of Gunnison.

Treasurer Information

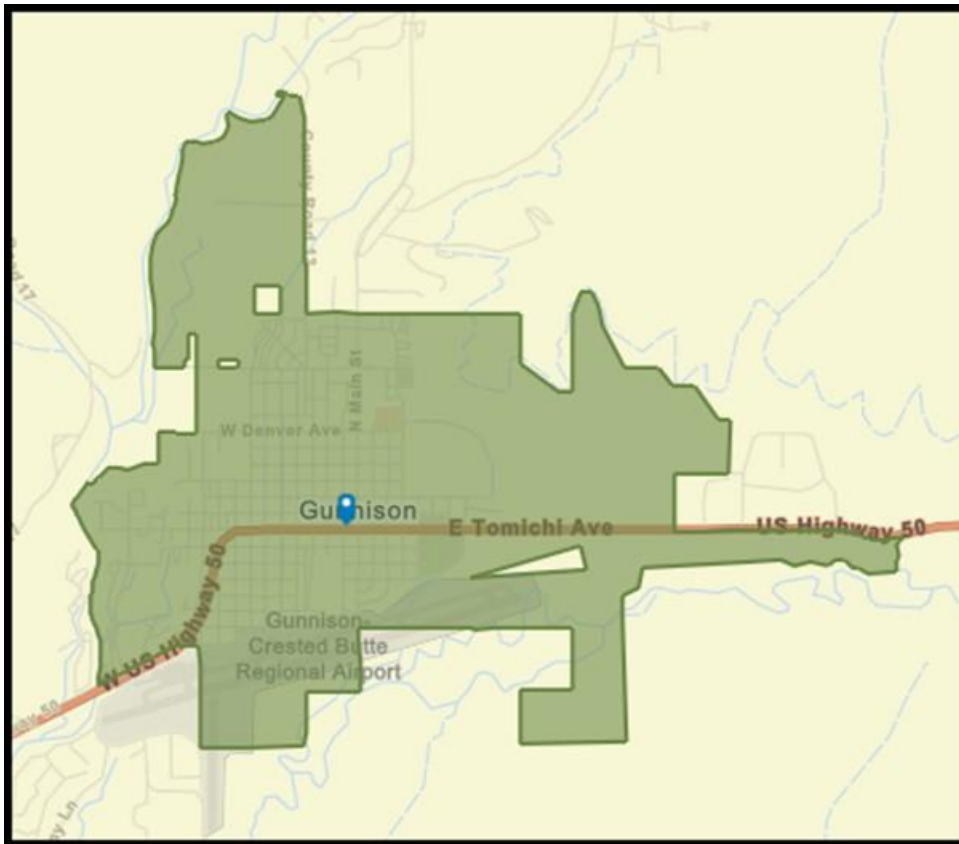
Tax Authority:	Gunnison County
Tax Year:	2025 payable in 2026
Actual Value:	\$1,479,530
Assessed Value:	\$244,080 (school district assessed value) \$237,850 (local govt. assessed value)
Mill Levy:	51.575
Tax Liability:	\$12,523.89
Delinquent Taxes:	No
Special Tax District:	No
Assessment Comments:	The 2025 taxes due in 2026 have not been paid as of the effective date of this report but are not due in full until 4/30/2026.

The actual value of the assessor more or less supports the "as is" value of this appraisal.

SITE DESCRIPTION

Gross Land Area (SF):	12,500 sf (per assessor)
Net Land Area (SF):	Approx same as gross minus any areas of easements or ROWs (per assessor)
Land-to-Building Ratio:	0.83 : 1
Excess Land Area:	None
Surplus Land Area:	None
Frontage:	West Tomichi Avenue and N. Wisconsin Street
Visibility:	Good
Access:	Above average
Shape:	Rectangular
Topography:	Essentially Level
North Adjacent Use:	Service
West Adjacent Use:	Retail
South Adjacent Use:	Office
East Adjacent Use:	Restaurant
Site Improvements	
Parking:	Yes
Parking Type/# of Spaces:	The subject includes a fenced/gated northern yard area that has previously been utilized for storage. This area could be utilized for on-site parking in the future, but no plans were provided to confirm this possible use. This area could accommodate 10 +/- vehicles. There is public street parking available on the bordering and nearby roadways including select parking spaces on West Tomichi Avenue and N. Wisconsin Street.
Sidewalks / Type:	Yes, concrete
Curbs and Gutters / Type:	Concrete curbs and gutters
Landscaping:	None observed
Utilities at Site	
Electricity:	City of Gunnison
Gas:	Atmos Energy
Water:	City of Gunnison
Sewer:	City of Gunnison

Neighborhood Description



City of Gunnison Boundary Map (subject blue tagged)

Location

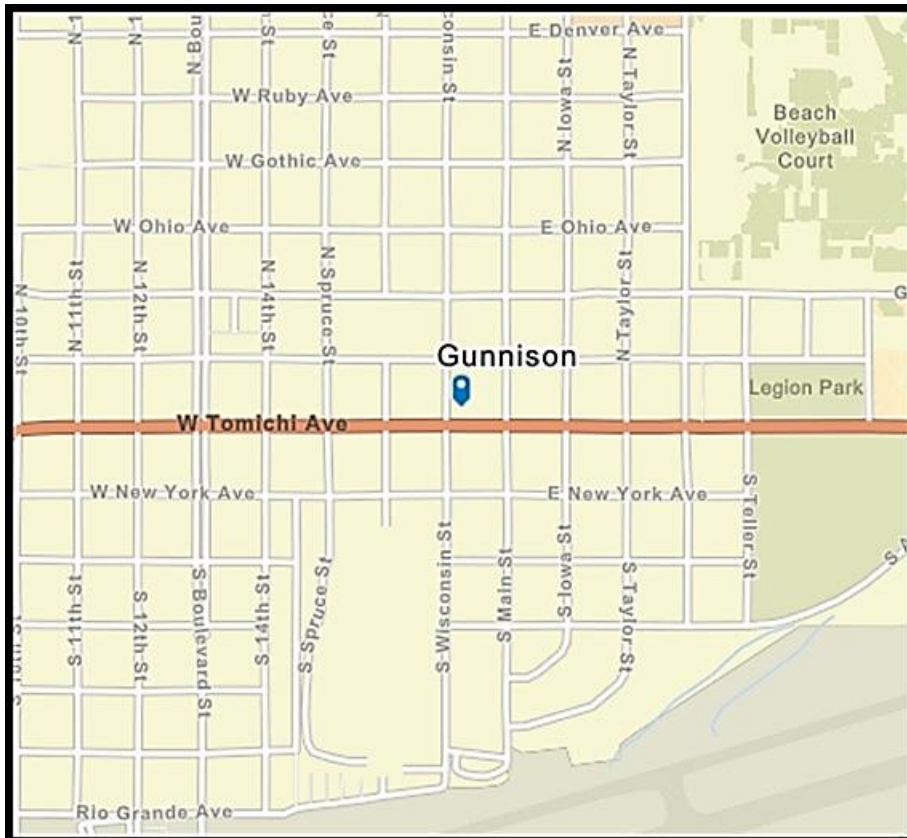
The subject is located in the City of Gunnison on the northeastern corner of W. Tomichi Avenue and N. Wisconsin Street. The site is situated ½ block west of Main Street (Colorado Highway 135). Tomichi Avenue and Main Street are the two main city thoroughfares. The subject is situated along the mixed-use commercial corridor located on both sides of US Highway 50 as it spans through the City of Gunnison. The City of Gunnison is the largest municipality in Gunnison County and is the county seat.

Access

Access characteristics to the subject and through the neighborhood are good. The subject building fronts US Highway 50 and Wisconsin Street with the latter providing access to the rear of the site where there are parking spaces. There is additional public street parking available on the bordering and neighboring streets.

- US Highway 50 is a two-lane highway that leads from Pueblo to the east, acts as a main thoroughfare through the City of Gunnison (Tomichi Avenue), and terminates to the northwest in the City of Grand Junction.
- Main Street (Colorado Highway 135) is a two-lane street that leads from the south at Rio Grande Avenue, through the City of Gunnison, to the north to Crested Butte, where it terminates.

Neighborhood Characteristics



Street Map of Subject Area (subject blue tagged)

The subject is located in downtown Gunnison. Tomichi Avenue (US Highway 50) acts as the main east/west thoroughfare through Gunnison, with the majority of development occurring north of Tomichi Avenue, with some development south of Tomichi Avenue. Commercial development is concentrated along Tomichi Avenue and Main Street, with additional commercial development one to two blocks away from these main thoroughfares. Residential development is generally further from these main thoroughfares. The Gunnison-Crested Butte Regional Airport is one-half mile south of Tomichi Avenue, which has flights to Denver, Houston, and

Dallas/Fort Worth. The City of Gunnison is also home to Western Colorado State University, which is located less than one mile northeast of the subject.

Gunnison is approximately 27.5 miles south of Crested Butte, 65 miles east of Montrose, and 64 miles west of Salida. The city is approximately 42 miles west of the summit of Monarch Pass. In addition to the skiing provided in Crested Butte, other local area draws include Blue Mesa Reservoir and various portions of the Gunnison River.

Demographics

The following are 2025 and 2030 actual and projected demographics for the area within the city limits of Gunnison as reported by the CCIM "Site to do Business" (STDB):

Population Summary	Gunnison city...
2010 Total Population	5,879
2020 Total Population	6,560
2020 Group Quarters	1,011
2025 Total Population	7,095
2025 Group Quarters	1,011
2030 Total Population	7,369
2025-2030 Annual Rate	0.76%
2025 Total Daytime Population	6,830
Workers	4,343
Residents	2,487
Household Summary	
2010 Total Households	2,331
2010 Average Household Size	2.20
2020 Total Households	2,564
2020 Average Household Size	2.16
2025 Total Households	2,830
2025 Average Household Size	2.15
2030 Total Households	2,987
2030 Average Household Size	2.13
2025-2030 Annual Rate	1.09%
2025 Families	1,252
2025 Average Family Size	2.79
2030 Families	1,308
2030 Average Family Size	2.75
2025-2030 Growth Rate	0.9%
Median Household Income	
2025	\$63,585
2030	\$73,634

Per Capita Income	Gunnison city...
2025	\$33,317
2030	\$38,120

2025 Households by Income	
Household Income Base	2,830
<\$10,000	8.8%
\$10,000-14,999	3.3%
\$15,000-19,999	3.1%
\$20,000-24,999	3.7%
\$25,000-29,999	7.0%
\$30,000-34,999	2.6%
\$35,000-39,999	3.4%
\$40,000-44,999	5.8%
\$45,000-49,999	2.1%
\$50,000-59,999	7.6%
\$60,000-74,999	9.4%
\$75,000-99,999	16.8%
\$100,000-124,999	7.8%
\$125,000-149,999	4.7%
\$150,000-199,999	8.4%
\$200,000-249,999	2.1%
\$250,000-299,999	0.9%
\$300,000-399,999	1.5%
\$400,000-499,999	0.1%
\$500,000+	0.9%
Average Household Income	\$83,322

2025 Affordability, Mortgage and Wealth	
Housing Affordability Index	53
Percent of Income for Mortgage	48.0%
Wealth Index	56

Median Home Value	
2025	\$487,546
2030	\$509,028

Summary	Census 2020	2025	2030
Total Population	6,560	7,095	7,369
Total Households	2,564	2,830	2,987
Family Households	1,162	1,252	1,308
Average Household Size	2.16	2.15	2.13
Owner Occupied Housing Units	1,106	1,259	1,407
Renter Occupied Housing Units	1,458	1,571	1,580
Median Age	28.4	29.8	31.3

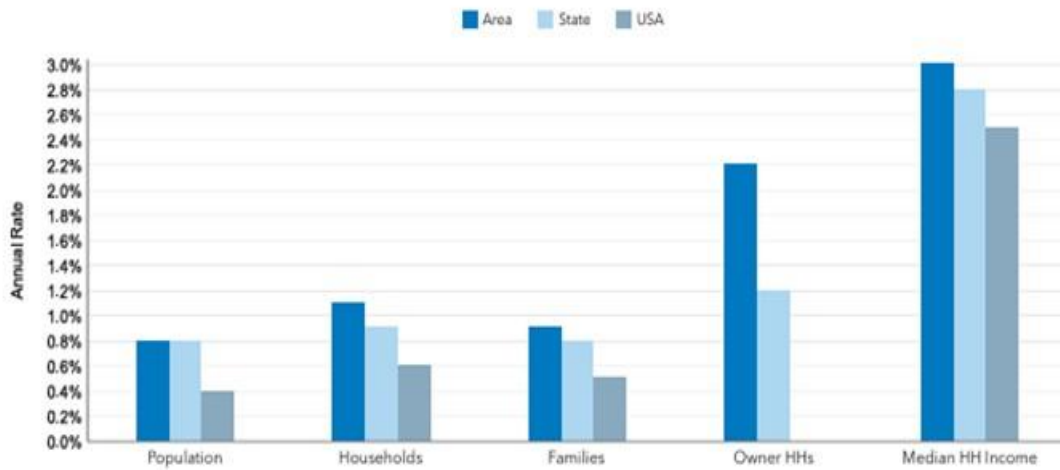
Trends 2025 - 2030	Area	State	National
Population	0.8%	0.8%	0.4%
Households	1.1%	0.9%	0.6%
Family Population	0.9%	0.8%	0.5%
Owner Occupied Housing Units	2.2%	1.2%	0.0%
Median Household Income	3.0%	2.8%	2.5%

Population by Age	Census 2020		2025		2030	
	Number	Percent	Number	Percent	Number	Percent
0-4	301	4.6%	320	4.5%	330	4.5%
5-9	251	3.8%	289	4.1%	283	3.8%
10-14	277	4.2%	237	3.3%	260	3.5%
15-19	789	12.0%	799	11.3%	751	10.2%
20-24	1,245	19.0%	1,204	17.0%	1,220	16.6%
25-29	628	9.6%	726	10.2%	677	9.2%
30-34	518	7.9%	570	8.0%	625	8.5%
35-39	434	6.6%	477	6.7%	520	7.1%
40-44	353	5.4%	411	5.8%	435	5.9%
45-49	304	4.6%	364	5.1%	396	5.4%
50-54	247	3.8%	320	4.5%	354	4.8%
55-59	246	3.8%	228	3.2%	274	3.7%
60-64	279	4.3%	272	3.8%	259	3.5%
65-69	259	4.0%	277	3.9%	264	3.6%
70-74	170	2.6%	247	3.5%	253	3.4%
75-79	114	1.7%	161	2.3%	215	2.9%
80-84	56	0.8%	103	1.4%	131	1.8%
Age 85+	89	1.4%	90	1.3%	122	1.7%

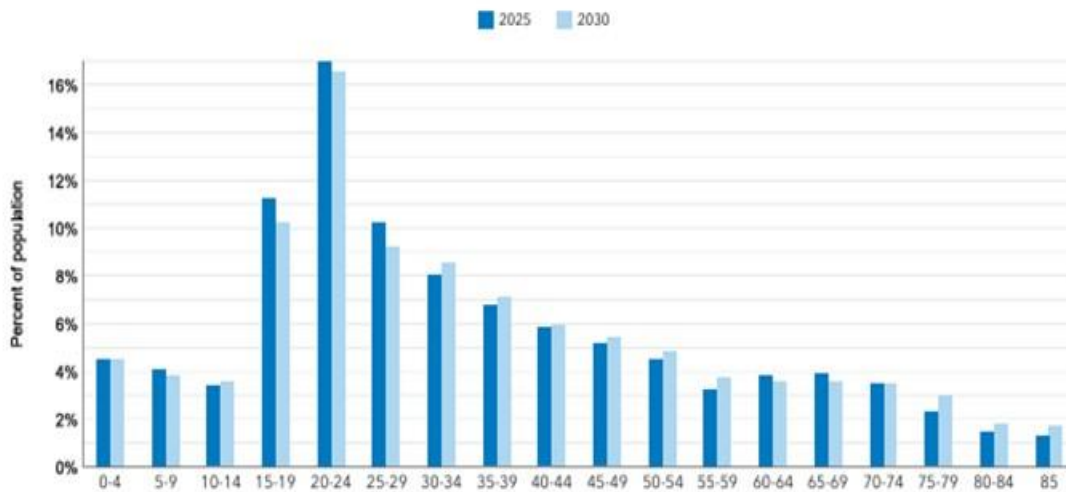
Key Indicators for 2025



Trends: 2025 - 2030 Annual Rate



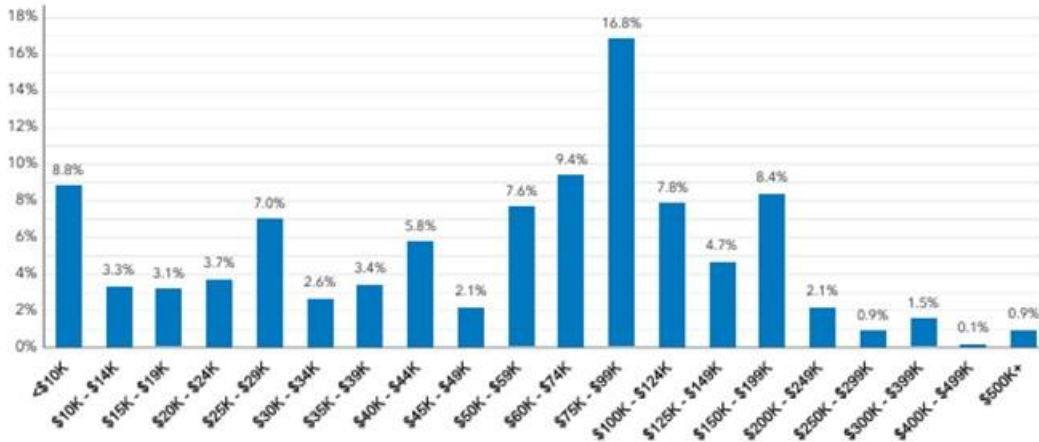
Population by Age



Key Indicators for 2025



Households by Income for 2025



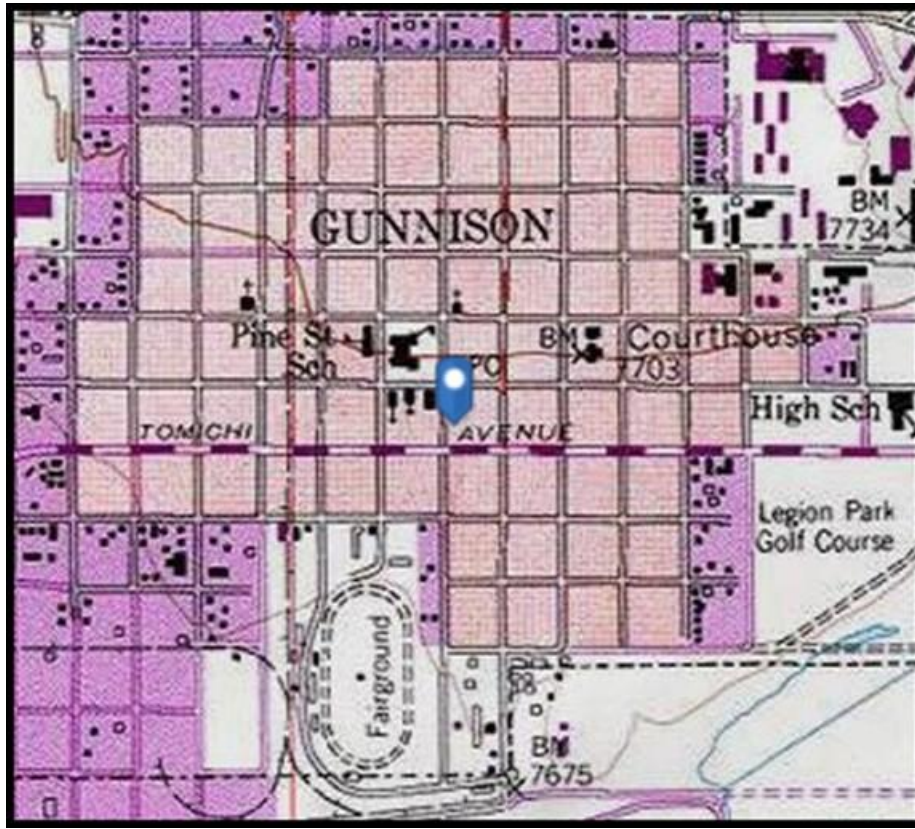
Hazards and Nuisances

No significant environmental risk factors or neighborhood nuisances are known.

Summary and Trends

The subject is located in the central portion of the City of Gunnison, along the northern side of West Tomichi Avenue, and a ½ block west of Main Street and the original downtown commercial district. Real estate prices in the neighborhood reached a low point in 2012, with prices gradually recovering since that time.

The population in Gunnison is projected to increase 0.76% on an annual basis over the next five years. The mediate home value in the defined area is \$487,546, which is well above the national average. The neighborhood has close proximity to the regional airport, and Western State Colorado University. The subject should continue to share similar demand to the City of Gunnison overall.



TOPOGRAPHIC MAP OF SUBJECT AREA (subject blue tagged)

Physical Attributes: The subject site is comprised of one parcel that is essentially level. It is at grade with the surrounding properties and streets. The site is rectangular in shape. The site has good visibility from West Tomichi Avenue and N. Wisconsin Street. The subject is located in Flood Zone X, which is an area of low flood risk. The site is bounded by a service property to the north, N. Wisconsin Street to the west, a restaurant to the east and West Tomichi Avenue to the south.

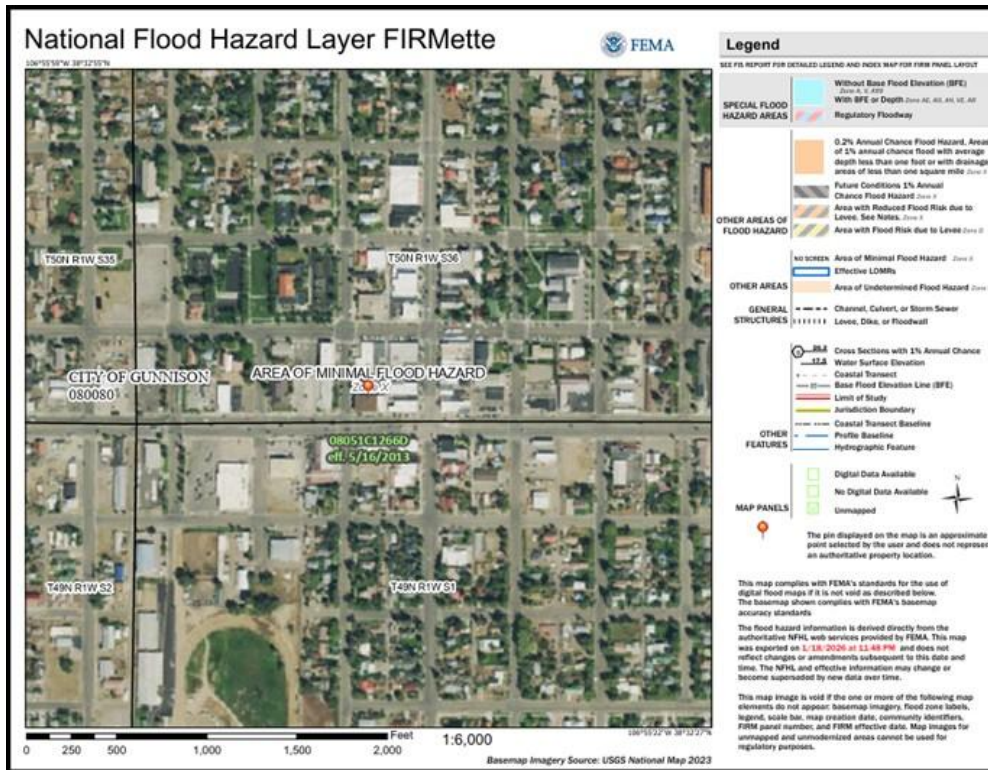
The subject consists of a two-story multi-unit building. The remainder of the site consists of a fenced/gated concrete storage yard/parking area (located north of the building). There are concrete sidewalks that front the western and southern sides of the building. The subject has an average elevation of 7,714 feet above sea level.

Easements: A title commitment was not provided. We have assumed that there are no significant restrictions or easements that would impact the use of the subject. Please note that we are not experts in this area and cannot guarantee that significant restrictions do not exist. Easements, mineral rights, patent reservations, and deed restrictions are a legal matter and only a title

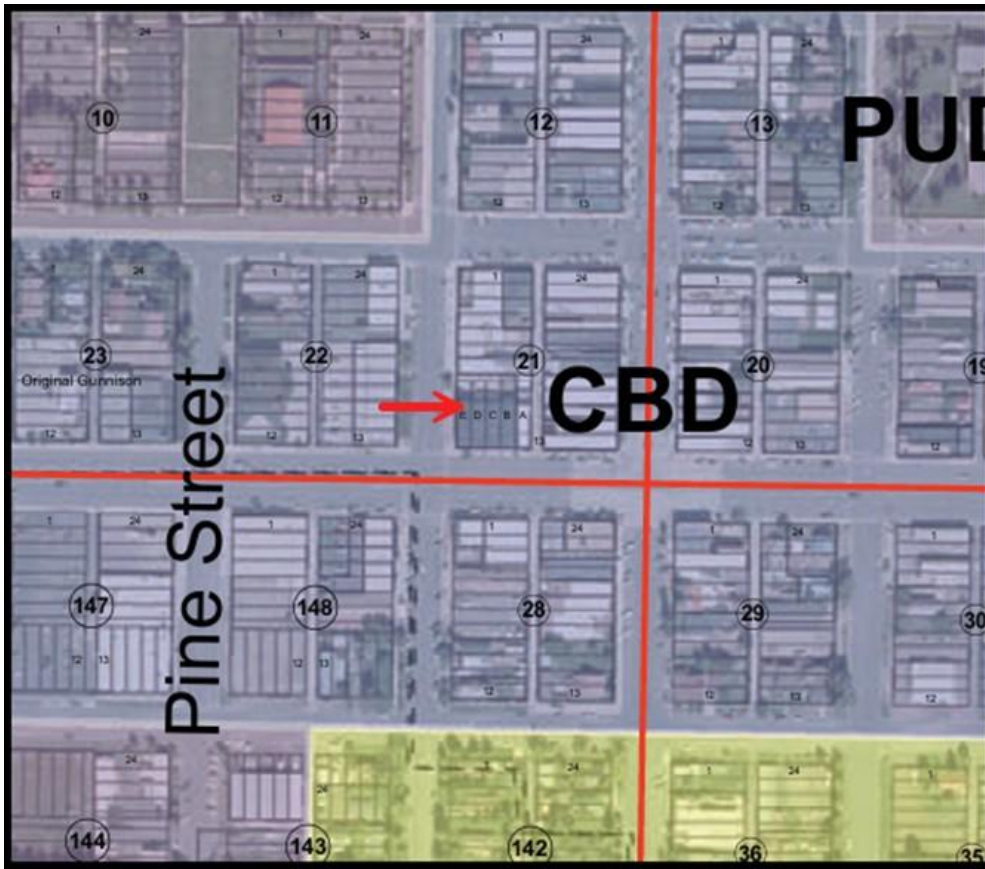
examination by an attorney or title company can identify such restrictive covenants.

Environmental Issues: An environmental site assessment was not provided. We have assumed that there are no environmental conditions associated with the site that would impact the value. Please note that no sign of environmental contamination was observed during our onsite inspection.

Flood Hazard: The subject is located in Zone X, an area of low flood risk per FEMA Map # 08051C1266D, dated May 16, 2013, shown below:



FEMA Flood Map (subject red tagged)



City of Gunnison Zoning Map (subject indicated with red arrow)

Zoning Code/Jurisdiction: CBD (Central Business District) Zoning District / City of Gunnison

Zoning Description: The subject is located in the CBD Zoning District under the jurisdiction of the City of Gunnison. The CBD Zoning District allows for a variety of commercial uses. Below is the purpose of the zoning district, a table of allowable uses, dimensional standards, and on-site parking requirements.

B. Zone Districts and Purpose Statements

This Section establishes zone districts that the City repealed and replaced on the effective date of this LDC. The zone districts are shown on the Official Zoning Map, which is established in Sec. A, *Official Zoning Map*.

Table 15.50. 10.B-1, Zone Districts	
Zone District (Abbreviation)	Purpose of Zone District
Residential Zones	
Single-Household Residential (SR)	Residential development and redevelopment, at varying amounts of open and amenity space, at lower densities than other residential zone districts, characterized by detached single-household dwelling units. Public and civic uses are permitted to support the primarily residential character of the district.
Mixed Residential (MR)	Medium- to higher-density residential development and redevelopment with a wide variety of housing and open and amenity space types. Nonresidential uses at smaller scales are permitted in close proximity for the convenience of nearby residents.
High Density (HR)	The highest density residential development and redevelopment in the City together with supporting nonresidential uses in close proximity. The zone district may ideally be located to serve the downtown, the University, and in key community gateways.
Non-residential Zones	
Central Business District (CBD)	The business and civic functions that make up the City core. The CBD zone district has a strong pedestrian character and provides for concentrated commercial activity, with buildings covering the entire street frontage. It contains a mix of business, commercial, and residential uses, and serves the needs of the entire community and those of visitors to the community.
Corridor Commercial (CC)	Buildings that are pedestrian in scale and allow for residential, retail, service, and office uses. The district accommodates buildings close to the street that are at smaller scales than the C zone district, with a mix of land uses in the same building or in close proximity. The zone district may act as a transitional area between the CBD zone district and the C zone district.
Commercial (C)	Areas for larger-scale commercial activities that serve the retail and service needs of the local and regional consumer bases. This district is designed to accommodate a variety of commercial uses, including shopping centers, office complexes, overnight accommodations, indoor and outdoor entertainment, and other related businesses.
Light Industrial (I)	Areas for a broad range of manufacturing, production, product transport, storage, heavy repair, and other industrial and heavy commercial uses. These industries should be operated in a relatively clean and quiet manner and should not be obnoxious to nearby non-industrial properties.
Special Zones	

Table 15.50.30, Principal Use Table

¹Only permitted off an Arterial Street frontage (Main Street and Tomichi Avenue). Townhomes shall be four or more units.

²Only permitted on the ground floor off an Arterial Street frontage in the CBD on Main Street and the first block east and west on Tomichi Avenue.

³May be located anywhere and is administered by the State.

Use Categories	Specific Uses	RESIDENTIAL			NONRESIDENTIAL				Specific Use Standards
		SR	MR	HR	CC	CBD	C	I	
	Group Home (up to 8 Residents)	P	P	P	p ¹	--	p ¹	--	15.60.20.A.2.
	Live/Work Building	--	P	P	p ¹	--	--	--	15.60.20 A and 40 B.
	Manufactured home	P	P	P	--	--	--	--	15.60.20.A.5.
	Manufactured home park	--	--	P	--	--	--	--	15.60.20.A.6.
	Multi-Household dwelling (5 or more units)	--	--	P	p ¹	--	p ¹	--	15.60.20.A.7.
	Multiplex dwelling (3-4 units)	--	P	P	p ¹	--	--	--	15.60.20.A.
	Single-Household Detached Dwelling or Modular Dwelling	P	P	P	--	--	--	--	15.60.20.A.
	Townhouse	--	P	P	p ¹	--	p ¹	--	15.60.20.A.
	Two-Household Dwelling (2 Units)	--	P	P	--	--	--	--	15.60.20.A.
	Upper-Story Residential	--	P	P	P	P	P	P	15.60.20.A.
Congregate Living	Group Home (9-14 Residents)	--	--	P	p ¹	--	p ¹	--	15.60.20.B.
	Nursing home/Assisted Living Center	--	--	P	--	--	p ¹	--	15.60.20.B.
	Rooming or boarding house; Dormitory, fraternity, or sorority	-	P	P	--	--	--	--	15.60.20.B.
Home Business or Occupation	Home business	C	C	P	P	P	P	P	15.60.20 A.4.
	Home occupation	P	P	P	P	P	P	P	15.60.20 A.4.
Public, Civic and Institutional Use Categories – Section 15.60.30									
Community Service	Cultural institution (Art center; library; museum)	--	--	--	P	P	P	--	15.60.30.A.
	Detention center	--	--	--	--	--	--	P	15.60.30.A.
	Fire Station	P	P	P	P	P	P	P	15.60.30.A.
	Emergency Services (Police Station or EMS Facility)	--	--	--	--	--	P	P	15.60.30.A.
	Public Office Facility	--	--	--	P	P	P	P	15.60.30.A.
	Neighborhood or community center	C	C	C	P	--	P	--	15.60.30.A.
	Public Garage	--	--	--	--	--	P	P	15.60.30.A.

Table 15.50.30, Principal Use Table

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Use Categories	Specific Uses	RESIDENTIAL			NONRESIDENTIAL			Specific Use Standards	
		SR	MR	HR	CC	CBD	C		I
	Public Shop	--	--	--	--	--	--	P	15.60.30.A.
Educational Facilities	Private Schools	C	C	C	C	--	C	--	15.60.30.C.
Child Care	Non-Home Child Care Facility	--	P	P	--	--	P	--	15.60.30.B.
	Child Care Home ³	P	P	P	P	P ¹	P	P	15.60.30.B.
Medical	Hospital	--	--	--	--	--	P	--	15.60.30.D.
	Medical Clinic or Facility	--	--	--	P	P ²	P	--	15.60.30.D.
Parks and Open Space	All Parks and Open Space uses	P	P	P	P	P	P	P	--
Places of Worship	All Places of Worship	--	P	P	P	--	P	--	15.60.30.E.
Public Transportation Facilities	Airport and related facilities	--	--	--	--	--	--	P	15.60.30.F.1.
	Bus stop	P	P	P	P	P	P	P	15.60.30.F.2.
	Intermodal bus facility	--	--	--	P	P	P	--	15.60.30.F.
Utilities	Major utilities (private only)	--	--	--	--	--	C	P	15.60.30.G.
	Minor utilities	P	P	P	P	P	P	P	15.60.30.G.
Wireless Communications Facilities (WCF)	Roof- and Wall-mounted WCF	--	--	C	C	C	C	P	15.60.80
	Small Cell WCF and alternative tower Structure in the ROW	P	P	P	P	P	P	P	15.60.80
	Alternative tower structure not in the ROW	--	--	C	C	C	C	P	15.60.80
	Tower	--	--	--	--	--	--	P	15.60.80
Commercial Use Categories – Section 15.60.40									
Accommodations	Bed and breakfast or Hostel	--	P	P	P	P	P	--	15.60.40.C.1. and 2.
	Hotel or Motel	--	--	--	P	P	P	--	15.60.40.C.3.
	RV Park	--	--	C	--	--	C	C	15.60.40.C.4.
Adult Business	All Adult Business Uses	--	--	--	--	--	--	C	15.60.40.D.
Eating and Drinking Establishments	Bakery, cafe, or coffee shop	--	P	P	P	P	P	P	15.60.40.E.
	Bar or tavern	--	--	--	P	P	P	P	15.60.40.E.
	Private lodge or club	--	--	--	P	P ¹	P ¹	P	15.60.40.E.

Table 15.50.30, Principal Use Table

¹Only permitted off an Arterial Street frontage (Main Street and Tomichi Avenue). Townhomes shall be four or more units.

²Only permitted on the ground floor off an Arterial Street frontage in the CBD on Main Street and the first block east and west on Tomichi Avenue.

³May be located anywhere and is administered by the State.

Use Categories	Specific Uses	RESIDENTIAL			NONRESIDENTIAL				Specific Use Standards
		SR	MR	HR	CC	CBD	C	I	
	Restaurant with drive-in or drive-through	--	--	--	--	--	P	--	15.60.40.E.
	Restaurant (no drive-through)	--	--	P	P	P	P	--	15.60.40.E.
Entertainment (Indoor or Outdoor)	Auditorium/Theater	--	--	--	--	P	P	P	15.60.40.F.
	Fairgrounds	--	--	--	--	--	--	P	15.60.40.F.
	Indoor recreation	--	--	--	P	P	P	--	15.60.40.F.
	Dance Hall	--	--	--	--	P	P	P	15.60.40.F.
Office	Bank or financial institution	--	--	--	--	P ²	P	P	15.60.40.G.
	Professional office	--	--	--	P	P ²	P	P	15.60.40.G.
	Media Production Studio	--	--	--	P	P ²	P	P	15.60.40.G.
Parking, Commercial	All Commercial Parking Uses	--	--	--	--	--	P	P	--
Retail, Sales-Oriented	Art Gallery or Book Store	--	--	P	P	P	P	--	15.60.40.H.
	Auto sales and rental	--	--	--	--	--	P	P	15.60.40.H.
	Bicycle Sales and Rental	--	P	P	P	P	P	--	15.60.40.H.
	Specialty Retail	--	--	--	P	P	P	--	15.60.40.H.
	Convenience Store with Gas Pumps	--	--	--	--	--	P	--	15.60.40.I.1.
	Convenience Store without Gas Pumps	--	--	P	P	P	P	--	15.60.40.H.
	Furniture and Appliance Store under 5,000 sqft	--	--	--	--	P	P	--	15.60.40.H.
	Greenhouse or Nursery	--	--	C	--	--	P	P	15.60.40.H.1.
	Grocery Store	--	--	--	P	--	P	--	15.60.40.H.
	Lumber and Building Material Sales	--	--	--	--	--	P	P	15.60.40.H.
	Merchandise Retail – Large Scale: Over 5,000 sqft (Automotive Supplies, Home Goods, etc.)	--	--	--	--	--	P	--	15.60.40.H.
	Temporary Commercial Activity	--	--	P	P	P	P	--	15.60.90.
	Retail, Service-Oriented	Athletic or Health Club	--	--	--	P	P	P	P
Barber Shop or Hair Salon		--	--	P	P	P	P	--	15.60.40.H.

B. Non-Residential Dimensional Standards

1. **Purpose.** The nonresidential and mixed use zone district dimensional standards establish minimum and maximum standards, including density, lot width, height, lot coverage, and other special limitation standards for all nonresidential zone districts and development types. These standards allow for variety while maintaining the overall character of neighborhoods and commercial areas of the city. Separate standards are established to regulate development in each zone district. This approach to zone district development standards promotes development intensities that match existing and proposed infrastructure investments.
2. **Dimensional Standards.**

Standard		Zone District			
		CBD	CC	C	I
Density	Maximum Dwellings per Acre	N/A	35	50	35
Amenity Space	Minimum Percentage ¹	N/A	6 sf/ 100 sf of floor area and 10% of site for residential	6 sf/ 100 sf of floor area and 10% of site for residential	4 sf/ 100 sf of floor area
Landscape Area	Minimum Percentage	N/A	25%	10%	10%
Lot Street Frontage	Minimum Lineal Width in Feet-Townhouse	N/A	15'	15'	N/A
	Minimum Lineal Width in Feet- All Other Building Types	N/A	25'	25'	25'
Lot Coverage	Maximum Percentage	100%	75%	90%	90%
Building Height	Maximum Height in Feet	50'	50'	50'	50'
Front Setback	Minimum in Feet	0'	0'	0'	0'
	Maximum in Feet	5' ³	15' ³	15'	N/A
Street Side Setback	Minimum in Feet	0'	0'	0'	0'
	Maximum in Feet	5' ³	10' ³	10'	N/A
Driveway/ Garage Setback	Minimum in Feet for Front-Loaded Garage from Street	N/A	20'	20'	20'
Interior Side Setback	Minimum in Feet – Townhouse ²	N/A	0/5'	0/5'	N/A
	Minimum in Feet – All Other Building Types	0'	5'	5'	5'
Rear Setback	Minimum in Feet	0'	5'	5'	5'

Building Frontage	Maximum Front or Street Side Setback Percentage	90%	60%	50%	50%
Snow Storage	Minimum Percentage of Parking and Loading Areas	15%	15%	15%	15%

TABLE NOTES:

sf = Square Feet | N/A = Not Applicable

1. The amenity space percentage applies to subdivisions rather than individual lots. Refer to Section 15.70.120, *Amenity Space Types*. Landscape area applies to a lot or development site. Refer to Section 15.70.70.A, *Landscaping General Provisions*.
2. The first number is the setback for both sides of an interior townhouse unit and the second number is the setback for one side of an exterior unit.
3. An attached patio, courtyard or similar amenity may be counted as an extension of the building face to meet the maximum setback requirement.

15.70.50 Off-Street Parking and Loading

A. General Provisions

1. **Purpose.** The purpose of these off-street parking, loading, and stacking standards is to:
 - a. Ensure that adequate off-street parking for vehicles and bicycles and facilities for loading and stacking are provided for new land uses and changes in use;
 - b. Minimize the negative environmental and urban design impacts that can result from excessive parking, driveways, and drive aisles within parking lots;
 - c. Establish standards and regulations for safe and well-designed vehicle use areas that minimize conflicts between pedestrians and vehicles; and
2. Offer flexible means of minimizing the amount of area devoted to vehicle parking by allowing reductions in the number of required spaces in context-sensitive locations.
2. **Applicability.**
 - a. *Requirements for Certificate of Occupancy.* Unless specifically exempt, all existing and proposed development shall provide off-street parking and loading facilities in accordance with this Section. No certificate of occupancy shall be issued until these parking requirements and regulations have been met.
 - b. *Modifications Must Conform.* With the exception of a restriping of a parking area or other vehicular use area which does not result in a reconfiguration of the parking spaces, any modification to existing off-street parking and loading facilities shall conform to the requirements of this Section.
 - c. *Site Plan Required.* No land with more than four parking spaces shall be developed as a parking area or parking garage without an approved site plan issued.
 - d. *When Existing Off-Street Parking and Loading may be Grandfathered.* Buildings and uses lawfully existing as of the effective date of this LDC may be redeveloped, renovated or repaired without providing additional off-street parking and loading facilities, if there is no increase in gross floor area or change in use of existing floor area that would increase parking demand.
 - e. *When Additional Off-Street Parking and Loading is Required.* The requirements of this Section shall apply when an existing structure is enlarged or the change in use requires additional parking. Additional off-street parking spaces will be required only to serve the enlarged or expanded area, not the entire building or use, provided that in all cases the number of off-street parking spaces approved for the entire use (pre-existing plus expansion) must equal at least 75 percent of the minimum requirements established in this Section.
 - f. *Off-Street Parking in the C Zone District.* Uses in the C zone district that generate up to four off-street parking spaces per Section 15.70.50. B, *Minimum Off-Street Parking Requirements* shall be exempt from the minimum number of spaces, provided that public accommodations shall comply with Subsection H, *Accessible Parking Required Design*. Additional off-street parking spaces described in Subsection e. above shall be applicable to the C zone exemption and applicable accessible parking requirements.
 - g. *Off-Street Parking and Loading in the CBD.* Uses in the CBD zone district are exempt from the parking space demand (minimum number of spaces) and loading requirements set forth in this Section of the LDC. However, any use in the CBD proposing off-street parking facilities is subject to all Standards of this Section, except Section 15.70.50.B, *Minimum Off-Street Parking Requirements*.

The CBD Zoning District allows for a variety of commercial uses. Hotels/motels, retail establishments, and restaurants are permitted by right within the CBD Zoning District. Per the above zoning code excerpt, uses in the CBD Zoning District are exempt from the general minimum parking space requirement, although it should be noted that the subject site contains a rear paved fenced yard area that could be utilized for on-site parking. The subject appears to represent a conforming property with legally permissible uses that blend with the mixed-use characteristics of the surrounding area.

2022 Condemnation

The subject property was condemned in early 2022 by the City of Gunnison due to extensive water damage from a long-term leak in the roof and its overall structural integrity. The owner elected to repair the building in lieu of demolishing the structure. The owner has conducted an extensive remodel/renovation project in order to bring the building back to code. It was reported the project has been completed and the electrical system inspection is the only pertinent item remaining before the certificate of occupancy is obtained. It was reported that all remaining issues with the city be remedied prior to February 1, 2026. The owners will confirm with the city whether extended stay lodging will be a permitted use. It was reported that apartment uses will not be supported by the city.

IMPROVEMENT DESCRIPTION



Gunnison County Assessor Sketch (First Floor)



Gunnison County Assessor Sketch (Second Floor)

The subject is a two-story commercial building that contains three retail/restaurant units on the main level and twenty lodging guest rooms, a manager's quarters and lobby on the second level. The building faces south towards West Tomichi Avenue. The main entrances for the main level units are located on the southern building elevation. There is an additional entrance that

leads to interior stairs that provide access to the second floor of the building. The building also has rear secondary entrances on the northern elevation in addition to a covered patio.

As previously stated, the main level consists of three retail units. The western unit consists of two combined units that were previously utilized as restaurants. The central unit is an open commercial unit. The eastern unit was also utilized as a restaurant/bar. The end units contain bar/restaurant dining areas, bar and kitchens containing select equipment and appliances. The units contain bathrooms. We assume there will be additional tenant finishes added to the units once they are leased. The upper-level lodging units are equipped with full bathrooms (some having clawfoot bathtubs). The managers' quarters also contains a bathroom.

The remainder of the site consists of a fenced/gated concrete storage yard/parking area (located north of the building). There are concrete sidewalks that front the western and southern sides of the building.

Below is a summary table of the building components, in addition to general information:

Property Type:	Lodging/Retail Property
Year Built:	1880 (renovated/remodeled 2025/2026)
Building Type:	Mixed use commercial
Number of Stories:	Two
Gross Building Area (SF):	15,000 square feet (per assessor sketch - does not include 400 sf unfinished basement area)
	Main Level - 7,450 sf (gross area minus 50 sf allocated for stairs)
	3,750 sf +/- (western unit)
	1,875 sf +/- (central unit)
	1,825 sf +/- (eastern unit - 50 sf allocated for interior stairs)
	Upper Level
	7,500 sf +/- (includes 20 lodging rooms, managers' quarters, lobby, and hallways)
Construction Class:	Class D (masonry)
Construction Quality:	Average

Quality of Finishes:	Average
Exterior Construction Detail	
Foundation:	Concrete slab with partial basement
Sub-Floor:	Wood
Structure:	Wood/masonry framed structure with brick veneer, wood siding and commercial grade stucco exterior wall covering
Roof Covering:	Flat, wood framed roof with a built-up membrane covering.
Windows:	Wood/metal framing with various sash styles
Doors:	Metal and wood framed doors with some having glass inset
Mechanical Description	
Heating & Cooling System:	Gas forced air heating and suspended heating units for first floor and wall mounted heating/air conditioning units for lodging units
Plumbing:	Assumed adequate
Electrical:	Assumed adequate
Elevator(s):	None
Fire Protection:	Smoke alarms
Interior Description	
Walls:	Painted gypsum board, wood paneling, tile, and brick
Ceilings:	Painted gypsum board, and acoustic drop tile with affixed and inset lighting fixtures
Floor Covering:	Carpet, LVP, hardwood and tile
Doors:	Wood hollow core
Physical Condition	
Overall Condition:	Good after remodeling (previously poor to fair condition)
Deferred Maintenance:	See below
Physical Age:	146 years
Effective Age:	25 years
Typical Economic Life:	60 years
Remaining Economic Life:	35 years
Functional Utility:	Average

Remodel/Renovations Project

The owners have conducted an extensive remodel/renovation of the building with an approximate cost of \$350,000. The purpose of the project was to bring the building to code and lift the previous condemnation designation. The remodel/renovation project included a new roof, structural repair, electrical system upgrade to the new code, all new flooring, interior and exterior building painted, replaced the majority of the plumbing and other cosmetic items. The project is reportedly completed with minor items such as cleaning remaining to be completed.

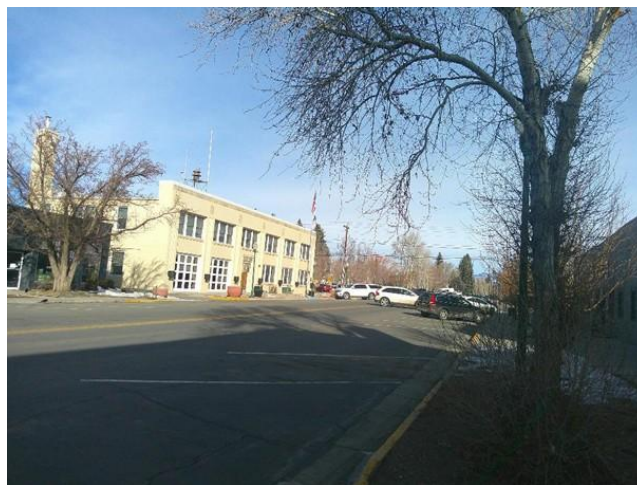
SUBJECT PHOTOGRAPHS



W. TOMICHI AVENUE FACING WEST - SUBJECT TO RIGHT



W. TOMICHI AVENUE FACING EAST - SUBJECT TO LEFT



WISCONSIN STREET FACING NORTH - SUBJECT TO RIGHT



WISCONSIN STREET FACING SOUTH - SUBJECT TO LEFT



FRONT OF SUBJECT ALONG TOMICHI AVENUE



FRONT OF SUBJECT



EASTERN FRONT OF SUBJECT



INTERIOR OF FORMER TOMICHI TAVERN UNIT



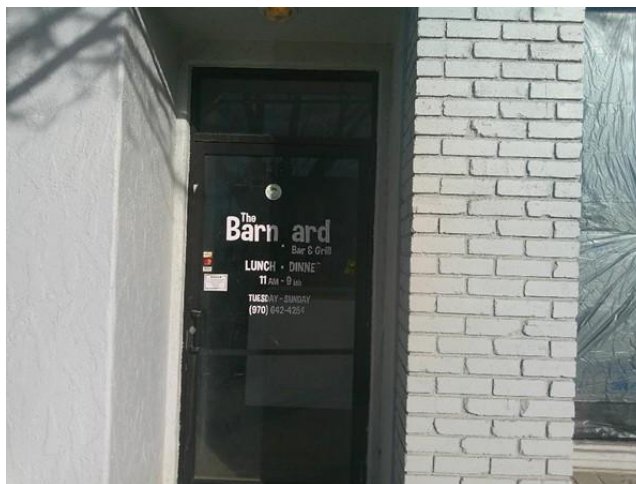
INTERIOR OF MIDDLE UNIT



FRONT OF MIDDLE UNIT



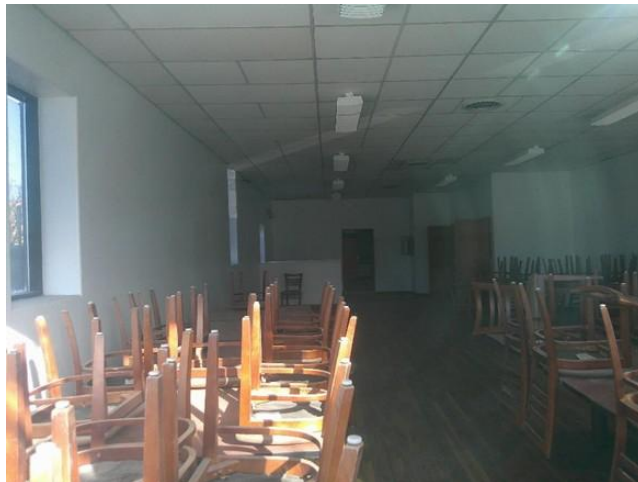
WESTERN FRONT OF SUBJECT



ENTRANCE TO FORMER BARNYARD BAR AND GRILL UNIT



INTERIOR OF BARNYARD UNIT



INTERIOR OF BARNYARD UNIT



WESTERN SIDE OF SUBJECT ALONG WISCONSIN STREET



WESTERN SIDE OF WISCONSIN STREET



SIDEWALK ALONG FRONT OF SUBJECT



BACK OF SUBJECT



NORTHERN SIDE OF SUBJECT



SECOND FLOOR HALLWAY



GUEST ROOM



BATHROOM



SECOND FLOOR HALLWAY



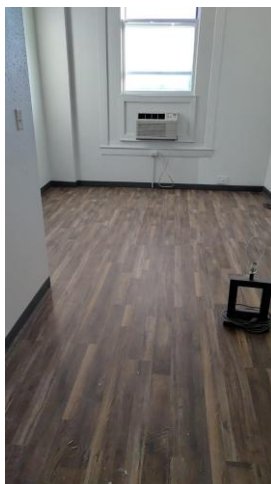
MANAGERS QUARTERS



GUEST ROOM



GUEST ROOM



GUEST ROOM



SECOND FLOOR HALLWAY



SECOND FLOOR HALLWAY

Economic activity in the county began in the 1800's, when large ranches were established along the broad river valleys. Two decades later, silver was discovered in the mountains rimming the northern boundary of the county. The mining boom set off a new round of growth, with the Town of Crested Butte established as a commercial center serving mining towns such as Gothic, Pittsburgh, and Elkton. When silver collapsed in 1893, coal mining replaced it as the chief economic activity. By 1952, the last coal mine (Big Mine) was closed. Today the county is served by a broader based economy. Agriculture remains as a dominant economic activity, but has been augmented by a strong tourist-based industry, focused around the ski resort in Mount Crested Butte. Today this resort ranks as the 11th largest ski resort in the state, as measured by annual skier visits:

Crested Butte's ski area (Mt. Crested Butte) is categorized under one system as a Tier 2 ski area, well below the largest ski areas (Tier 1) but also significantly larger than the smaller Tier 3 resorts. Another ski area classification scheme lists Crested Butte as a destination resort, since visitors to the ski area predominantly travel from other regions (such as Texas and Oklahoma) to visit the ski area and tend to stay there for multiple days.

A recent study indicates that nearly 200,000 non-residents per year visit Gunnison County; Crested Butte sees a large number of those. The two historic mining communities - Gunnison and Crested Butte - offer a variety of outdoor activities including alpine skiing at Crested Butte Mountain Resort. Hiking, fishing, mountain biking, skiing, and hunting are also available.

The City of Gunnison is the county seat and is the largest populated municipality in the county. Gunnison also is home to Western State Colorado University and serves as a primary base for outdoor recreational excursions and contains the only commercial airport in the region.

The century-old mountain town of Crested Butte with a population of approximately 1,650 exemplifies a 19th century Victorian community with its beginnings in coal mining. This area is scattered with ghost towns reflective of that era. Three miles north of Crested Butte is the Crested Butte Mountain Resort (or Mt. Crested Butte), the only ski resort within Gunnison County. Some of Colorado's most spectacular mountain landscapes, including the Gunnison National Forest and the Oh-Be-Joyful, West Elk, Maroon Bells/Snowmass, Collegiate Peaks and Ragged Wilderness areas, are within proximity of Crested Butte. Approximately five miles south of Crested Butte is Crested Butte South, a small community comprised mostly of residential development with a small commercial district.

Transportation and Highways

Gunnison County is crossed by few paved roads. An area known for its rugged terrain and sparse population, many of the roads were originally designed for mining purposes and are today used for four-wheel recreation.

The primary east-west arterial through the county is US 50, one of the major transcontinental highways prior to the Interstate Highway System. US 50 leads from Pueblo at Interstate 25 to the east through Gunnison County and joins Interstate 70 on the western slope at Grand Junction. US 50 is a two-lane federal highway that crosses Monarch Pass at the extreme eastern section of the county at 11,312 feet above sea level. State Highway 135 leads north from the city of Gunnison approximately 30 miles to Crested Butte and Mt. Crested Butte. Various roads requiring four-wheel access branch off from the road to scenic points of interest. Southward, State Highway 149 travels through the Curecanti National Recreational Area to Creed.

Population Trends

The county has historically been built on ranching and mining with settlement of the county dating back to the 1870s. The county is economically driven by recreation, hunting/fishing, coal, cattle, and Western State Colorado University in Gunnison. During the 1980's Gunnison County suffered a decline in tourism as a result of the poor national economy. The net out-migration exceeded the in-migration during this time period with an actual county population decline -0.39 percent during the decade. Mt Crested Butte was the exception to this decline with a reported increase in all decades. This was followed by relatively strong population growth during the 1990s with Mt Crested Butte very strong in this period. The growth stabilized from 2000 to 2010 before seeing another strong growth period. Current estimates show the population growing by approximately 14 percent over the last decade.

Demographics - Gunnison County

The data employed in this section of the report was obtained from "The Site to Do Business" for Gunnison County with estimates for 2025 and projections for 2030.

Population Summary	Gunnison Coun...
2010 Total Population	15,324
2020 Total Population	16,918
2020 Group Quarters	1,039
2025 Total Population	17,790
2025 Group Quarters	1,039
2030 Total Population	18,282
2025-2030 Annual Rate	0.55%
2025 Total Daytime Population	18,050
Workers	11,187
Residents	6,863
Household Summary	
2010 Total Households	6,516
2010 Average Household Size	2.22
2020 Total Households	7,135
2020 Average Household Size	2.23
2025 Total Households	7,640
2025 Average Household Size	2.19
2030 Total Households	7,938
2030 Average Household Size	2.17
2025-2030 Annual Rate	0.77%
2025 Families	4,063
2025 Average Family Size	2.79
2030 Families	4,178
2030 Average Family Size	2.76
2025-2030 Growth Rate	0.6%
Median Household Income	
2025	\$84,895
2030	\$94,823

Per Capita Income	Gunnison Coun...
2025	\$50,098
2030	\$55,898

2025 Households by Income	
Household Income Base	7,640
<\$10,000	4.4%
\$10,000-14,999	1.7%
\$15,000-19,999	2.2%
\$20,000-24,999	2.9%
\$25,000-29,999	4.9%
\$30,000-34,999	2.1%
\$35,000-39,999	2.9%
\$40,000-44,999	4.6%
\$45,000-49,999	2.5%
\$50,000-59,999	6.7%
\$60,000-74,999	8.0%
\$75,000-99,999	15.4%
\$100,000-124,999	7.8%
\$125,000-149,999	7.5%
\$150,000-199,999	11.3%
\$200,000-249,999	6.2%
\$250,000-299,999	2.5%
\$300,000-399,999	3.7%
\$400,000-499,999	0.5%
\$500,000+	2.2%
Average Household Income	\$116,568

2025 Affordability, Mortgage and Wealth	
Housing Affordability Index	50
Percent of Income for Mortgage	51.7%
Wealth Index	107

Median Home Value	
2025	\$700,955
2030	\$740,586

Summary	Census 2020	2025	2030
Total Population	16,918	17,790	18,282
Total Households	7,135	7,640	7,938
Family Households	3,957	4,063	4,178
Average Household Size	2.23	2.19	2.17
Owner Occupied Housing Units	4,461	4,731	5,059
Renter Occupied Housing Units	2,674	2,909	2,879
Median Age	37.3	38.4	39.5

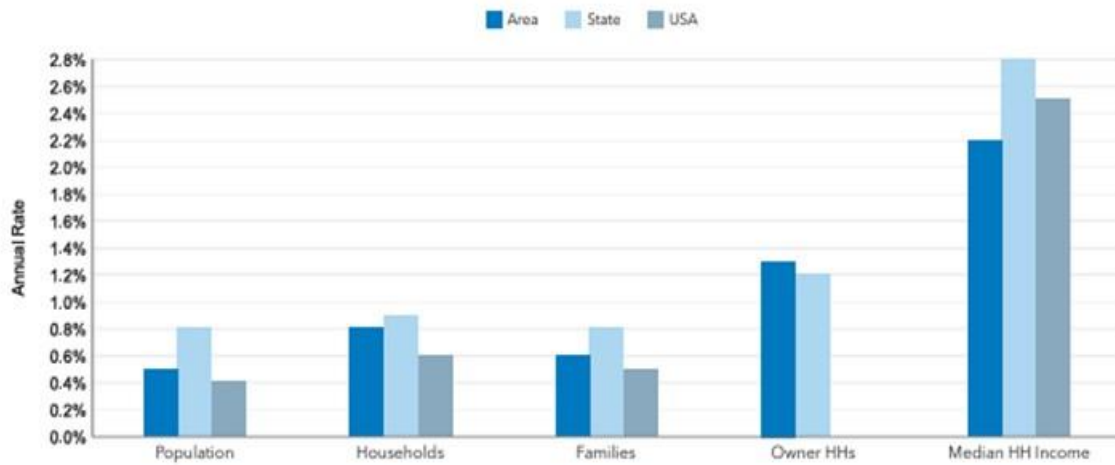
Trends 2025 - 2030	Area	State	National
Population	0.5%	0.8%	0.4%
Households	0.8%	0.9%	0.6%
Family Population	0.6%	0.8%	0.5%
Owner Occupied Housing Units	1.3%	1.2%	0.0%
Median Household Income	2.2%	2.8%	2.5%

Population by Age	Census 2020		2025		2030	
	Number	Percent	Number	Percent	Number	Percent
0-4	724	4.3%	744	4.2%	754	4.1%
5-9	759	4.5%	801	4.5%	774	4.2%
10-14	882	5.2%	807	4.5%	841	4.6%
15-19	1,337	7.9%	1,360	7.6%	1,273	7.0%
20-24	1,670	9.9%	1,658	9.3%	1,680	9.2%
25-29	1,226	7.3%	1,305	7.3%	1,279	7.0%
30-34	1,252	7.4%	1,319	7.4%	1,317	7.2%
35-39	1,218	7.2%	1,313	7.4%	1,354	7.4%
40-44	1,103	6.5%	1,279	7.2%	1,339	7.3%
45-49	1,123	6.6%	1,173	6.6%	1,335	7.3%
50-54	1,062	6.3%	1,169	6.6%	1,176	6.4%
55-59	1,007	6.0%	904	5.1%	987	5.4%
60-64	1,058	6.3%	977	5.5%	887	4.8%
65-69	1,002	5.9%	1,059	6.0%	1,000	5.5%
70-74	740	4.4%	859	4.8%	912	5.0%
75-79	412	2.4%	607	3.4%	716	3.9%
80-84	175	1.0%	261	1.5%	389	2.1%
Age 85+	168	1.0%	195	1.1%	269	1.5%

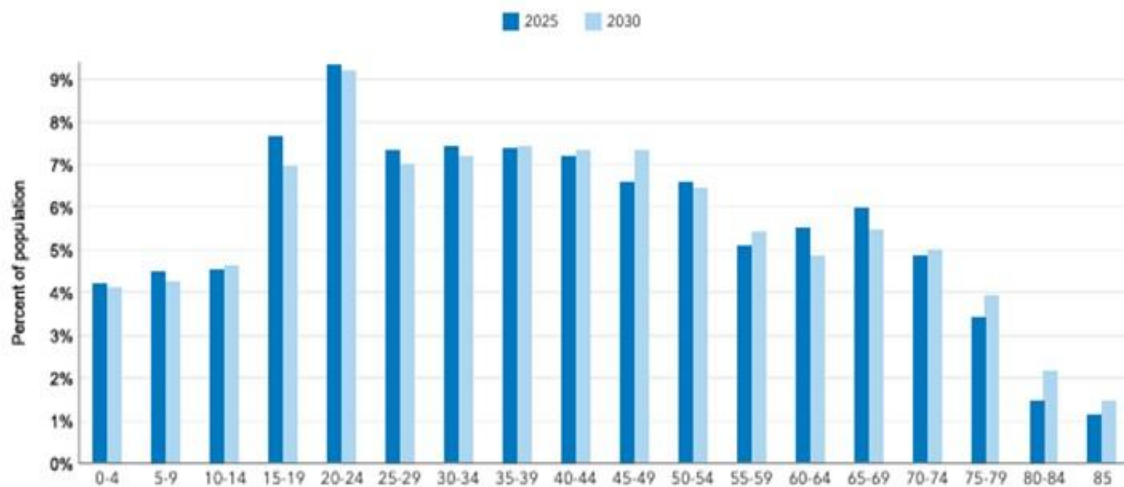
Key Indicators for 2025



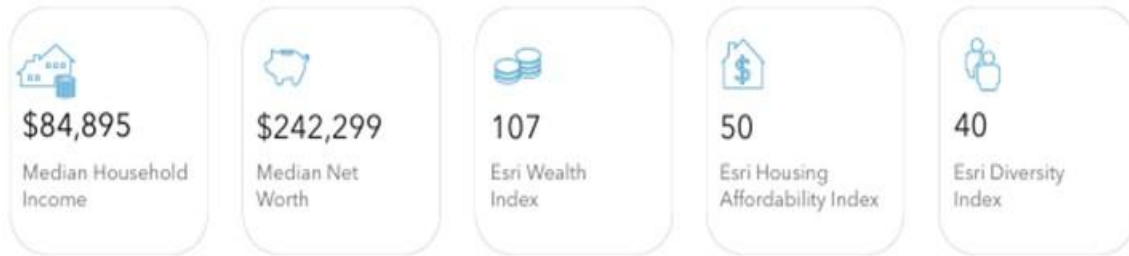
Trends: 2025 - 2030 Annual Rate



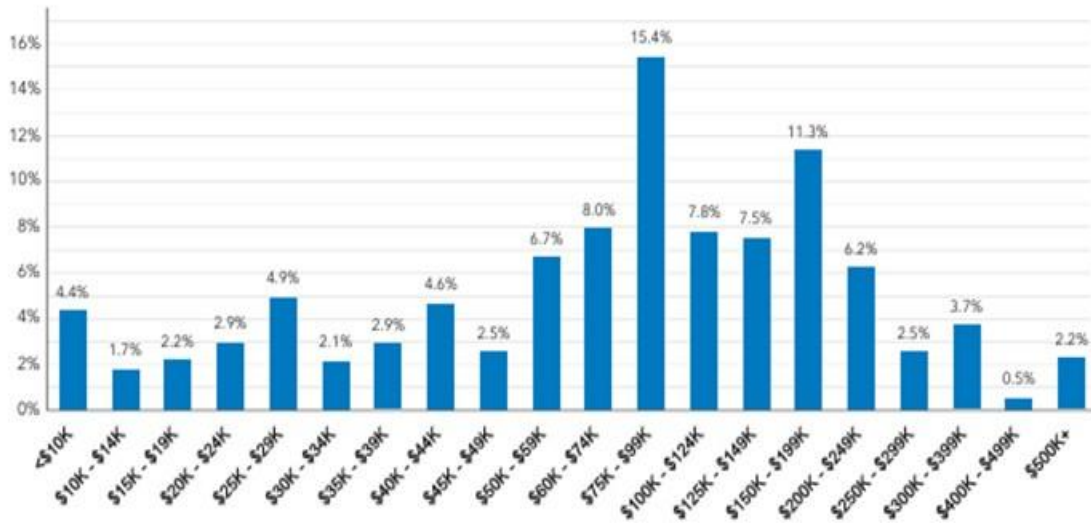
Population by Age



Key Indicators for 2025



Households by Income for 2025



Employment

As of November 2025, Gunnison County's unemployment rate was 3.4 percent. By comparison, the unemployment rate for the state of Colorado overall was 3.6 percent. These figures are not seasonally adjusted.

The information below has been extracted from the Colorado Legislative Council June 2025 Economic Forecast for the Western Region of Colorado (includes Gunnison County).

Western Region

The ten-county Western Region has a diverse economy. Key industries in the more northern counties of Garfield, Mesa, Moffat, and Rio Blanco include energy and agriculture, while the counties of Delta, Gunnison, Hinsdale, Montrose, Ouray, and San Miguel are more reliant on tourism, mining, and retiree-related spending. With continued strength in the health care sector, employment growth has remained consistent, although it is expected to slow through the forecast period. Economic indicators for the region are summarized in Table 29.



Table 29
Western Region Economic Indicators

Delta, Garfield, Gunnison, Hinsdale, Mesa, Moffat, Montrose, Ouray, Rio Blanco, and San Miguel Counties

Economic Indicators	2021	2022	2023	2024	YTD 2025
Employment Growth in Western Region	1.5%	2.0%	1.2%	1.5%	1.4%
Employment Growth in Grand Junction MSA	3.9%	2.5%	1.7%	1.8%	1.4%
Unemployment Rate	5.6%	3.4%	3.5%	4.3%	4.6%
Average Weekly Wage Level	\$954	\$1,025	\$1,072	\$1,102	
Growth in Average Weekly Wages	3.5%	7.4%	4.6%	2.8%	
Natural Gas Production Growth	-9.1%	-5.8%	-17.0%	-5.8%	-3.7%
Housing Permit Growth	20.8%	-10.8%	13.9%	-36.0%	4.8%
Nonresidential Construction Value Growth	244.5%	-12.4%	-23.9%	65.7%	71.3%
Nonresidential Construction Square Footage (thousands)	774	773	687	906	324
Nonresidential Construction Square Footage Growth	61.6%	0.0%	-11.1%	31.8%	45.7%
Number of Nonresidential Projects	117	125	113	152	42
Nonresidential Projects Growth	34.5%	6.8%	-9.6%	34.5%	-12.5%
Average Single Family Sale Price	\$519,000	\$536,000	\$597,000	\$636,000	\$647,000
Average Single Family Sale Price Growth	23.3%	3.3%	11.3%	6.6%	2.7%
Single Family Inventory Growth	-42.4%	25.2%	15.2%	10.4%	11.0%
Single Family Home Sales Growth	1.6%	-21.8%	-16.9%	1.4%	4.1%
Retail Sales Growth	19.2%	11.4%	4.8%	2.9%	5.7%
National Park Recreational Visits	12.7%	-3.9%	0.1%	0.0%	9.9%

Employment data from U.S. Bureau of Labor Statistics, LAUS (western region) and CES (Grand Junction MSA). Data through March 2025

Unemployment rate from U.S. Bureau of Labor statistics, LAUS (household survey). Data through March 2025

Wage data from U.S. Bureau of Labor Statistics, QCEW. Data through 2024Q4

Energy data from the Energy and Carbon Management Commission. Data through March 2025

Construction data from F.W. Dodge. Data through April 2025

Housing market data from Colorado Association of Realtors. Data through April 2025

Retail sales data from Colorado Department of Revenue. Data through February 2025

National Park visit data from National Park Service. Recreation visits for Black Canyon of the Gunnison NP, Colorado NP, Dinosaur NM, and Curecanti NRA. Data through April 2025.

Labor Market

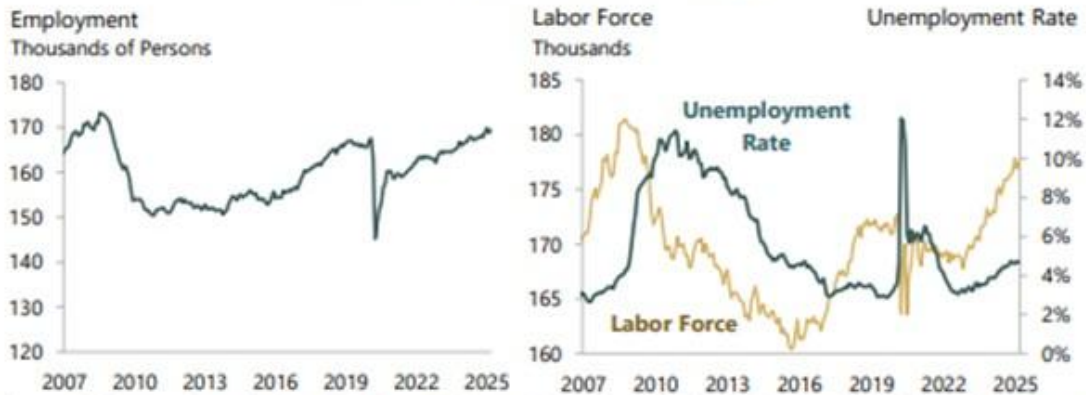
The Western Region's labor market is characterized by employment concentrations in natural resources, construction, retail trade, health care, lodging and food services, and local government. These industry sectors represent the region's position as a key support for the state's energy and agriculture sectors, and as a tourist destination. Additionally, the region is home to commerce hubs like Grand Junction that provide services to households across the Western Slope. With a retirement-aged population that is growing faster than retirees in the state overall, health care is an increasingly important sector to the regional economy.

After lagging the state during the post-pandemic recovery, data indicate employment for the region's households exceeded pre-pandemic levels over the latter half of 2024 and continues to gain ground on statewide job growth. Based on recent data, household employment for the state was about 2.2 percent above pre-pandemic levels in March 2025, and was about 1.3 percent higher for the Western Region (Figure 49, left). Year-to-date, employment growth as tracked through establishment surveys in the Grand Junction MSA corroborates faster growth in the region, with employment up 1.4 percent compared with 0.4 percent statewide (Table 29). Although data indicate the unemployment rate continues to rise in the Western Region, it has coincided with more labor force participants. The region's labor force was up 2.3 percent year-to-date and on pace for a second year of robust growth.

Demographic trends in the region are influencing both employment and the labor force. Growth in the region's working-age population, or people ages 16 to 64 years, is projected to be significantly slower than the statewide growth rate and increase between just 0.1 percent each year from 2025 to 2027, according to the Colorado State Demography Office. By comparison, the state's working-age population is projected to grow between 0.5 percent and 0.7 percent each year over the same period. Concurrently, the region's retirement-age population aged 65 years and over is growing faster than the state. Although the Western Region may benefit from higher labor force participation among retirement-age individuals, slow growth in the working-age population is expected to dampen employment growth in the long term.

Based on employer survey data for the Grand Junction MSA (Mesa County), the area's job growth has been supported largely by health care over the past few years, with the sector posting both the fastest pace of growth and contributing the most jobs. In 2024, the sector continued to outpace others and data indicate it accounted for more than 60 percent of job growth. Other contributors in 2024 were state and local government and professional and business services. Slower employment growth is expected over the next year, with ongoing support from the health care sector and potentially from natural resources. However, economic conditions are expected to dampen growth in manufacturing, real estate, retail, and leisure and hospitality. Encouragingly, enrollment for Colorado Mesa University is expected to continue to expand and will benefit the region's economy. In the 2022-23 academic year, enrollment grew for the first time since 2016-17 as enrollment for state residents began to rebound. In 2023-24, enrollment was up another 2 percent and is projected to increase 8 percent in FY 2024-25 and exceed peak 2016-17 enrollment.

Figure 49
Western Region Labor Market Activity



Source: U.S. Bureau of Labor Statistics; LAUS (household survey). Data prior to 2010 adjusted by Legislative Council Staff. Data are seasonally adjusted and are through March 2025.

Housing

Despite high interest rates and rising inventory, the average price of a single family home in the Western Region has continued to increase. In 2024, the average price rose 6.6 percent, faster than the pace recorded statewide. Although the average sales price in the Western Region remains lower than the statewide average, the price gap has narrowed over the past few years. In 2019, the average sales price in the Western Region was more than 28 percent lower than the price statewide. In 2024, the average sales prices in the Western Region was about 15 percent lower.

Like the state, price growth is decelerating in the Western Region. In April 2025, the average single family home price was up 2.7 percent year-to-date, but remained faster than the 1 percent pace recorded statewide. Inventory continues to rise rapidly, growing by double digits each year since 2022 after reaching historic lows. Sales peaked in 2021 following the pandemic, but dropped significantly in 2022. Sales were about 25 percent below 2019 in 2024.

Residential building permits fell significantly in 2024, decreasing by 36 percent. Permits are expected to rebound modestly in 2025, and were up 4.8 percent year-to-date through April. However, residential construction is expected to remain muted amid slower price appreciation, economic uncertainty, high interest rates, and growing inventory levels.

Nonresidential Construction

In 2024, nonresidential building construction in the Western Region surged after contracting in 2023, reaching its highest level since 2014. Indicators of nonresidential construction for the Western Region are strong through the first four months of 2025, primarily in Mesa County, and with the start of a \$24 million project in San Miguel County. Although many types of nonresidential construction across the state and nation have been impacted by rising interest rates, higher construction costs, and slower employment growth, construction in the Western

Region is expected to be supported over the next year in part by continued expansion at the Grand Junction Regional Airport.

The construction sector is still expected to be boosted over the next few years from large investments in infrastructure and renewable energy. Significant projects include construction of the TransWest Express transmission project that will connect renewable energy generation in Wyoming to Southern California through Moffat County. The 2025 construction scope includes work in Colorado. Additionally, Tri-State Generation and Transmission Association announced significant projects in Montrose County, including a 20-MW solar project, a 50-MW battery storage facility, and transmission infrastructure.

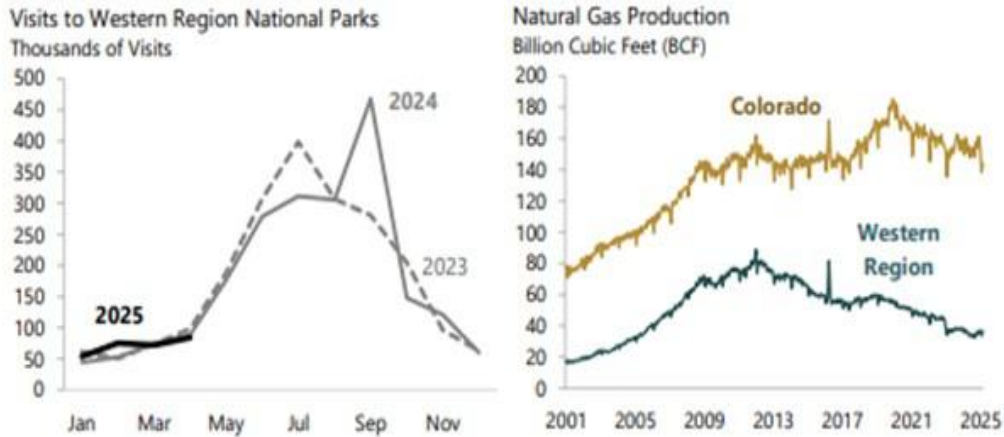
Retail Sales

Post-pandemic retail sales in the Western Region continue to outpace sales growth statewide. Although the pace of growth in 2024 slowed to 2.9 percent in the Western Region, sales grew just 1.3 percent statewide. The pace of retail sales in the region increased in the first two months of the year, up 5.7 percent year-to-date compared with 1.4 percent statewide. The region is benefiting from consistent post-pandemic employment and wage growth. Retail construction of stores and food services continues at healthy levels, particularly in the regional hub of Mesa County. Retail sales may be dampened somewhat if broad economic conditions impact domestic and international travel to the region over the next year. Tourism may also be affected by reduced staffing levels at the region's national parks and recreation areas.

Tourism

Visits to the region's national parks started the year up 10 percent year-to-date through April (Figure 50, left). However, visitation at the beginning of 2024 was impacted by reduced visits to the Curecanti National Recreation Area due to construction along U.S. Highway 50 and an emergency bridge closure. Looking back to 2023, park visitation through the first four months of 2025 is similar to 2023 levels. Park visitation through the rest of the year could be impacted by reduced park hours or closures due to reduced staffing levels at the Black Canyon of the Gunnison and other national parks. Further, economic uncertainty is expected to impact consumer spending and travel through the year. Positively, passenger traffic at the Grand Junction Regional Airport continues to expand after a record year, with passenger traffic up 6.4 percent year-to-date through March.

Figure 50
Western Region Economic Indicators



Source: National Park Service (left). Data through April 2025. Colorado Energy and Carbon Management Commission (right). Data through March 2025.

Energy Sector

The western region produces a significant share of the state's natural gas, nearly 23 percent in 2024 (Figure 50, right), and remains a significant contributor to the region's economic activity despite a long-term decline in activity back to 2013. In 2024, natural gas production contracted for the sixth consecutive year, and for 11 of the past 12 years. Natural gas production supports tax revenue, jobs, and upstream and downstream support industries throughout the region. Nationally, a greater quantity of natural gas is coming from gas-producing oil wells with the penetration of shale and hydraulic fracturing technology, a trend that has increased production and pushed down prices, generally. This dynamic is limiting investment and production in the region.

Prices surged in 2022, increasing the region's value of production significantly, which likely supported some resurgence in natural resources employment. However, prices as tracked by the Henry Hub Spot Price fell by more than 60 percent in 2023, and were down another 13 percent in 2024, reaching a low of \$2.21 per million BTU. As of March 2025, natural gas production in the Western Region was down 3.7 percent year-to-date. Prices are expected to improve significantly in 2025, climb about 87 percent and reach \$4.12 as noted in the Economic Outlook section. Nationally and in the state, low oil prices are expected to impact oil production and consequently natural gas production from oil wells, contributing to higher natural gas prices. Prices are currently forecast to climb over the forecast period and may support some production in the Western Region. Additionally, recent and upcoming lease sales on U.S. Bureau of Reclamation Land in the area may support new investment.

Skiing

Changes in the ski market impact construction activity and real estate values in the area. Information relating to ski area statistics and skier visits in Colorado is presented on the following chart:

Season	Colorado
1999-00	10,877,318
2000-01	11,653,934
2001-02	11,605,588
2002-03	11,605,588
2003-04	11,250,761
2004-05	11,816,193
2005-06	12,533,108
2006-07	12,566,299
2007-08	12,540,603
2008-09	11,855,498
2009-10	11,860,000
2010-11	12,090,000
2011-12	11,010,584
2012-13	11,455,000
2013-14	12,600,000
2014-15	12,700,000
2015-16	13,000,000
2016-17	12,800,000
2017-18	12,750,000
2018-19	13,800,000
2019-20	11,150,000
2020-21	12,000,000
2021-22	13,818,000
2022-23	14,842,000
2023-24	14,000,000
2024-25	13,800,000

Source: Colorado Ski Country USA

**Does not include the Vail Resorts' properties*

Colorado Ski Country USA (CSCUSA) in June 2023 that skier visits at its 21-member ski resorts increased nearly 8 percent over the prior year's total. Using publicly available information, CSCUSA reported a new statewide record for skier visits of 14.8 million. The previous record for visits was set the prior year when the statewide total was 13.8 million. The 2022-2023 statewide total exceeds the five-year average for skier visits in Colorado by 18 percent.

“The 2022-2023 ski season was buoyed by cold temperatures and consistent, abundant snowfall across the state, from the first days of the season in October to closing day on June 4,” said Colorado Ski Country USA President and CEO Melanie Mills. “We are today celebrating a significant new industry benchmark for visitation, meaningful growth in our business, and the positive economic impact that this success has for our employees, our communities, our partners, and our state.”

All regions of Colorado received significant snowfall throughout the season with CSCUSA members averaging 286 inches of snowfall this year, up from the long-term average of 265 inches. The 2022-2023 snowfall contributed to a season that was 21 days longer than the long-term average season. The state as a whole experienced above-average precipitation and below-average temperatures this winter.

The 2022-2023 season was marked by resort investment in new chairlifts and gondolas across the state, celebrations of resort anniversaries, new sustainability-focused facilities, new teaching terrain, and renewed attention to employee housing and higher pay for ski area employees. The industry saw continued strong season pass sales and usage, a strong economy despite high inflation, continued recovery in international visits, strong flight offerings into Denver International Airport and mountain airports, and a favorably timed Easter holiday. Colorado ski areas continued their advocacy for clean energy and climate action in Washington, D.C., and in Colorado.

“Approximately 23 percent of U.S. skier visits took place in Colorado this year [2023], and this was not happenstance,” continued Mills. “Our member ski areas are fiercely dedicated to the guest experience, as well as to the employee experience at their resorts. Best-in-class infrastructure, facilities, employees, and ski towns welcome guests from around Colorado, the United States, and the world. There is a mountain for everyone in Colorado,” concluded Mills, “and our ski areas love to welcome one and all to our slopes.”

The 2023-2024 ski season attracted 14,000,000 visits in Colorado, a 5% decrease from the previous season, but was still the second highest skier total on record for the state. The 2024-2025 ski season attracted 13,800,000 visitors, which is less than the previous year but still the third busiest season on record.

Conclusion:

Like most of Western Colorado, the economic base of Gunnison Valley was historically in extensive recreational opportunities. Reliance on tourism has resulted in many seasonal or lower wage employment opportunities pushing the

average income below national averages. The area also sees lower home ownership rates as many homes are leased to seasonal tourists. As consumers continue to prioritize lifestyle, we expect the real estate market to continue to flourish. Today tourism makes up the heart of the economy. With over 2 million acres of public lands, the area is known for its

HIGHEST AND BEST USE ANALYSIS

Four criteria are examined in order to determine the highest and best use of the subject property. The criteria and their applicability to the subject are as follows:

1. **Legally Permissible:** a legally permissible use is determined primarily by current zoning regulations. However, other considerations such as long-term leases, deed restrictions, and environmental regulations may preclude some possible highest and best use.
2. **Physically Possible:** the size, shape and topography affect the uses to which land may be developed. The utility of a parcel is dependent on its frontage and depth. Sites with irregular shapes may be more expensive to develop, and topography or subsoil conditions may make utilization too costly or restrictive. Highest and best use as improved also depends on physical characteristics such as condition and utility.
3. **Financially Feasible:** the use of the property is analyzed to make a determination as to the likelihood that the property is capable of producing a return which is greater than the combined income needed to satisfy operation expenses, debt service, and capital amortization. Any use that is expected to produce a positive return is classified as financially feasible.
4. **Maximally Productive:** the use that provides the highest rate of return among financially feasible uses is the highest and best use. The use of the land must yield a profitable net return, and the quantity of land devoted to any specific use must be limited to that quantity which will yield a maximum return to each owner.

Highest and Best Use - As Vacant:

The subject is located in the CBD Zoning District under the jurisdiction of the City of Gunnison. The CBD Zoning District allows for a variety of commercial uses.

Its physical attributes, including shape, scale and topography, are supportive of permitted development options. The major attribute is the subject's direct access to US 50 and its corner location, as well as its proximity to the downtown core of Gunnison. All city services are available.

In terms of financial feasibility, the local market does not support speculative development of vacant commercial site. There would likely be a holding period required if the subject were vacant. The maximally productive use would therefore be to hold for future develop as a highway oriented commercial use.

Highest and Best Use - As Improved:

Uses in the CBD Zoning District are exempt from the general minimum parking space requirement, although it should be noted that the subject site contains a rear paved fenced yard area that could be utilized for on-site parking. The subject appears to represent a conforming property with legally permissible uses that blend with the mixed-use characteristics of the surrounding area.

The current improvements support its proposed use and a lodging property with ground level retail units. The proposed use appears to provide a return to the owner, indicating financial feasibility. The maximally productive use would therefore be to operate the subject based on its planned use as a hotel and retail property.

Ownership Profile

Based on an examination of the marketplace, the likely ownership profile is an investor under both "as vacant" and "as improved" scenarios. There is no holding period associated with the highest and best use "as improved."

VALUATION PROCEDURES AND METHODOLOGIES

Current appraisal standards recognize three basic approaches to real estate value. These are identified as the cost, sales comparison, and income capitalization approaches.

The cost approach to value is developed by two fundamental opinions: the value of the land and the value of the improvements to the land. Initially, the current market value of the land is estimated as if unimproved and capable of being put to its highest and best use. The reproduction or replacement cost new of the improvements, less any depreciation, is then added, along with any contributory value of the site improvements. The validity of the resulting value estimate is impacted to varying degrees by the accuracy of the cost estimates and the depreciation estimate.

The sales comparison approach is based on comparison between the subject property and similar properties which sold within a reasonable period prior to the date of appraisal, and which are capable of providing insight into the valuation of the subject property. Units of comparison are examined and developed and after making the appropriate adjustment for differences such as location and physical characteristics, are then applied to the subject to derive an indication of value. Critical in this valuation methodology, is the availability of sufficient market comparables with which to make valid comparisons.

The income capitalization approach measures value by capitalization of the net income from the real estate. The potential gross income is first estimated based on data derived directly from the market. Deductions are then made for vacancy and collection loss, and normal operating expenses. The resulting net income figure is then converted to a value estimate by any one of several capitalization methods.

INCOME APPROACH

This approach to value is predicated on the premise that the property is designed to return a flow of income to the owner when properly developed. The theory of the income approach advocates that the value of the property is the present worth of the net income it will produce during the remainder of its economic life. An investor or perspective purchaser should consider the income producing ability of the property and the expected return on his investment.

The income approach measures market value by determining the price that open market conditions would justify paying for a particular property's net income stream. This is specifically accomplished for an appraisal by discounting the property's projected net income into present value by use of a capitalization rate derived from sales of comparable properties. The property's net operating income is the key term.

Net operating income is generally arrived at through a process that determines prevailing open market rents, rates of vacancy and collection loss, and expenses necessary to operate the property and service the tenants. Prevailing market rates of vacancy and collection loss and operating expenses are deducted from prevailing market rent to produce the property's projected net income.

It is important to note that: (1) Vacancy and collection loss is a projection over the entire economic life of the property, not that which occurs at a given point in time, (2) For appraisal purposes, income taxes, depreciation, debt service, capital improvements, and business expenses of the owner are excluded from operating expenses since they are expenses of the owner and not of the property, (3) The proper rental for the property is that prevailing in the marketplace as of the appraisal date and not that which is carried over from old lease arrangements.

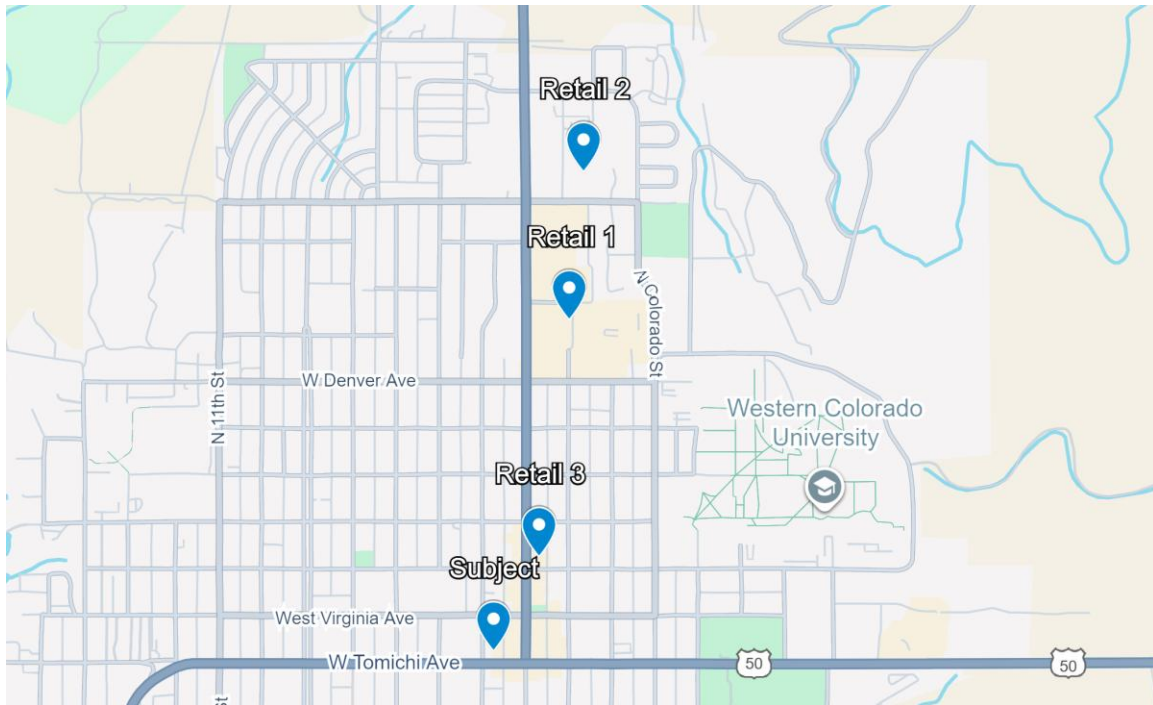
Economic net income is converted to a value indication under this approach by application of an overall capitalization rate, which is derived from market sales occurring during the applicable period, as well as comparison with prevailing market data. The overall rate includes provisions for a market rate of return on the investment as well as recapture of the investment.

Subject Rent

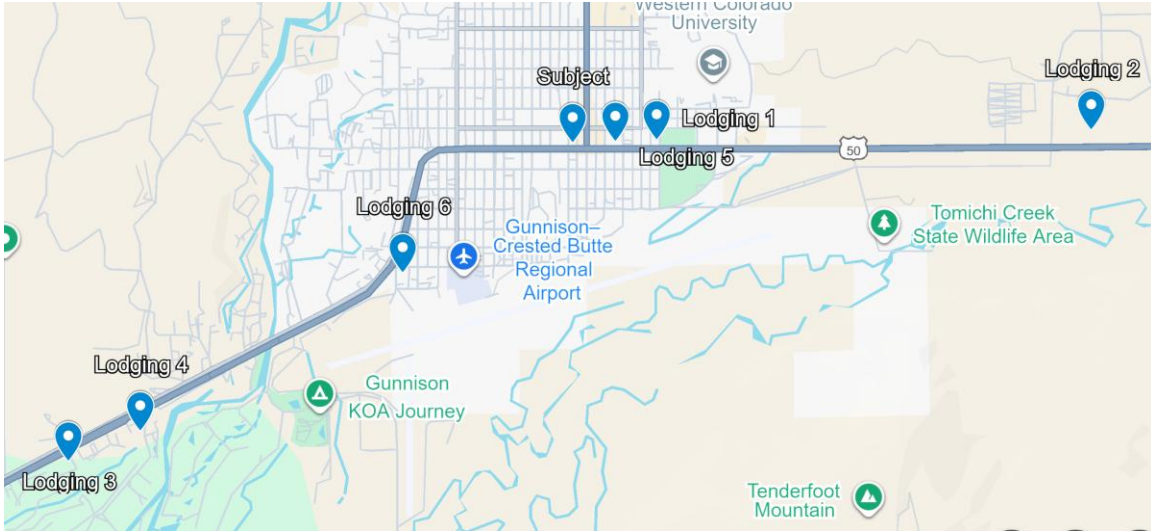
We analyzed local commercial rent rates for comparable retail properties as well as lodging rental rates in the Gunnison market. The following surveyed rents were used to develop the potential gross income generated from the subject's two major productive components:

Retail	Address	Type	Rent	Size	Terms	Notes
1	800 N Main St	Retail	\$22.00	3,000	NNN	Asking
2	1000 N Main St	Retail	\$13.00	9,000	NNN	Actual
3	300 N Main St	Retail	\$12.00	2,126	NNN	Actual
Lodging	Address	Type	Mar 26	Jly 26	Rms	Class
1	Sherpa Western Inn	Lodging	\$65-\$75	\$155-\$165	25	Economy
2	Inn at Tomichi Vlg	Lodging	\$99-\$119	\$179-\$219	51	Upper Midscale
3	Gunnison Inn at DR	Lodging	\$55-\$91	\$138-\$211	52	Economy
4	Rodeway Inn	Lodging	\$53-\$64	\$197.00	38	Economy
5	MTN Lodge	Lodging	\$345.00	\$385.00	28	Employee Hsg
6	Alpine Inn	Lodging	\$80.00	\$150.00	36	Economy

COMMERCIAL LOCATIONS



LODGING LOCATIONS



1. Retail Revenue Analysis

The following properties were surveyed to market-test the projected rents for the three first floor retail units. As noted, these will likely be occupied by a bar/lounge restaurant tenant, another restaurant tenant and a retail tenant.

The following is the projected rent roll for the three retail units:

Retail	Rent	SF	Rent/SF
Unit 1	\$6,000	3,750	\$19.20
Unit 2	\$1,500	1,875	\$9.60
Unit 3	\$2,500	1,825	\$16.44
Total	\$10,000		

Comparable Retail Rent #1



- **Gunnison Meadows Mall**
- **2 retail units**
- **3,000 total sf**
- **\$22.00 per sf**
- **NNN**
- **11,398 SF**
- **Built 1996**
- **Available June 2026**

Comparable Retail Rent #2



1000 North Main Street

- **Located just north of Main Street and Denver Avenue**
- **Multi-tenant building; metal frame construction; average construction**
- **Built in 1996**
- **Starting rate was \$13.00 per square foot**
- **Lease signed August 2025**
- **5 year lease**

Comparable Retail Rent #3



300 North Main Street

- **Located at the intersection at Main Street and Georgia Avenue**
- **Downtown commercial district along Main Street**
- **1- level, wood frame construction with brick exterior front**
- **Built in 1983**
- **Office and retail users**
- **Leased November 2018**
- **Gunnison River Fly Shop is tenant**
- **Lease term is 3 years**
- **Starting rent was \$12.00 per sf, NNN**
- **Superior to subject based on location and building quality**

Retail Units Concluded Effective Gross Income

Based on the above surveyed data, we concluded that the projected rents for the three retail units were more or less market supported. Based on this conclusion, the potential gross income from the retail units is \$10,000 per month, or \$120,000 per year under NNN terms.

We next considered the current vacancy rate in Gunnison to develop the affective gross income from the three retail units. We spoke to several brokers in this market, as well as consulted appraisal file data and other familiar with the Gunnison commercial market. Based on these discussions and data, we estimated a long term vacancy rate of 7.5 percent for the three commercial units.

This resulted in an effective gross income of \$111,000.

2. Lodging Revenue Analysis

We next examined the surveyed lodging properties in Gunnison to estimate the average daily rate for the subject. Although the owner may rent the 20 lodging units as extended stay units, the city has yet to develop the guidelines for this type of unit as it relates to the subject. In addition, most of the lodging properties in Gunnison are rented on a nightly basis. National extended stay properties such as Extended Stay America, Residence Inn, Homewood Suites, Candlewood Suites, and TownePlace Suites are not in this market. We therefore evaluated the subject under a nightly rental basis.

The following lodging properties were used in this analysis. Most were independent lodging properties. All were located in Gunnison.

COMPARABLE LODGING PROPERTY #1



Hotel Chain:	Sherpa Western Inn
Address:	403 East Tomichi Avenue
Building Size:	11,000 Sf
No. Units	25
Lodging Type	Economy
Rack Rate Range	\$65-\$75 per night - March 2026 \$155-\$165 per night - July 2026
Year of Construction:	1950
Comments:	
<ul style="list-style-type: none"> • East of subject along US 50/Tomichi Avenue • Independent motel • Economy class • Nightly rates • Exterior entries, free Wi-Fi, daily continental breakfast • Gazebo hot tub • Flat-screen cable TV, microwave, refrigerator included • 2 stories • Inferior condition 	

COMPARABLE LODGING PROPERTY #2



Hotel Chain:	Inn at Tomichi Village
Address:	41883 East US 50
Building Size:	39,010 Sf
No. Units	51
Lodging Type	Upper Midscale
Rack Rate Range	\$99-\$119 per night - March 2026 \$179-\$219 per night - July 2026
Year of Construction:	1963
Comments: <ul style="list-style-type: none">• East of subject along US 50/Tomichi Avenue• Independent motel• Upper midscale class• Nightly rates• Free continental hot breakfast, wireless internet• Refrigerator, microwave• Extensive closet & storage, ideal for an extended stay• 2 stories• Inferior condition	

COMPARABLE LODGING PROPERTY #3



Hotel Chain:	The Gunnison Inn at Dos Rios
Address:	37478 West US 50
Building Size:	34,097 Sf
No. Units	52
Lodging Type	Economy
Rack Rate Range	\$55-\$91 per night - March 2026 \$138-\$211 per night - July 2026
Year of Construction:	1975
Comments:	
<ul style="list-style-type: none">• West of subject along US 50• Independent motel• Economy class• Air conditioning, wireless internet• Mini Fridge, microwave, cable/satellite TV• Kitchenette in executive suites• Free breakfast• 2 stories• Inferior condition	

COMPARABLE LODGING PROPERTY #4



Hotel Chain:	Rodeway Inn
Address:	37760 US Highway 50
Building Size:	20,203 Sf
No. Units	53
Lodging Type	Economy
Rack Rate Range	\$53-\$64 per night - March 2026 \$197 per night - July 2026
Year of Construction:	1963
Comments:	
<ul style="list-style-type: none">• West of subject along US 50• Independent motel• Economy class• Air conditioning, wireless internet• Mini Fridge, microwave, cable/satellite TV• Kitchenette in executive suites• Free breakfast• 2 stories• Inferior condition	

COMPARABLE LODGING PROPERTY #5



Hotel Chain:	MTN Lodge
Address:	212 E Tomichi Ave
Building Size:	10,418 Sf
No. Units	28
Lodging Type	Employee Housing
Rack Rate Range	\$345 per 2 weeks - March 2026 \$385 per 2 weeks - July 2026
Year of Construction:	1949

Comments:

- Several blocks east of subject along US 50
- Independent motel
- Used for employee housing
- Single and shared rooms
- WIFI, smart TV, microwave & mini fridge
- Workspace with a desk and chair
- 2 stories
- Exterior entrances

COMPARABLE LODGING PROPERTY #6



Hotel Chain:	Alpine Inn and Suites
Address:	1011 Rio Grande Ave
Building Size:	36,000 Sf
No. Units	36
Lodging Type	Economy
Rack Rate Range	\$80 per night - March 2026 \$150 per night - July 2026
Year of Construction:	1993/2004

Comments:

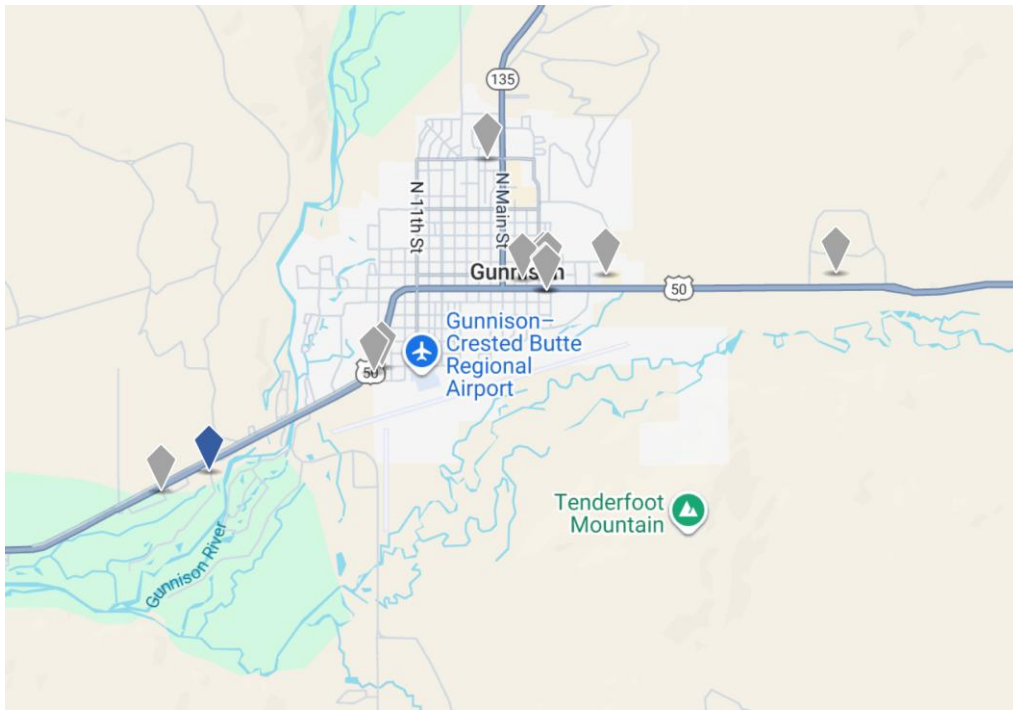
- West of subject along US 50
- Independent motel
- Economy class
- Remodeled
- No Pets
- Small kitchenette rooms available
- Indoor heated pool, hot tub
- Free cable/HBO, free wireless internet, air conditioning
- Blue Mesa Reservoir
- Free breakfast
- 2 stories

Lodging Units Concluded Effective Gross Income

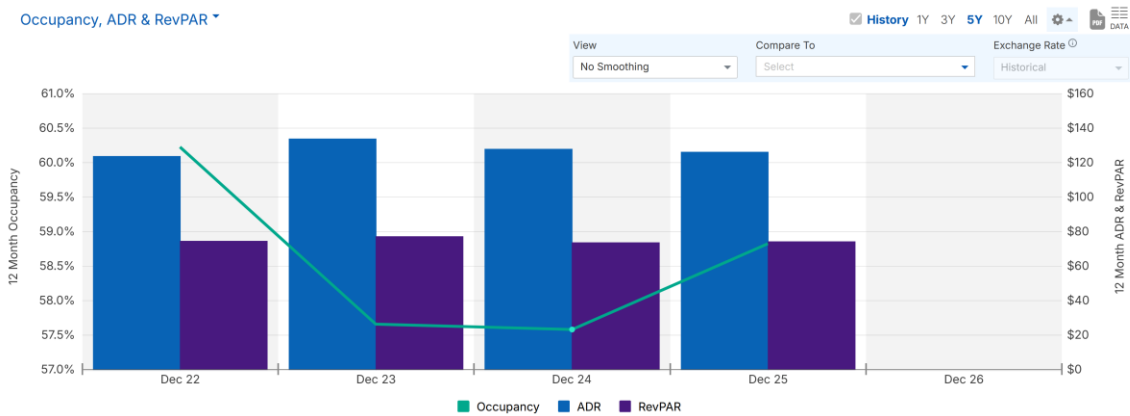
For the 20 lodging units, we had to develop the average daily rate and projected annual occupancy rate for the units, which would result in development of the RevPAR and effective gross income. Without an operating history, we relied on the above surveyed and reported hospitality market data for Gunnison.

Although Gunnison is a relative small rural market, its lodging submarket is fairly robust, fed by demand from winter patrons who visit the Mt Crested Butte ski area 30 miles to the north, as well as significant summer time demand from tourists visiting the western slope and enjoying venues such as Crested Butte, Blue Mesa reservoir and the vast array of mountain recreation activity in this region. There is also significant secondary demand from drive-by traffic along US 50 (a major east-west federal interstate) and from fall hunting in the area.

As noted, the following revenue parameters were developed with the above demand factors in mind. The following market data was reported by COSTAR for hospitality properties in and around Gunnison:



INVENTORY ROOMS	UNDER CONSTRUCTION ROOMS	MARKET SALE PRICE/ROOM	MARKET CAP RATE	ANALYTIC ROOMS	12 MO OCC RATE	12 MO ADR	12 MO REVPAR
568 +0%	0 -	\$95.5K +2.3%	9.6% +0.3%	596 +0%	58.8% +2.1%	\$126 -1.3%	\$74 +0.7%
Prior Period 568	Prior Period 0	Prior Period \$93.3K	Prior Period 9.3%	Prior Period 596	Prior Period 57.6%	Prior Period \$128	Prior Period \$74



We examined the local competition from both national flag and independent hotels and motels. There were no true “western” style hotels such as the subject in Gunnison with reported room revenue data. We concluded that the subject would likely find itself positioned between the independent economy hotels and the national flag hotels, such as Holiday Inn Express and Comfort Inn. The above surveyed hotels and motels nightly rates were taken from their websites and represent stated rack rates. Actual ADRs are often less than stated rate, being discounted based on booking sources and programs such as AAA. Based on these sources and adjustments, we estimated an **average daily rate (ADR) of \$105**.

In terms of occupancy, we again relied on the market and reported occupancy rates for lodging properties in this region. Based on this data, we applied an **overall occupancy rate of 55 percent**.

Based on these parameters and estimates, the following effective gross income was developed:

Average Daily Rate	\$105
No. Rooms	20
Calendar Days	365
Total Potential Revenue	\$766,500
Estimated Occupancy	55%
Effective Gross Income	\$421,575
RevPAR	\$57.75

3. Expense Analysis - Retail Units

We were not provided expenses for the subject. The following expense estimates were based on public data (in the case of the property tax total) and market rates for the other expenses. It was prorated for the commercial pro forma based on the approximately 50/50 distribution between the hotel space and the retail space.

Prop Taxes	\$20,887
Prop Insr	\$12,000
Utils	\$30,000
Rep/Maint	\$25,000
Total	\$87,887
Per SF	\$5.86

For the retail portion of the subject, we used 50 percent of the above base property expenses for the retail pro forma. This results in an expense rate of \$5.86 per square foot and an expense ratio of 36.5 percent of the effective gross income (EGI). We concluded that the expense ratio and expense rate were market supported.

We also deducted a management expense based on 7.5 percent of the effective gross income (EGI). For a replacement allowance, we applied a rate of 2.5 percent of the EGI. Both of these are typically not reimbursed under a NNN scenario.

4. Expense Analysis - Lodging Units

Hotel expenses tend to include more elements and have higher expense rates and ratios than pure retail properties. We were not provided expenses for the subject. The following expense model was used in part for the expense ratio estimate; it was developed for limited service hotels with national flags by Smith Travel:

Category	Percentage of Total Expenses
Departmental Expenses (Rooms, Telecommunications, Other)	27.0%
Undistributed Operating Expenses:	22.0%
Franchise Fees	8.0%
Management Fees	2.5%
Property Taxes, Insurance, Reserves	5.0%
Total Operating Expenses:	64.5%

Independent hotels and motels, which do not have to pay a franchise fee, will typically be 4 to 5 percentage points less than national flag hotels.

The following expense ratios were reported for small scale hotels we have previously appraised since 2024:

Property	Location	No. Rooms	Exp Ratio
Bristol Hotel	Steamboat Spgs	18	62%
Timber Ridge	Ouray	19	60%
Baily Lodge	Baily	10	63%

For the subject, we used an **expense ratio of 60 percent**. This includes management and replacement reserves.

Capitalization Rate Derivation

The following methods to estimate the appropriate cap rate for the subject were applied:

Extracted Rates

Given the subject's configuration as a mixed use commercial property, we examined reported cap rates for each of these property types, as follows:

Lodging Properties

Cap Rate	Sale Date	Sale Price	Property Name	City	Room	Imp SF	YOC
10.0%	12/9/2021	\$1,850,000	MTN Lodge Gunnison	Gunnison	28	10,418	1949
9.5%	5/30/2022	\$4,500,000	Alpine Trail Ridge Inn	Estes Park	48	16,838	1941
8.6%	7/7/2022	\$2,000,000	Peak To Peak Lodge	Estes Park	24	9,789	1948
8.3%	8/4/2022	\$3,650,000	Red Mountain Inn	Glenwood Springs	40	18,000	1945
10.5%	6/1/2023	\$13,700,000	The Nordic Lodge	Steamboat Springs	47	19,888	1975
10.2%	10/1/2023	\$1,400,000	Lone Eagle Lodge	Grand Lake	17	7,697	1951
10.6%	8/1/2024	\$2,500,000	The Clipper Inn BnB	Ouray	12	4,840	1995
10.0%	8/15/2024	\$2,450,000	Adventure Inn	Durango	25	19,303	1957
8.0%	11/14/2024	\$4,100,000	Winter Park Chateau	Winter Park	10	8,635	1995
9.1%	6/12/2025	\$4,800,000	Quality Inn Ouray	Ouray	33	15,656	1992
15.2%	6/25/2025	\$1,465,500	Canyon Motel	Hot Sulphur Springs	14	6,072	1950
7.3%	Listing	\$7,500,000	Columbine Inn & Suites	Leadville	38	37,680	1998
8.9%	Listing	\$6,800,000	Red Mountain Inn	Glenwood Springs	40	18,000	1945
7.6%	Listing	\$2,200,000	Frontier Motor Lodge	Grand Junction	20	9,240	1948
9.6%	Mean						
9.3%	Median						

Commercial Retail

Cap Rate	Sale Date	Sale Price	Property Address	Property City	Imp SF	YOC
9.1%	4/15/2023	\$549,000	38 Golf Course Road 48	Grand Lake	1,234	2005
7.5%	7/19/2023	\$1,500,000	821 N Main St	Gunnison	7,200	1995
6.7%	9/21/2023	\$1,400,000	810 E College Dr	Durango	6,303	2000
7.5%	12/29/2023	\$2,350,000	480 Wolverine Dr	Bayfield	18,250	2007
6.2%	4/10/2024	\$1,032,000	1115 E Rainbow Blvd	Salida	3,000	1998
5.3%	4/12/2024	\$1,025,000	1175 Camino del Rio	Durango	7,880	1956
9.4%	11/21/2024	\$200,000	512 Yampa Ave	Craig	3,125	1914
8.8%	4/10/2025	\$1,040,000	331 US Highway 24	Leadville	5,202	1980
7.8%	7/9/2025	\$1,624,000	25 Stafford Ln	Delta	14,860	2005
6.9%	9/15/2025	\$825,000	522 Antero Cir	Buena Vista	3,400	2001
8.0%	9/23/2025		721 Main St	Alamosa	4,000	1917
7.3%	11/21/2025	\$2,675,000	955 Cowen Dr	Carbondale	8,165	2000
7.5%	Mean					
7.5%	Median					

We examined both sets of capitalization rate data. Based on these factors, we concluded a rate of 10.0 for the lodging units and 9.0 percent for the subject based on this data.

We also included the Realty Rates survey for the 4th quarter of 2025 for both Retail and Lodging properties, as follows:

Retail

RealtyRates.com INVESTOR SURVEY - 4th Quarter 2025*						
RETAIL - ALL TYPES						
Item	Input					OAR
Minimum						
Spread Over 10-Year Treasury	0.80%	DCR Technique	1.10	0.058341	0.80	5.13
Debt Coverage Ratio	1.10	Band of Investment Technique				
Interest Rate	5.06%	Mortgage	80%	0.058341	0.046673	
Amortization	40	Equity	20%	0.074957	0.014391	
Mortgage Constant	0.058341	OAR				6.17
Loan-to-Value Ratio	80%	Surveged Rates				5.80
Equity Dividend Rate	7.50%					
Mazimum						
Spread Over 10-Year Treasury	5.92%	DCR Technique	2.15	0.130277	0.50	14.00
Debt Coverage Ratio	2.15	Band of Investment Technique				
Interest Rate	10.18%	Mortgage	50%	0.130277	0.065139	
Amortization	15	Equity	50%	0.167795	0.083897	
Mortgage Constant	0.130277	OAR				14.90
Loan-to-Value Ratio	50%	Surveged Rates				14.01
Equity Dividend Rate	16.78%					
Average						
Spread Over 10-Year Treasury	3.70%	DCR Technique	1.39	0.092177	0.70	8.94
Debt Coverage Ratio	1.39	Band of Investment Technique				
Interest Rate	7.96%	Mortgage	70%	0.092177	0.064524	
Amortization	25	Equity	30%	0.126018	0.037805	
Mortgage Constant	0.092177	OAR				10.17
Loan-to-Value Ratio	70.0%	Surveged Rates				9.73
Equity Dividend Rate	12.6%					
*3rd Quarter 2025 Data			Copyright 2025 RealtyRates.com™			

Lodging

RealtyRates.com INVESTOR SURVEY - 4th Quarter 2025*						
LODGING FACILITIES - LIMITED SERVICE						
Item	Input					OAR
Minimum						
Spread Over 10-Year Treasury	1.60%	DCR Technique	1.30	0.070870	0.65	5.99
Debt Coverage Ratio	1.30	Band of Investment Technique				
Interest Rate	5.86%	Mortgage	65%	0.070870	0.046065	
Amortization	30	Equity	35%	0.075997	0.026599	
Mortgage Constant	0.070870	OAR				7.27
Loan-to-Value Ratio	65%	Surveged Rates				6.83
Equity Dividend Rate	7.60%					
Mazimum						
Spread Over 10-Year Treasury	9.85%	DCR Technique	2.75	0.160697	0.50	22.10
Debt Coverage Ratio	2.75	Band of Investment Technique				
Interest Rate	14.1%	Mortgage	50%	0.160697	0.080348	
Amortization	15	Equity	50%	0.178913	0.089457	
Mortgage Constant	0.160697	OAR				16.98
Loan-to-Value Ratio	50%	Surveged Rates				15.96
Equity Dividend Rate	17.89%					
Average						
Spread Over 10-Year Treasury	5.73%	DCR Technique	1.51	0.111782	0.58	9.67
Debt Coverage Ratio	1.51	Band of Investment Technique				
Interest Rate	9.99%	Mortgage	58%	0.111782	0.064275	
Amortization	23	Equity	43%	0.122309	0.051981	
Mortgage Constant	0.111782	OAR				11.63
Loan-to-Value Ratio	58%	Surveged Rates				10.52
Equity Dividend Rate	12.23%					
*3rd Quarter 2025 Data			Copyright 2025 RealtyRates.com™			

Band of Investment

An examination of the current money market would suggest a loan-to-value ratio of 65% with an amortization of 20 years at a 6.5% interest rate. Considering the character of the investment influenced by market conditions, as well as discussions with investors in the market, an equity rate of 11% is appropriate. This estimate of the equity rate is supported by the previously cited survey(s). A capitalization rate derived under this methodology is quantified as follows:

Mortgage Component	0.65	X	0.0895	0.0581
Equity Component	0.35	X	0.1100	0.0385
			Basic Rate	0.0966
			Rounded	0.0970

Conclusion

- *Extracted Rates* 9.35 to 9.5 percent
- *Realty Rates* 9.73 to 10.52 percent
- *Band of Investment:* 9.7 percent

Consideration has been given to the relative risk that the subject property represents to a potential investor. The hotel portion would likely include more risk (although its eventual return could be much higher than the retail units). For the hotel pro forma, we used a capitalization rate of 10 percent. The retail units pro forma used a rate of 9.0 percent.

Based on these factors, the following pro forma was developed:

Pro Forma Model - Retail

Potential Gross Income	\$120,000
Expense Reimburse	\$43,944
Vacancy @ 7.5 Percent	-\$12,296
EGI	\$151,648
Exp	-\$43,944
Mgt	-\$11,374
Rep Allow	-\$3,791
NOI	\$92,540
Cap Rate	9.0%
Value	\$1,028,219

Pro Forma Model - Lodging

Rooms	20
Weekly R	\$105.00
PGI	\$766,500
Occ	55%
EGI	\$421,575
Exp Ratio	60%
NOI	\$168,630
Cap Rate	10.0%
Value	\$1,686,300

Based on these pro forma models, we concluded an "as stabilized" value of \$2,714,519.

As Is Value

For the "as is" value, we applied a lease up adjustment based on the expected time period it will take to bring the property to a stabilized occupancy level for the retail units and the hotel units. The following assumptions and parameters were developed for the lease up model:

- Assumed 10 to 12 months for hotel to achieve stabilized occupancy level of 55 percent.
- Three retail units will be leased within 12 months

- Assume cost of \$25 per sf for landlord-paid tenant finish
- Assume 6 percent leasing broker rate for retail units with 3 year leases each
- Profit was based on a 250 basis point difference in the lodging pro forma model and a 100 basis point difference in the retail pro forma model

The following models were developed for the rent and expense loss for the hotel and retail units:

Lodging Room Revenue and Expense Loss

Months	1	2	3	4	5	6	7	8	9	10	11
Hotel											
Rooms	20	20	20	20	20	20	20	20	20	20	20
Weekly R	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00
PGI	\$63,000	\$63,000	\$63,000	\$63,000	\$63,000	\$63,000	\$63,000	\$63,000	\$63,000	\$63,000	\$63,000
Occ	0%	5%	5%	10%	20%	25%	30%	35%	40%	50%	55%
EGI	\$0	\$3,150	\$3,150	\$6,300	\$12,600	\$15,750	\$18,900	\$22,050	\$25,200	\$31,500	\$34,650
Room Rev	-\$34,650	-\$31,500	-\$31,500	-\$28,350	-\$22,050	-\$18,900	-\$15,750	-\$12,600	-\$9,450	-\$3,150	\$0

Retail Rent and Expense Reimbursement Loss

Month	1	2	3	4	5	6	7
Rent Loss	\$10,000	\$6,600	\$6,600	\$6,600	\$3,300	\$3,300	\$3,300
Exp Reimb Loss	\$3,600	\$2,400	\$2,400	\$2,400	\$1,200	\$1,200	\$1,200
Total	\$13,600	\$9,000	\$9,000	\$9,000	\$4,500	\$4,500	\$4,500

Based on the above parameter, the following lease up adjustment model was developed:

As Stab Value	\$2,714,519
Less	
Hotel Room/Exp Loss	-\$207,900
Retail Rent/Exp Loss	-\$54,100
Profit Hotel	-\$366,587
Profit Retail	-\$111,000
Lease Comm	-\$21,600
Tenant Finish	-\$186,250
Total	\$1,767,082

We concluded an "as is" value of \$1,770,000.

CONCLUDED VALUE VIA INCOME APPROACH
\$1,770,000 "As Is"

SALES COMPARISON APPROACH

The sales comparison approach to value compares the subject to similar properties that have sold or are under contract in the same or similar market. This approach is based on the principle of substitution, which states that no commodity has a value greater than a similar commodity offering similar uses, similar utility, and similar function that can be purchased within a reasonable period. In other words, the market value of a property is set by the price of acquiring a substitute property, which could provide the owner with similar utility. The principle of substitution also is crucial in reconciling all three approaches to value, as it provides linkage in the underlying determination of the subject's market value.

Based on the scope of work of this assignment and the condition of the subject, we developed the sale comparison analysis under an "as stabilized" scenario for the subject.

Commercial Sales

We focused on recent sales of commercial properties in the central Gunnison area. None of the properties were in the superior remodeled condition of the subject, and most were smaller than the subject. Properties were chosen with comparable physical attributes, such as size, age and construction.

Unit of Comparison

Using a common unit of comparison is an effective device to adjust for differences in physical characteristics while controlling for scale or some other factor. This control allows the appraisers to determine the impact of differences in attributes between the subject and comparable sale properties.

As for the subject, we discussed recent market transactions with area brokers, as well as evaluating the physical attributes of the subject's use type. Based on this data, we used the price per improved area as the unit of comparison.

Elements of Comparison

Eight major comparison categories must be considered in the direct sales comparison approach. These include the following:



Each of these categories will be addressed in the subsequent analysis, as it relates to the subject.

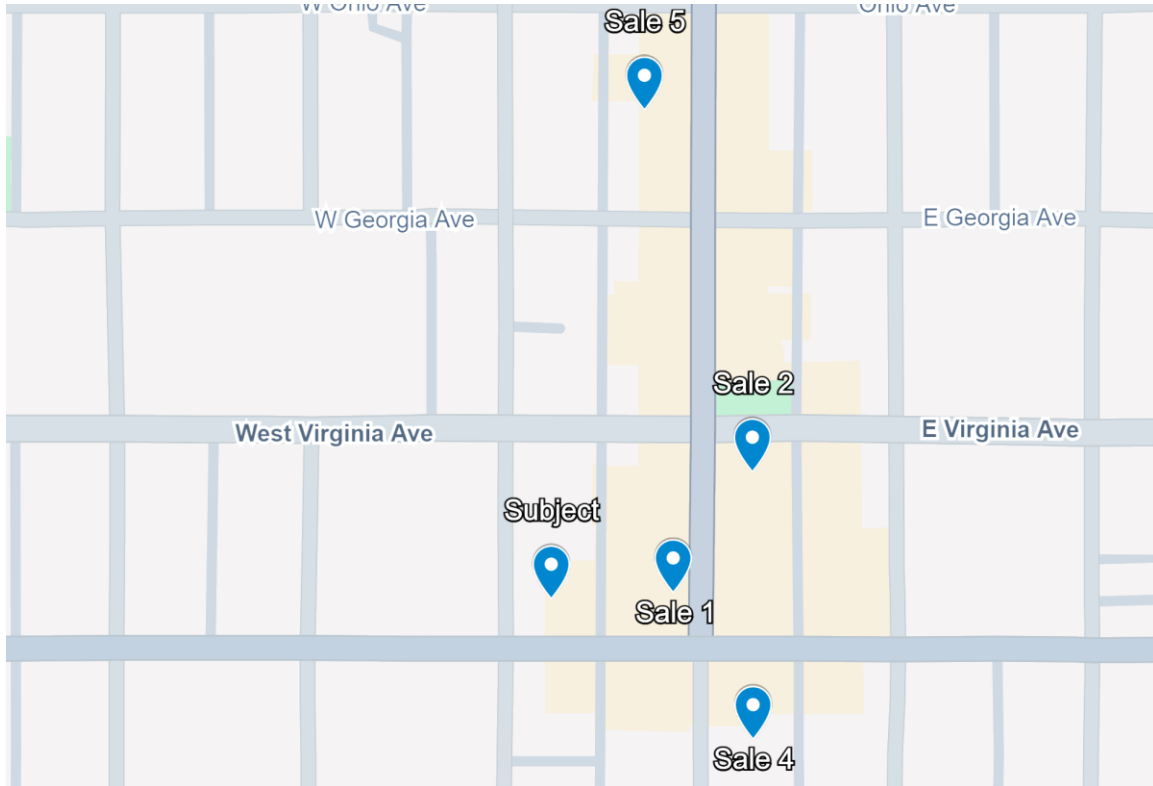
Sales Selection Criteria

These sales were selected based on the following criteria:

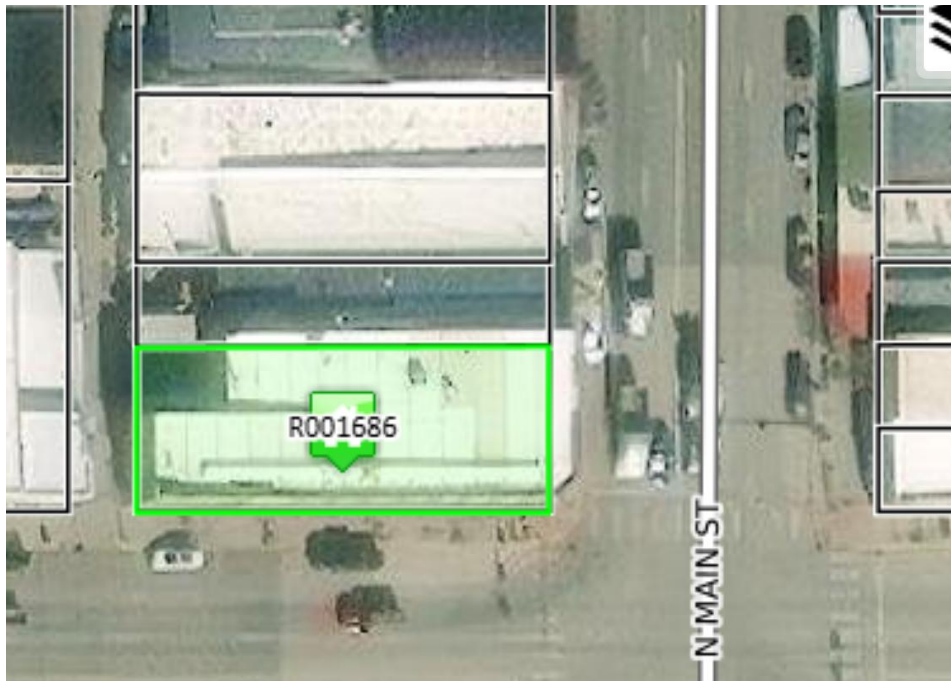
- Size: 2,150 sf – 12,376 sf (subject is 15,000 sf)
- Location: Central Gunnison area
- Sale Dates: 2023 - Present
- Year Built: 1881 – 1995 (subject built 1880, remodeled in 2025)
- Highest and Best Use: Mixed use or retail

Sale	Address	YOC	Imp SF	Site SF	LBRat	Sale Date	Sale Price	PR/SF
1	101 N Main St	1881	11,118	0.14	0.5	4/30/2024	\$1,100,000	\$99
2	142 N Main St	1949	2,150	0.07	1.4	4/21/2023	\$440,000	\$205
3	821 N Main St	1995	7,200	0.44	2.7	7/19/2023	\$1,500,000	\$208
4	112 S Main St	1939	3,203	0.15	2.0	3/1/2023	\$850,000	\$265
5	315 N Main St	1950	12,376	0.37	1.3	7/24/2024	\$1,100,000	\$89

SUBJECT AND SALE LOCATIONS



COMPARABLE SALE 1



SALES DATA

ADDRESS: 101 North Main Street
IMPROVED AREA: 11.119 square feet
SITE AREA: 0.14 acres
CONSTR/YOC: Masonry/ 1881
SALE PRICE / TERMS: \$1,100,000 / Cash
SALE DATE: January 22, 2024
SALE PRICE PER UNIT: \$99 per sf
SELLER QUINN SHOPPES LLC
BUYER: 101 GUNNISON LLC

PROPERTY NOTES:

- Located at northwestern corner of Main Street and Tomichi Avenue
- Mixed use commercial building
- 2 stories
- 2 retail units on first floor, 7 office units on second
- 100 percent occupied
- Average overall condition
- Average building quality per assessor
- No onsite parking
- Listed for \$1,275,000
- On market 391 days
- No prior sale history
- It has not sold since 2023 sale

COMPARABLE SALE 2



SALES DATA

ADDRESS: 142 North Main Street
IMPROVED AREA: 2,150 square feet
SITE AREA: 0.07 acres
CONSTR/YOC: Masonry / 1949
SALE PRICE / TERMS: \$440,000 / Cash
SALE DATE: April 21, 2023
SALE PRICE PER UNIT: \$205 per sf
SELLER DLJ GUNNISON LLC
BUYER: DIEM BENJAMIN

PROPERTY NOTES:

- Located in central Gunnison along Main Street
- Restaurant building
- 1 story
- Has 1,625 finished basement for break room, office and storage
- Average condition
- Listed for \$550,000
- On market 674 days
- Sold in 2004 for \$430,000
- It has not sold since this 2023 sale

COMPARABLE SALE 3



SALES DATA

ADDRESS: 821 North Main Street
IMPROVED AREA: 7,200 square feet
SITE AREA: 0.44 acres
CONSTR/YOC: Mixed / 1995
SALE PRICE / TERMS: \$1,500,000 / Cash equivalent
SALE DATE: July 19, 2021
SALE PRICE PER UNIT: \$208 per sf
SELLER EQUITY TRUST COMPANY; EQUIRENT LLC
BUYER: SINGH GURVINDER; KAUR AMANPREET
PROPERTY NOTES:

- Located north of downtown
- Along Main Street
- Also has back access from Wisconsin Street
- 2 unit retail building
- Sherwin Williams and health club
- One story, fair quality construction per assessor
- 10 parking spaces, midblock location with 2 access points
- Real property only
- List price and days on market not disclosed
- Sold previously in 2008 for \$882,500
- It has not sold since 2023 sale

COMPARABLE SALE 4

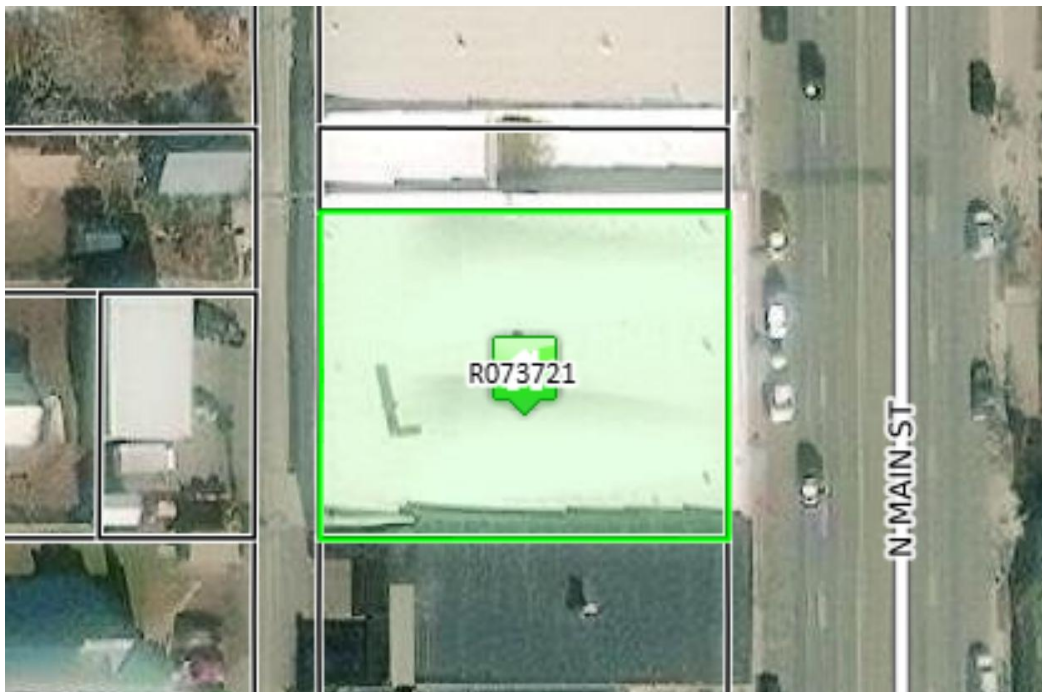


SALES DATA

ADDRESS: 112 South Main Street
IMPROVED AREA: 3,203 square feet
SITE AREA: 0.15 acres
CONSTR/YOC: Wood frame / 1939
SALE PRICE / TERMS: \$850,000 / Owner carry
SALE DATE: 3/1/2023
SALE PRICE PER UNIT: \$265 per sf
SELLER HERNANDEZ CESAR; CISNEROS MARIBEL
BUYER: MIER GUILLERMO; MIER FELIPE
PROPERTY NOTES:

- South of Tomichi Avenue along Main Street
- Restaurant
- 1 story, fair construction quality per assessor
- Midblock location
- 2 parking spaces off ally
- Good overall condition
- Listed for \$950,000
- On market 633 days
- Sold previously in 2011 for \$350,000

COMPARABLE SALE 5



SALES DATA

ADDRESS: 315 North Main Street
IMPROVED AREA: 12,376 square feet
SITE AREA: 0.37 acres
CONSTR/YOC: Wood frame / 1950
SALE PRICE / TERMS: \$1,100,000 / Cash
SALE DATE: 7/24/2024
SALE PRICE PER UNIT: \$89 per sf
SELLER WELLS MARLENE M
BUYER: HIAWATHA HOLDINGS LLIMITED LLC; TBD TROPICS LIMITED LLC

PROPERTY NOTES:

- Former Miller furniture store
- Located in downtown district along Main Street
- Fair quality per assessor
- Larger open floor retail store
- Also includes 1,200 sf metal storage shed
- Midblock site, no onsite parking
- Listed for \$1,300,000
- On market 646 days
- No prior sale history
- Has not sold since this sale

Discussion and Analysis

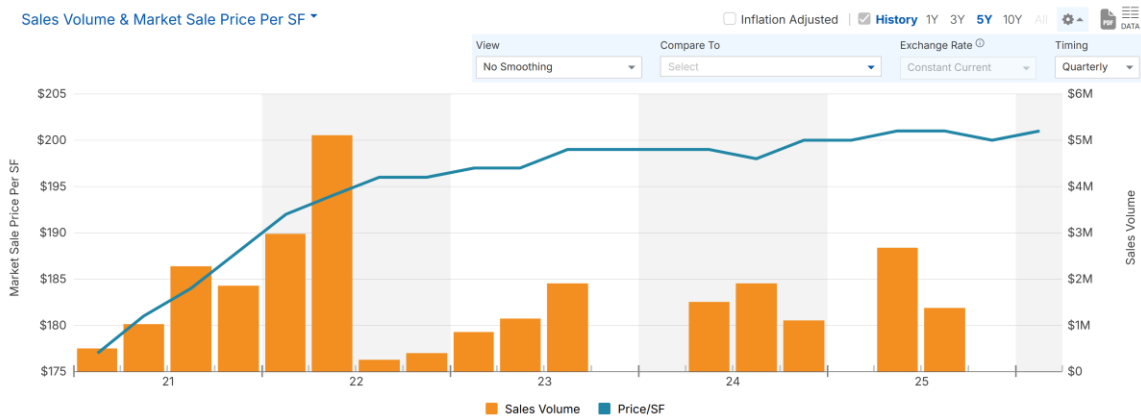
Property Rights Conveyed: All sales were considered fee simple or leased fee at market rates; therefore, no adjustments were applied for this category.

Cash Equivalency: All of the sales were cash or bank financed with the seller receiving cash at closing. No adjustments were applied.

Condition of Sale: No sales were adjusted for atypical condition of sale.

Buyer Expenditures: None of the sales included any reported atypical buyer expenditures.

Market Conditions: Based on the sale period, no adjustments for market trending were applied.



Location: The subject and all five sales are located within blocks on one another.

Sales 1 and 2 are located in the first two blocks along Main Street north of Tomichi Avenue; this is the central core of the town. We adjusted these 2 sales for their superior location.

Sale 3 is located 6 blocks north of Tomichi Avenue along Main Street. We concluded that this location is similar to the subject location along Tomichi Avenue/US 50.

Sale 4 is located along Main Street, south of Tomichi Avenue. We concluded that this location is inferior to the subject.

Sale 5 is located just north of the central downtown business district. This sale was not adjusted for location.

Building Size: Based on the size range in relation to the subject, we adjusted Sales 2, 3 and 4 for their smaller scale.

Condition/Age: We considered the effective age of each comparable property in comparison to the subject. We adjusted each sale for their inferior condition.

Building Quality/Attributes: The subject, as noted, represents an average quality mixed use building with 2 stories and masonry construction. It also has an abundance of plumbing and electrical upgrades based on its second floor hotel use, as well as several commercial kitchens on the first level. The following table compares major qualitative attributes between the subject and each sale:

Property	Constr	Use	Stories	Features	Class	Other	Adj FX
Sale 1	Masonry	Mixed	2	Bsmt	3		10%
Sale 2	Masonry	Restr	1	Fin Bsmt	3		0%
Sale 3	Mixed	Retail	1	2 units	2.5		5%
Sale 4	Wd Frm	Restr	1	Patio	2.5		5%
Sale 5	Wd Frm	Retail	1	Sm Warehse	2.5		20%
Subject	Masonry	Mixed	2	2 Restrnts	3	Updated	

Site Analysis: One important adjustment element is the site. We compared site attributes such as land to building ratio, the number of parking spaces, the type of site (i.e. corner or mid-block location), and the shape of the site. The following table compares these attributes and the resulting adjustments:

Property	Loc	Corner	LB Ratio	Shape	Parking	Adj FX
Sale 1	US 50/Main	Yes	0.5	Rect	0	10%
Sale 2	Main St	No	1.4	Rect	2	15%
Sale 3	Main St	No	2.7	Rect	10	0%
Sale 4	S Main St	No	2.0	Rect	2	10%
Sale 5	Main St	No	1.3	Rect	0	20%
Subject	US 50	Yes	0.8	Rect	10+	

Based on these adjustment factors, the following grid was developed:

Sale	Price/SF	Mkt Tr	Loc	Size	Cond	Qual	Site	Adj	Adj \$/SF
1	\$99	0%	-5%	0%	20%	10%	10%	35%	\$134
2	\$205	0%	-5%	-35%	10%	0%	15%	-15%	\$174
3	\$208	0%	0%	-20%	5%	5%	0%	-10%	\$188
4	\$265	0%	5%	-30%	5%	5%	10%	-5%	\$252
5	\$89	0%	0%	0%	20%	20%	20%	60%	\$142
								Mean \$/SF	\$178
								Median \$/SF	\$174

We examined the full spectrum of sales, but gave less weighting to Sale 4, since it appeared to be somewhat of an outlier. Based on this scenario, we concluded a unit value of **\$170.00 per square foot** for the subject. Based on this result, the following value was concluded for the subject:

Unit Value	\$170.00
Improved Area	15,000
Total	\$2,550,000

As Is Value

The above value was developed under an “as stabilized” scenario. We applied the previously developed lease up adjustment of \$947,437, resulting in an “as is” value of \$1,600,000 (rounded).

SALES COMPARISON APPROACH CONCLUSION
\$1,600,000 “As Is”

RECONCILIATION

The pertinent approaches to value have been summarized in this appraisal analysis. A summary of the value conclusions of each of these individual approaches indicates the following:

AS IS GOING CONCERN VALUE

Cost Approach:	Not Used
Income Approach:	\$1,770,000 - "As Is"
Sales Comparison Approach:	\$1,600,000 - "As Is"

The two approaches to value used in this assignment had their own set of shortcomings. This was not surprising given the recently completed and vacant condition of the subject and the proposed lodging plan for the second floor units. The income approach lacked actual income and expense, while the sales comparison approach had limited sale data based on the scale and location of the subject. We gave more weighting to the income approach and concluded a final "as is" value of \$1,700,000.

VALUE CONCLUSION

<u>Appraisal Premise</u>	<u>Interest Appraised</u>	<u>Effective Date</u>	<u>Value Conclusion</u>
As Is Value	Fee simple	January 6, 2026	\$1,700,000

APPRAISER QUALIFICATION

Martin Steven Kane MAI M.S.
EAST-WEST ECONOMETRICS LLC
303-437-1651

APPRAISAL PROFESSIONAL EXPERIENCE:

East-West Econometrics LLC (formerly Wildrose Appraisal Inc) (2007 to Present)

Principal/Senior Commercial Appraiser

Appraisal of commercial properties, including resort, office, retail, industrial, mixed-use developments, residential subdivisions, lodging, shopping centers, vacant land, places of worship, other commercial property types, and eminent domain appraisals. Select mass appraisal assignments. Appraisal review and training. Geographic competency includes all regions of Colorado and adjoining states.

Also, appraisal of large scale single family residences in resort markets throughout Colorado. This includes Aspen, Vail, and other mountain resort markets, as well as out of state locations. Properties appraised include a 55,000 sf Starwood home in Aspen, a 9,000 home in Woody Creek, and the 40,000-sf former Cabela family home in Sydney, Nebraska.

The Certified Group (2010 to 2019)

Commercial Appraiser

Appraisal of commercial properties, including resort, office, retail, industrial, planned mixed-use developments, residential subdivisions, lodging, shopping centers, vacant land, places of worship and other commercial property types and assignments. Geographic scope included all regions of Colorado.

Rocky Mountain Valuation Specialists (1997 to 2007)

Commercial Appraiser/Valuation Modeler/Mass Appraiser

Appraisal of commercial properties, including office, retail, industrial, planned mixed-use developments, residential subdivisions, lodging, shopping centers, vacant land, places of worship and other commercial property types. Lead work on regional and market analysis. Statistical analysis includes market trend analyses and econometric modeling of

commercial sub-markets. Mass appraisal experience in commercial, agricultural, and residential real estate databases. Geographic assignments include all the Colorado Front Range, all mountain resort counties, major eastern plains counties and major western slope counties.

MASS APPRAISAL / VALUATION MODELING EXPERIENCE:

Colorado Property Assessment Audit Project (2002 to Present)

Statistical compliance analyst for project. Duties included sale ratio verification of residential, commercial, and vacant land valuations for assessors in every Colorado County. Analysis also included sold/unsold analysis and market trending validation. Verification based on IAAO standards. Presented findings to State Board of Equalization and individual counties. Developed training materials and presentations for county assessment staff. Significant interaction with assessor staff covering data and compliance issues. Worked with Colorado Division of Property Taxes on compliance matters and training. References available on request.

STAT Residential AVM (2004 to 2007)

Developed residential valuation models for California, Colorado, Arizona, and Nevada. Valuation process included all stages of model development from raw data editing through valuation of properties and outcome evaluation. Designed comparable selection process and weighting, as well as training materials and validation reports. Developed valuation algorithms for modeling of single family, town home, and condominium properties. Valuation coverage averaged over 90% in most markets. Over 70% of sold properties modeled fell within +/- 10% of sale price. Over 7 million properties modeled. Developed sale updating process to maintain accuracy of models. Extensive programming experience using SPSS to process and model sale data.

Farm Credit Services of America AVM Development (2006 to 2007)

Developed agricultural automated valuation models for Iowa, South Dakota, and Nebraska using agricultural sale data. AVM modeling focused on agricultural cropland. Modeling developed as an added module to Farm Credit Services of America's (FCSA) ValueSource system. Developed training materials and trained appraisal staff of FCSA. Presented valuation findings to senior leadership team of FCSA. Worked with FCSA appraisal team to calibrate and refine models. Developed sale updating process to maintain accuracy of models.

Commercial Portfolio Valuation (2002 to 2013)

Provided commercial portfolio modeling services for Cushman and Wakefield (C&W). C&W clients included Wal-Mart, Nations Bank, Bank of America, Cumberland Farms, Pep Boys, Toys R Us, and other national clients. Several portfolios were securitized by Wall Street firms based on portfolio model. Services included appraisal sampling determination, statistical modeling, and report preparation, as well as onsite consulting with Cushman and Wakefield clients. Consulted with C&W clients to review scope of work and results. References available on request.

Seminar Development (2002 - Present)

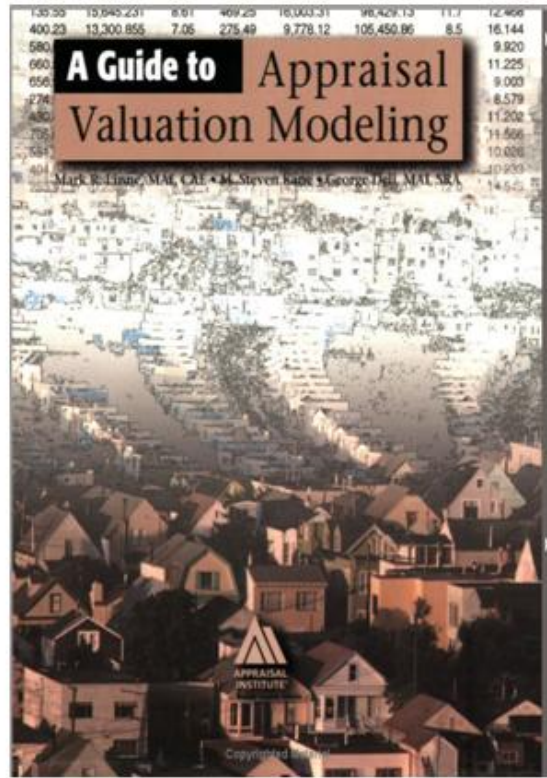
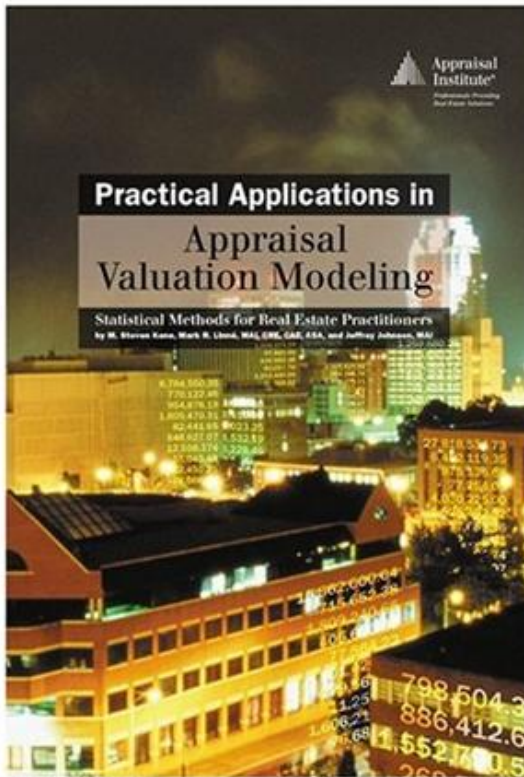
Developed and taught seminars for Appraisal Institute (AI) and Colorado Association of Tax Appraisers (CATA). Courses developed include Appraisal Valuation Modeling (AI), Commercial Portfolio Valuation (CATA) and Appraisal Narrative Report Writing (CATA). Taught seminars both in Colorado and nationals (Northern California, upstate New York, northern Florida, northern Ohio, Nevada, and South Dakota). One day seminars, approved for continuing education credit. References available on request.

Valuation Research Corporation (1995 to 1997)

Valuation modeler for ValueCheck[®], an automated valuation product marketed and developed by Valuation Research Corporation. Primary duties included the design, implementation, and analysis of over 3,000 residential valuation models that covered the 6 Denver metropolitan counties, El Paso, Pueblo, Larimer, Eagle and Summit Counties in Colorado, as well as Maricopa and Pima Counties in Arizona. Presented and trained client staffs on implementation of ValueCheck[®], as well as co-authored user manual.

City & County of Denver, Colorado (1988 - 1990)

Progressively greater responsibilities in all facets of residential and multi-family mass appraisal using Cole Layer Trumble system; modeled multi-family residential properties in Denver County; functioned as tax protest contact with general public; presented assessment case data in hearings involving public tax protest.



PUBLICATIONS:

Textbooks:

"Practical Applications in Appraisal Valuation Modeling" Principal Author:
2004 Publication by the Appraisal Institute

"A Guide to Appraisal Valuation Modeling" Principal Author: 2000 Publication
by the Appraisal Institute

Periodicals:

"The Application of Statistical Analysis", Valuation Insights and Perspectives,
Third Quarter, 2000.

"Appraisers and Statistics: Adaptation or Extinction", Valuation Insights and
Perspectives, Winter, 1996.

EDUCATIONAL BACKGROUND:

Appraisal Institute (1998-Present):

Courses

- 120 - General Appraisal Procedures (Houston TX, 10/98)
- 310 - Basic Income Capitalization (Houston TX, 03/99)
- 320 - General Applications (Boulder CO, 06/99)
- 410 - Professional Standards Part A (Omaha NE, 04/99)
- 420 - Professional Standards Part B (Boulder CO, 06/99)
- 510 - Advanced Income Capitalization (Minneapolis MN, 07/99)
- 520 - Highest and Best Use/Market Analysis (Tempe AZ, 08/99)
- 530 - Adv Sales Comparison & Cost Appr Analysis (Kansas City MO, 10/04)
- 540 - Report Writing and Valuation Analysis (Edison NJ, 08/00)
- 550 - Advanced Applications (Houston TX, 05/00)
- **AWARDED MAI DESIGNATION IN JANUARY 2010**

Seminars/Workshops

- Litigation (San Antonio TX, 06/98)
- Highest and Best Use: Commercial Case Studies (Orlando FL, 06/99)
- Conservation Easements (Las Vegas NV, 06/00)
- Gen Demonstration Report Writing Seminar (Dallas TX, 11/00)
- Instructor Leadership and Development Conference (Atlanta, GA, 02/02)
- URISA Conferences (Reno, NV 04/02 / Columbus, OH, 04/03)
- FNIS Conference (Laguna Beach, CA, 06/03)
- Predictive Methods Conference (Newport Beach, CA, 06/03)
- Appraisal Summit (Washington DC, 2003)

International Association of Assessment Officers (1988-1989):

- Course 1: Fundamentals of Real Property Appraisal (Denver CO, 09/88)
- Course 2: Basic Income Capitalization (Denver CO, 09/89)
- Course 300: Fundamentals of Mass Appraisal (Phoenix, AZ, 03/02)

Other Coursework:

- Small Residential Income Properties, Univ of Colo (Denver CO, 04/98)
- Conservation Easements, ASFMRA (Las Vegas NV, 07/00)
- USPAP 2000 Update, EGOS (Denver CO, 12/00)
- General Comprehensive Examination Workshop (Dallas TX, 02/01)
- Modeling Vacant Land & Commercial Properties w/SPSS (Denver CO, 02/2002)
- Valuation of Conservation Easements (Sacramento, CA, 02/2008)
- Eminent Domain and Condemnation (Denver, 12/2008)
- Market Analysis and Conditions - The Statistics (Aurora, 03/2010)
- Cost Approach Fundamentals (Aurora, 04/2011)
- General Curriculum Overview (Aurora, 11/2011)
- Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets (Lubbock, TX, September 2013)
- Appraisal of Assisted Living Facilities (McKissock Online, 12/14)
- Business Practice and Ethics (Aurora, 09/15)

Basic Appraisal Principles (AI Online, 12/15)
Up Close Residential and Industrial Development (Aurora, 06/16)
Valuation Challenges with Mtn Properties - Presenter (Breckenridge, 09/16)
Narrative Report Writing - Presenter (CATA, Breckenridge, 08/17)
Narrative Report Writing - Presenter (CATA, Breckenridge, 08/18)
Narrative Report Writing - Presenter (CATA, Breckenridge, 08/19)
Appraisal of Limited Hotels (McKissock Online, 12/19)
Appraisal of Full-Service Hotels (McKissock Online, 12/19)
Appraisal Expert Witness Testimony (McKissock Online, 12/19)
Basic Appraisal Procedures (McKissock Online, 5/21)
Commercial Appr Review (McKissock Online, 12/23)
Appraisal of Industrial/Flex Props (McKissock Online, 12/23)
Land and Site Valuation (McKissock Online, 12/25)
Appraisal of Industrial and Flex Buildings (McKissock Online, 12/25)
Commercial Land Valuation (McKissock Online, 12/25)

University of Saint Thomas, Minneapolis, Minnesota (2001-2009):

Master of Science, Real Estate Appraisal; graduated May 2009.
MSRA 610-21 Legal Issues in Valuation
MSRA 610-51 Special Topics in Appraisal
MSRA 610-41 Urban land Economics
MSRA 610-61 Statistical Analysis
MSRA 610-31 Effective Communication
MSRA 610-11 Market Analysis

University of Colorado (1991-1995):

15 hours of Statistical Analysis coursework at the Masters degree level, including Regression Analysis, Descriptive Analysis, and Inferential Analysis.

University of Colorado at Denver (1982-1985):

24 hours of Economics coursework at the Masters Degree level, including Econometrics, Regional Economics, Applied Economic Theory, and Urban Economics.

Regis University, Denver, Colorado (1976-1980):

Bachelor of Science in Economics; Applied Mathematics minor; graduated Cum laude with honors, recipient of Joseph A. Ryan Award in Economics, 1980.

PROFESSIONAL DESIGNATIONS/ASSOCIATION MEMBERSHIPS:

Appraisal Institute:

MAI	2010-Present
General Associate	1999-2010
Affiliate	1998-1999

**Colorado Board of Real Estate Appraisers
Colorado Certified General**

Appraiser #CG40013915
Certified through December 31, 2027

Most recent USPAP 7-Hour Update - December 2025

CURRENT AND PRIOR CLIENTS

**Bank of Colorado
Alpine Bank
Bank of the San Juans
First National Bank
State of Colorado
Roaring Fork Transportation Authority
FDIC
City of Colorado Springs
Colorado Springs Utilities
Bank Midwest
Bank of the West
Firstbank of Colorado
Town of Crested Butte
Colliers
Crested Butte Land Trust
Cushman and Wakefield
Bank of America
State of Colorado, Legislative Council
Colorado Business Bank
Colorado Capital Bank
Community Banks of Colorado
Heart of the Rockies Regional Medical Center**

MAJOR APPRAISAL ASSIGNMENTS

Soda Springs Resort, Soda Springs, California
Granby Ranch, Granby, Colorado
Monument Ridge, Monument, Colorado
Santa Fe Springs, Colorado Springs
Countryside North, Fountain, CO
Riverwalk Development Site, Steamboat Springs, CO
Aidan's Meadow, Eagle, Colorado
Forest Meadows, Colorado Springs, CO
The Shores at Highlands, Breckenridge, CO
Peak 7, Breckenridge, CO
Shock Hill Lodge and Spa, Breckenridge, CO
West Braddock Site, Breckenridge, CO
Eagle Ranch, Eagle, CO
Buckhorn Valley, Gypsum, CO
Residence at Little Nell Site, Aspen, CO
Hidden Mine Ranch, Crested Butte, CO
The Seasons, Montrose, CO
Orvis Shorefox, Granby, CO
Rendezvous, Fraser, CO
Lakota, Winter Park, CO
Grand Elk Ranch and Club, Granby, CO
Snake Canyon Ranch, Jackson, Wyoming
The Wellington Neighborhood, Breckenridge, CO
Stratton Flats, Gypsum, CO
Eagle's Nest Commercial Dev, Eagle, CO
Windwalker, Gypsum, CO
The Lodge at Aspen Mountain, Aspen, CO
Grand Park, Fraser, CO
The Conservatory, Aurora, CO
Signature Vistas, Loveland, CO
SolVista Golf and Ski Ranch, Granby, CO
Ravenna, Douglas County, CO
Canyon Ranch, Crawford, CO
Red Rock Plaza, Carbondale, CO
Willowstone Chalet, Colorado Springs, CO
Parker Station, Parker, CO
Morningstar Preserve, Aspen, CO
The Sardy House, Aspen, CO
Saddle Ridge, Gypsum, CO
Adams Rib PUD, Eagle, CO
Westwood Retail Center, Arvada, CO

SUMMARY OF EXPERT TESTIMONY/LITIGATION

- 1) Chaparral Ranch, Aspen, Appraisal for landowner for litigation between landowner and title company, November 2011.
- 2) Academy Bank v. Blue Heron Investment LLC, Case No. 2011CV4275 El Paso County District Court. Deposition provided concerning appraisal before counsel, June 2011, Deficiency judgment lawsuit.
- 3) Hillcrest Bank et al v. Morley-Howard Investments et al, Case No. 09-CV-7169 El Paso County District Court. Deposition provided concerning appraisal before opposing counsel, February 2011, Deficiency judgment lawsuit.
- 4) Citywide Banks v. Lan, Case No. 14-10854 U.S. Bankruptcy Court. Testimony provided concerning appraisal before counsel, April 10, 2014, Relief from Stay hearing.
- 5) LSI Retail I, LLC, Case No. 14-14439-MER, Chapter 13, United States Bankruptcy Court for the District of Colorado. Deposition provided concerning appraisal before counsel, November 2014, bankruptcy case.
- 6) W.O.L.F. vs. Wendland, Case No. 14-01531/14-23662, Chapter 7, United States Bankruptcy Court for the District of Colorado. Trial preparation and testimony, October 2015, bankruptcy case.
- 7) North Rail Stop LLC and Havana and Iliff LLC v. Craig Mundt, an individual, Case No. 2015CV31220 District Court, County of Adams, State of Colorado. Deposition provided concerning appraisal before opposing counsel, February 2016, civil lawsuit.
- 8) Byers Peak LLC et al v. First American Title Insurance Company, Case No. 2015CV30098 District Court, County of Grand, State of Colorado. Deposition provided concerning appraisal before opposing counsel, September 2025, civil lawsuit.

SUMMARY OF EMINENT DOMAIN WORK

Location	Agency	Representation
US 160, Monte Vista, Colorado	Colorado Dept of Transp	Agency
1208 Wadsworth, Lakewood	Colorado Dept of Transp	Landowner
S Glen Avenue, Glenwood Springs	Roaring Fork Trans Auth	Agency
SH 82, Aspen	Roaring Fork Trans Auth	Agency
Sardy Field Site, Aspen	Roaring Fork Trans Auth	Agency
Kiowa Street, Colorado Springs	City of Colorado Springs	Agency
Centennial Road, Colorado Springs	City of Colorado Springs	Agency
Powers Boulevard Extension 1	Colorado Dept of Transp	Agency
Powers Boulevard Extension 2	Colorado Dept of Transp	Agency
Grand Park, Fraser	City of Winter Park	Landowner

160 th Avenue Sewer Extension	City of Thornton	Landowner
Johnstown Water Project	City of Thornton	Landowner

PROFESSIONAL REFERENCES:


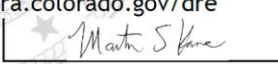
Available on request

2026-2027 Colorado Certified General Appraisal License

Colorado Department of Regulatory Agencies
 Division of Real Estate
 Martin Steven Kane
 Certified General Appraiser

<u>CG40013915</u>	<u>12/29/2025</u>
License Number	Issue Date
<u>Active</u>	<u>12/31/2027</u>
License Status	Expiration

Verify this license at <http://dora.colorado.gov/dre>

 Director: Marcia Waters	 Licensee Signature
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ADDENDA

ENGAGEMENT LETTER

12/16/2025

Steve Kane
East West Econometrics

RE: 136 W TOMICHI AVE, GUNNISON, CO

Dear Steve,

The Gunnison Bank and Trust Company hereby engages your services to prepare a written narrative appraisal report on the following property:

Present owner: GUNNISON LODGING LLC
Address: 136 W TOMICHI AVE, GUNNISON, CO
Legal: PART OF LOTS 8-12, BLOCK 21, ORIGINAL GUNNISON

Contact for inspection of property: TBD

The terms and conditions of this engagement are described below:

Additional Copies of Appraisal: one hard copy. Please also email appraisal to skosin@gunnisonbank.com.

Other Consultants: If you require professional assistance from others, those individuals shall be first approved by us, along with their fees and expenses which shall be included in detail in the fees and expenses paid to you.

Subject Property: The real and other property described above in the legal descriptions.

Effective Date: The effective date of the appraisal shall be the date on which you personally inspect the subject property.

Purpose of the Appraisal: The purpose of the appraisal is to estimate the market value of the subject property as of the effective date of the appraisal. Estimates of market value must be made of the subject property in an "As Is" condition as of the effective date of the appraisal.

Function or Use of the Appraisal: The function or use of the appraisal shall be for regulatory requirements or for this bank's internal needs to establish value.

Due date of the Appraisal: The original copy of the appraisal shall be delivered to us on or before 1/17/2026. The due date may be extended by us upon reasonable request by you.

Fees and Expenses: Fees and expenses for the appraisal shall not, unless otherwise agreed to by us in writing, exceed \$4,250.00. No other fees or expenses shall be payable unless agreed to by us in writing in advance of incurring those fees or expenses.

Scope of Work: We are requesting an appraisal compliant with current USPAP requirements. In addition to conforming to USPAP, our State and Federal regulators require that appraisals supporting federally related transactions must:

- Be written and contain sufficient information and analysis to support the regulated institution's decision to engage in the transaction.
- Analyze and report appropriate deductions and discounts for proposed construction or renovation, partially leased buildings, non-market lease terms, and tract developments with unsold units.
- Be based upon the definition of market value in the regulation.
- Be performed by a state licensed or certified appraiser in accordance with the regulatory requirements.

Assuming it is possible to remain in compliance with the above requirements; the analysis should develop all applicable approaches. If a specific approach was not developed, please provide an explanation. In addition, the report must explain the reasoning for the decision to apply one approach over others.

Competency: You must represent and warrant that you are competent to prepare the appraisal and, as required by law, be properly licensed or certified to prepare the appraisal. Also, that you are disinterested and unbiased with respect to that subject property.

Confidentiality: This letter, the appraisal and any information provided by us to you is confidential and may not be disclosed to any other party or referred to in any other assignment given you without our written permission.

IF THE APPRAISAL IS NOT COMPLETED IN COMPLIANCE WITH OUR REQUIREMENTS AS LISTED ABOVE, WE WILL HAVE THE RIGHT TO WITHHOLD PAYMENT OF THE FEES AND EXPENSES UNTIL SUCH DEFICIENCIES ARE CORRECTED WITHIN A REASONABLE TIME PERIOD AS DETERMINED BY US. IF SUCH DEFICIENCIES ARE DUE TO YOUR NEGLIGENCE, THEY SHALL BE CORRECTED WITHOUT FURTHER COST TO THE BANK.

If you accept the above conditions, please sign this letter in the space provided below and return a signed original of this letter to us. A copy of this engagement letter, fully executed, should be included as an exhibit to the appraisal.

Sincerely,

Sarah Kosin

Lending Operations and Compliance Specialist

ACCEPTED THIS 16th DAY OF December, 2025

By:

Martha S. Kline