

# Buyer's Guide



Photo by Steve Vining

## Primary Concerns

Most people who come into our real estate office have some preconceived idea of what they desire in a property. Some want mountain views, big pines, privacy and perhaps even a live stream — all at a bargain price. Naturally, it is hard to find all these attributes in one property, and there are a few other issues to bear in mind when buying land here. At Jim Smith Realty, we do our best to inform buyers of everything they need to know to make a wise decision in the local real estate market. The following article will arm you with key questions to ask, no matter which company you're working with.

**If you choose Jim Smith Realty, you can be assured that all your questions will be answered honestly and we'll treat you with the utmost respect.**

## VACANT LAND

### • Homesites less than Three Acres

Small quarter- to half-acre parcels are located in several cluster villages in the Pagosa Lakes Resort Area. These properties typically offer all utilities, including water, sewer, underground electric and phone lines. Many are located on paved streets around the golf course or on one of the lakes; others are on gravel roads. A handful of these areas also have access to natural gas and cable television. Pagosa Lakes has strong covenants and a Property Owners Association. The median price for one of these home sites is \$58,000.

Golf Course, Lakefront, and other special properties range higher. There are other small parcels located in other subdivisions as well, but the majority lie in the Pagosa Lakes Resort Area. Larger properties up to 3 acres are located in the Powderhorn and Chris Mountain Subdivisions.

### • One To Ten Acre Parcels

*Pagosa Lakes Resort Area Acreage Sites* – These range in size from one to ten acres and are located in several subdivided areas in the Pagosa Lakes Resort Area and the neighboring subdivisions of Colorado Timber Ridge and Piedra Estates. Although all of these sites include central water, individual septic systems are usually necessary. Power and phone lines are in place. Most roads are constructed and are usually gravel; some are paved. Four of these subdivided acreage areas (Meadows 1, Alpha, Colorado Timber Ridge, and Piedra Estates) are not controlled by the Pagosa Lakes Property Owners Association. Colorado Timber Ridge and Piedra Estates each have their own POA. All have covenants. There are approximately 90 of these lots available, with the median price around \$200,000.

*Other Small Acreage Subdivisions* - There are a number of other subdivided areas which offer 1-10 acre parcels. Most have a central water system in place, but some areas may require a well. Installation of an individual septic system is typically required on these lots. Most have electric and phone utilities available nearby. Many of these areas have covenants in place, which may or may not be enforced. A few have Property Owner's Associations.

*Aspen Springs Homesites* - This is a unique area in many ways. Aspen Springs is made up of 6 units or subdivisions. Parcels range from 1 acre to 10 acres in size, with 1/2 acre parcels being predominant. Electricity is available to many of the areas. Aspen Springs has its own road maintenance district, and roads are generally good. For water, homeowners either drill a well or install a cistern. Well water in this area often contains sulfur and other minerals. If not deep enough, wells can also go dry in a time of drought. Individual septic systems are also necessary. There are no covenants or restrictions in Aspen Springs, allowing the property owner great latitude in construction style. This can also be a disadvantage, as properties are not kept to a "standard." There are some very secluded areas in Aspen Springs. This is one of the few subdivided areas where an RV, trailer or mobile home can be parked.

### • Large Acreage Parcels

*Large Acreage Home Sites* - There are a few areas where larger parcels are available. Ranging in size from 10 to 35 acres, some are still reasonably priced. Many of the 35 acre parcels are located in Pinon Hills Ranch, south of Pagosa Springs. Availability of utilities and roads vary. Well and septic systems are usually necessary.

*Large Tracts* - A variety of large tracts are available from time to time. These have a dramatic range in size from 35 acres to several hundred or even more than a thousand acres. They also can have a wide range in price. Generally speaking, as you move higher in elevation to the north and east, the price of property increases.

## HOMES

*Resort Condos/Townhomes* - Condos and Townhomes range in size from small efficiency/studios to large 3 or more bedroom units. They may come furnished or unfurnished, and range in price from \$75,000 to over \$550,000, depending on size, age, and location. A few types even have garages. Maintenance fees average \$100 to \$200+ per month. Most are located in the Pagosa Lakes Resort Area close to the golf course and the other recreational amenities. There are a number of different property owner associations.

*Single Family Residential Homes* - The housing market offers a large variety to choose from, ranging from the cozy starter homes to the bigger family estates. Depending on size, age, and location, homes range from \$150,000 to over \$1 million.



## BUILDING AND ZONING

Each subdivision has its own covenants and restrictions. Be sure to get a copy and read them before you purchase. The county abides by the UBC, and approval of plans and inspections are required.

*Taxes* — Vacant lots are taxed at about 3 times the rate as a lot with a residential dwelling. Be assured: your taxes are not going to skyrocket if you build a home on your present lot. However, taxes do vary somewhat from year to year. In Archuleta County, they are based on the special districts in which the property is located. Each special district (school, water, sewer, fire, hospital, etc.) assesses a mill levy. The combined mill levy is multiplied by the assessed value of the property to determine the tax bill for the property. The assessed value of a property is a percentage of the market value determined by the Assessor. The assessed value of vacant land is 29% of the market value. The assessed value of a residence is 7.96 % of the market value. The result is the tax amount. In Archuleta County, we pay our taxes "in arrears," which means the taxes due in spring of 2008 were actually for the 2007 tax year.

*Property Owners Association Dues* — Some areas have property owners' dues. Pagosa Lakes is a good example, with current dues of approximately \$160.00 per year covering costs for lake maintenance, clubhouses, legal fees, salaries, etc. All property owners in the Pagosa Lakes Resort Area are members of the Pagosa Lakes Property Owners Association (PLPOA) except Pagosa Meadows Unit 1 and Pagosa Alpha, where property owners have the choice whether or not to join PLPOA. Some areas may have a special assessment for a particular purpose. For instance, some condo associations levy an assessment for maintenance needs from time to time. This is usually money well spent, but just be aware of the possibility of assessments, now and in the future.

## ECONOMIC OUTLOOK

With rising taxes, crime, and pollution in the urban environment, more and more families and retirees are leaving the cities and are looking for a better and less hectic lifestyle. Many are fleeing to rural mountain communities. Some are even moving their investments in the stock market to mountain property, because Colorado mountain property has greatly increased in value over the past 10 years. It has outpaced the stock market hands down. Real estate and construction of single-family homes will lead the job market, along with a prosperous tourist year here in Pagosa Springs. Don't wait to buy. Most mountain property will almost assuredly be more expensive next year. The buzzword for this decade will be true quality of life, and not the fast pace that is found on the coasts and in the big cities. Pagosa Springs offers a true quality of life experience.