

PART 1 - PRINCIPAL TYPES OF AVAILABLE PROPERTIES

There are several basic types of real estate available in the Pagosa Springs Area.

RESIDENTIAL PROPERTIES

- **Homes (Stick-Built):** Currently listed in the MLS is a large selection of various types, sizes, and locations of nice homes in the area with a wide range in prices. With around 71 "Stick Built" (non-manufactured or mobile) homes on the market, there is a good selection to choose from. Inventory has been decreasing significantly, and our market has shifted from a "buyer's market" to a "seller's market" locally. Prices range from about \$145,000 to \$6,750,000. However, the median home price is about \$799,000. There are only about 7 homes on the market priced below \$500,000.

- **Manufactured:** For those looking for something more affordable, there are Manufactured Homes ranging in price from about \$115,000 to \$465,000. However, the median home price is about \$325,000. There are certain areas and subdivisions where manufactured and mobile homes are welcome, and somewhere they aren't allowed.

- **Condos/Townhomes:** Condos and townhomes range in size from small efficiencies to large 3 or more-bedroom units. They may come furnished or unfurnished. A few types have garages. Property Association maintenance fees average \$200 to \$400+ per month. Most are located in the Pagosa Lakes Resort Area close to the golf course and the other recreational amenities. However, some nice new units have been built along the river in downtown Pagosa Springs. There are 15 condos and townhomes currently listed in the MLS ranging in price from about \$199,900 to \$825,000, with a median price of \$425,000.

RESIDENTIAL VACANT LAND - LESS THAN 2 ACRES

- **Pagosa Lakes Resort Home or Cabin Sites:** Small quarter-acre to one-acre parcels are located in several subdivisions in the Pagosa Lakes Resort Area. These properties usually offer all utilities including water and sewer, underground electric, and phone lines. Many are located on paved streets around the golf course and Lake Pagosa; others are on gravel roads. Natural gas is available in some areas. Pagosa Lakes has strong covenants and an active Property Owners' Association. Prices range from \$19,900 to above \$139,000. Golf Course, Lake Front, and other special properties account for the higher asking prices. The median price is \$49,000.

- **Town of Pagosa Springs:** The Town and incorporated subdivisions offer residential lots, with the standard lot size of 50' x 100' to a quarter acre in size. These properties have utilities and paved streets for the most part. Prices are high and lots are very limited.

- **San Juan River Resort:** Located east of town toward Wolf Creek, consists mostly of quarter acre to one-acre size properties. Roads are gravel. The POA is the San Juan River Village which operates the water and sewer systems for this subdivision. Home and cabin sites are mostly wooded with a few on the San Juan River. There are only 2 parcels currently available. Parcels on the river will be very expensive.

- **Aspen Springs Communities:** This is a unique area in many ways. Aspen Springs is made up of 6 units or subdivided areas. Parcels range from 1 acre to 10 acres in size with 1–2-acre parcels being predominant. Electricity is available in many areas. Aspen Springs has its own road maintenance district and roads are generally good. For water, you will need to drill a well or use a cistern. Well water tends to contain sulfur and other minerals. If not deep enough, wells can go dry in a dry year. There are no covenants or restrictions, allowing the property owner great latitude in construction types. This can also be a disadvantage. Individual septic systems are also necessary. 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. Prices range from \$20,000 to above \$175,000. The median price is \$42,000.

RESIDENTIAL VACANT LAND - 2 TO 10 ACRE SIZE PARCELS

- **Pagosa Lakes Resort Area Acreage:** Usually two to ten acres. Five-acre parcels are predominant. Located in several subdivided areas in the Pagosa Lakes Resort Area and the neighboring subdivisions of Colorado Timber Ridge and Piedra Estates. All include central water. Individual septic systems are usually necessary. Most have above-ground electricity; some have underground. Phone lines are underground. 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. The average price is running \$127,450
- **Other Small Acreage Subdivisions:** There are a number of other subdivided areas which offer 3–10-acre parcels. Some offer a central water system, but others will require wells or cisterns. Individual septic systems are necessary. Most have electric and phone utilities available fairly close by. Most of these areas have or have had covenants, which may or may not be enforced. A few have an active Property Owner's Association. The price range is \$43,000 to just under \$1M with the median at \$107,450

LARGE ACREAGE HOME SITES

There are several subdivisions where larger parcels can be obtained. These usually are in the neighborhood of around 35 to 40 acres. These run about \$9,700 & up per acre on average. Availability of utilities and roads vary. Well and septic systems are usually necessary. PLEASE NOTE: The reason there are almost no parcels in the 15-to-30-acre range is due to a State Law passed in 1972 which prohibits the subdividing of any real estate into parcels smaller than 35 acres, unless extensive subdivision regulations are complied with, making it very expensive to develop such parcels.

LARGE UNSUBDIVIDED TRACTS

A variety of large tracts are available from time to time. These have a dramatic range in size from 80 acres to several hundred or even a thousand acres. They also can have a wide range in price. Typically, however, they range from \$9000 to over \$45,000 per acre. Generally speaking, as you move higher in elevation to the north and east, or river frontage the price of the property increases.

PART 2 - GENERAL INFORMATION

SOME IMPORTANT CONSIDERATIONS WHEN BUYING REAL ESTATE

- **Utilities:** If utilities are not readily available, the expense of obtaining them will be the responsibility of the purchaser. Be careful to understand just what utilities are and are not available, and if not available what it will cost to obtain them. Once you have a home here, the potentially biggest utility expense is heating your home in the winter. Look for a property with good southern exposure to take advantage of the winter sun, and/or an efficient heating system. There are many new heating alternatives from solar to geothermal to an outdoor wood furnace.
- **Electricity:** Electric power lines run throughout the county, but not all properties are serviced. It is always best to purchase property that already has electric service close by because it could be very expensive to run the necessary lines to the property. Photovoltaic cells could be considered as an alternate energy source. La Plata Electric handles the installation of all electric lines underground. In the past, many electric lines were put above ground where acreage parcels were involved. There are credits allowed where all or part of the installation money is refunded over a period of time. The electric contractor on your new home will usually figure in the price of bringing the electric service from your lot line to the home with a total bid. Check with La Plata Electric for current policies and information.
- **Pagosa Area Water and Sewer (PAWS):**
Water: Central (city) water and sewer is provided in many subdivided areas of the county and city through the Pagosa Area Water and Sanitation District (PAWSD). A central water system can be a big benefit. Other areas rely on wells. You will normally need five acres or more to receive a well permit. Exceptions are made, especially in the Aspen Springs area, because it was subdivided before the stricter regulations went into effect. When drilling a well be aware of the fact that you may or may not hit good water. Sulfur and iron minerals are a real problem in some areas. Remember, dry years can result in dry wells, especially with a shallow well. Listed below are the main water companies. Others exist in some subdivisions. Find out about how water will be supplied to you before you purchase.

- **PAWSD Fees:** There are several different fees associated with water and sewer services through the Pagosa Area Water and Sanitation District (PAWSD). Knowing which fees apply to your property is important. You can find this out by calling PAWSD at 970.731.2691 or visiting their website at pawsd.org.

- **Sewer And Septic Systems:** Central sewer is usually not available on properties larger than 3 acres. An individual septic system is required for these properties. For a septic system, you need at least an acre of land. If the ground perks to minimum standards, you can do a standard system with a leach field at a cost of \$5,000 to \$10,000. If the ground does not perk to the minimum standards, you'll need to hire an engineer to draw up a system to meet your specific need, which will depend on the perk rate of the land. An engineered system will range from \$20,000 to \$30,000. The occurrence of rocky ground or shallow bedrock is the usual cause of more expensive systems. The San Juan Basin Health Department (SJBHD) has authority over septic systems and a permit must be obtained. All systems must meet their standards. If you are concerned, check with the SJBHD as to your ability to construct a septic system before you purchase.

- **Natural Gas:** Black Hills Energy provides natural gas service in the county where applicable. Most areas do not have natural gas available. Local propane companies offer services all over the county as an alternative to natural gas.

- **Telephone:** CenturyLink provides landline phone service. Phone lines are run through the county, but all properties are not currently serviced. If phone lines are not visible, check with the phone company as to availability. Phone lines are usually buried underground. Cell phone service is available locally through AT&T and Verizon. DSL Internet Service is offered in many areas through Century Link, Visionary, and Zito.

- **Roads:** Roads are always a concern. A paved road is a luxury. Most roads are gravel. The county maintains some and others are the responsibility of the developer or the property owners' association. Maintenance of some roads is in contention. Check with the county or the property owners' association to find out the status. A county roads committee is trying to develop a long-range plan to improve all the roads in the county.

See [Archuleta County, CO - Official Website | Official Website](#) for more information.

- **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. Land use codes and zoning have been adopted by the county and the Town of Pagosa Springs. Make sure you can do what you want to do with your property before you buy. See archuletacounty.org for more information.

- **Property Taxes:** Vacant lots are taxed at about three times the rate as a lot with a residential dwelling. Be assured your taxes are not going to skyrocket just because you build a home on your present lot. However, taxes do vary somewhat from year to year. In Archuleta County, they are based on which special districts the property is in. 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. Taxes are paid in arrears. Taxes paid in early 2021 are for the tax year of 2022. Note: Taxes are reassessed every two years by the county assessor along with guidelines set by the State of Colorado. See archuletacounty.org for more information. Property Taxes are expected to continue to increase in the near future for many properties as home values rise.

- **Property Owners' Association Dues:** Some areas have property owners' dues. An example is Pagosa Lakes. The current dues of approximately \$260 per property per year cover costs such as 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. Some areas may have a special assessment for a particular purpose. All condo and townhome developments have Property Owner Associations and Property Owner Dues. Some Condo and Townhome associations levy a special assessment for maintenance needs from time to time. It is usually money well spent, but just be aware of the possibility of assessments.

- **Schools:** We have approximately 1,500 students in our local public schools. The elementary school offers kindergarten through 4th grades. The Middle School and Junior High hold 5th through 8th grades. The High School has around 500 students. There are also several private schools and homeschooling is popular. Some addresses in the county may be assigned to the Ignacio or Bayfield school system based on geography, but this is rare.

Fire District: The fire district situation has been extremely positive and shows what can be done with cooperation between the town and county. Fire protection is expanding, but there are still areas that do not have fire protection. Make sure you ask. It will affect insurance rates. Also, look into a security system for your home, because some insurance companies may require that you have one installed, especially in more expensive homes. Most home insurance policies have a discount in place if you have a working, professionally monitored fire/security system.

Inspections: Caveat Emptor - "let the buyer beware": The principle that the buyer alone is responsible for checking the quality and suitability of goods before a purchase is made. When purchasing real estate, you have the right to inspect everything. This is your "due diligence" period of time. It is important and wise to take full advantage of this right before you close on a property rather than ending up in a legal battle afterward. Some want to cut corners and not spend the money on surveys and inspections. This is not a good idea. It could save you a great deal of stress and legal expense by spending the money and effort before the purchase is finalized. Here are a few of the different inspections you may wish to have performed.

Home Inspection: You will surely want a home inspection by a qualified Home Inspector. This almost goes without saying anymore, however, once in a while someone has second thoughts. Please have this inspection done. It will almost always turn up things you want to have fixed before you close.

Property Survey: The next inspection of equal importance is a survey of the property. Unless there has been a recent survey of the property, this is always a good idea. I personally would always have an Improvement Survey Plat done on any property I was purchasing. This will show you not only the location of the property and improvements exactly, but also verify the size of the property. The only possible exception may be the purchase of a condo where the land is held in common or a townhome where only the property directly under the building is transferred to you.

OWTS - On-Site Wastewater Treatment System: San Juan Basin Public Health (SJBPH) is the regulatory authority for on-site wastewater treatment system (OWTS) permitting in La Plata, Archuleta, and San Juan Counties, and the southwestern portion of Hinsdale County (by Williams Reservoir). SJBPH has regulated OWTS, also known as septic systems, since 1967. NOTE: As of Jan. 1, 2019, it is mandatory in all three counties to have most OWTS inspected prior to sale.

Other Inspections Available: There are many other inspections that could be done depending on the property and things that are important to you. Here are just a few to consider: well and septic system inspection or the suitability of vacant land for a septic system if applicable; inspection for radon gas, mold, lead-based paint, asbestos, and other toxic material; confirming the square footage of the home and/or property.

Legal Advice: Get legal advice on anything that you are unfamiliar with or have technical or legal questions about. The title is one example. We suggest you have your Colorado attorney inspect the title of the property before you close. These are a few of the things you should think about when making a real estate purchase. We will do our best to direct you in the right direction to get the professional advice you need.

--Jim Smith, Owner/Managing Broker
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