

**Markos Realty Trust  
v.  
Town of Londonderry**

**Docket No. 3560-86**

**DECISION**

A hearing in this appeal was held, as scheduled, on July 14, 1988. The Taxpayer was represented by John G. Markos and Louis G. Markos. The Town was represented by Howard Promer.

The Taxpayers appeal, pursuant to RSA 76:16-a, the assessment of \$571,300 (land, \$62,100; building, \$509,200) placed on its real estate, located on Industrial Drive for the 1986 tax year. The subject property consists of a 25,400 square foot industrial building on approximately two acres of land.

Neither party challenged the Department of Revenue Administration's assessment-sales ratio of 58 percent for the 1986 tax year for the Town of Londonderry. Based on that ratio the Taxpayers assessment equates to a market value of \$985,000 on April 1, 1986.

The Taxpayers argued valuation of the building was subject to interpretation as to what the Taxpayers considered machinery improperly taxed as real estate. The Taxpayers argued they installed five portable banana ripening compartments at a cost of \$200,000 and that these compartments and the

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compressors, condensers, evaporators and fans should be considered and valued as machinery, not real estate. The Taxpayers testified they had installed specialized pressure cooler machinery, which was bolted to the cement floor of the building. The Taxpayers argued the machinery had a single purpose of ripening bananas.

The Taxpayers also argued the machinery was really portable rooms made up of 4' x 12' panels, which could be easily removed and sold separately from the building. The Taxpayers further argued the portable rooms would be a detriment to the market value of the building if it was for sale.

The Town argued the Taxpayers applied for a building permit in 1986 for refrigeration rooms. The Town further argued the rooms were treated as fixtures much the same as walk-in coolers or freezers would be treated as fixtures. The Town's representative also argued the building could be sold as a banana ripening facility and that the rooms have value in place and as used.

The Town's representative testified the Director of the Property Appraisal Division of the State of New Hampshire Department of Revenue Administration had recommended treating the condensers, compressors and fans as equipment. The Town's representative testified the recommendation also was to use an area formula for determination of a value of equipment, which was \$34,880.

The Board finds the evidence and testimony indicate the building value is enhanced by the cooling rooms and that this value has market place recognition.

The Board also finds the machinery was improperly valued and assessed as real

property.

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For the above stated reasons, the Board rules that the proper assessment for the real estate for the 1986 tax year is:

Land	\$62,100
Building	<u>\$474,300</u>
Total	\$536,400

If the taxes have been paid, the amount paid on the value in excess of \$536,400 is to be refunded with interest at six percent per annum from date of payment to date of refund.

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

Anne S. Richmond, Esq., Chairman

George Twigg, III, Member

(Mr. Damour did not sit.)  
Raymond J. Damour, Member

Peter J. Donahue, Member

Date: December 22, 1988

I certify that copies of the within Decision have this date been mailed, postage prepaid, to John G. Markos, President, Markos Realty Trust, taxpayer; and the Chairman, Selectmen of Londonderry.

Michele E. LeBrun, Clerk

Date: December 22, 1988

