

Northeast Self-Storage, Inc.

v.

Town of Gilford

Docket No. 5512-88

DECISION

The "Taxpayer" appeals, pursuant to RSA 76:16-a, the "Town's" 1988 assessment of \$971,000 (land, \$200,600; buildings, \$770,400) on a 4.7-acre lot with four self-storage buildings and an office and manager's apartment (the Property). For the reasons stated below, the appeal for abatement is granted.

The Taxpayer has the burden of showing the assessment was disproportionately high or unlawful, resulting in the Taxpayer paying an unfair and disproportionate share of taxes. See RSA 76:16-a; Tax 201.04(e); Appeal of Town of Sunapee, 126 N.H. 214, 217 (1985). We find the Taxpayer carried this burden and proved it disproportionately taxed.

The Taxpayer's arguments were summarized in Taxpayer's Exhibit 2 ("Assessment Evaluation"). The Taxpayer argued, using the income approach, the correct assessment should be \$766,400.

The Town argued:

(1) the assessment was correct and supported by its comparable-sales method used in assessing the land and by the replacement-cost method used in assessing the buildings;

(2) the Taxpayer's explanation of the 12 percent capitalization rate was unsubstantiated; and

(3) the Taxpayer did not present any comparable sales.

The board's inspector inspected the property, reviewed the property tax card, and filed a report with the board. This report concluded the proper assessment should be \$888,650 (land, \$203,200; buildings, \$685,450). The inspector made the following adjustments to the Town's assessment:

(1) increased the land value; and

(2) recalculated the replacement costs, using the index for a steel structure rather than using the concrete-structure index used by the Town.

Based on the evidence, including the board's inspector's report, we find the correct assessment should be \$888,650 (land \$203,200 and building \$685,450). This assessment is ordered because:

(1) the Taxpayer's income approach supported a lower value; and

(2) the board inspector's use of a steel building index correctly reflected the proper building value since a developer/purchaser of the Property would only pay for the least expensive building cost and this would be for the steel buildings.

If the taxes have been paid, the amount paid on the value in excess of \$888,650 shall be refunded with interest at six percent per annum from date paid to refund date.

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

(Mr. Twigg did not sit)

George Twigg, III, Chairman

February 6, 1991

Peter J. Donahue

Paul B. Franklin

Ignatius MacLellan

I certify that copies of the within decision have been mailed this date, postage prepaid, to Gerry Prud'homme, representing the Taxpayer, and to the Chairman, Board of Selectmen, Town of Gilford.

Michele E. LeBrun, Clerk

February 6, 1991