

BEFORE THE STATE TAX APPEAL BOARD
OF THE STATE OF MONTANA

ESPLANADE OF CENTRAL)	
MONTANA, Inc.,)	
)	DOCKET NOS. : PT-1997-33
Appellant,)	PT-1997-34
)	PT-1197-35
-vs-)	
)	
THE DEPARTMENT OF REVENUE OF)	<u>ORDER</u>
THE STATE OF MONTANA,)	
)	
Respondent.)	

The above-entitled appeal was heard on November 2, 1999, in the City of Lewistown, in accordance with an order of the State Tax Appeal Board of the State of Montana (the Board). The notice of the hearing was given as required by law.

The taxpayer, represented by David A. Schlosser, president and Alice Ruckman, controller, provided testimony and evidence in support of the appeal. The Department of Revenue (DOR), represented by Chuck Pankratz, Region 2 Leader, and Pete Fontana, appraiser, presented testimony in opposition to the appeal. Testimony was presented and exhibits were received. The Board then took the appeal under advisement; and the Board having fully considered the testimony, exhibits and all things and matters presented to it by all parties, finds and concludes as follows:

FACTUAL BACKGROUND

- The property which is the subject of this appeal is described as follows:

PT-1997-33: Unit #115, Esplanade Condominiums, 410 7th Avenue South, Lewistown, Montana, Fergus County, State of Montana. Geo Code - 2467-15-4-43-01-115.

PT-1997-34: Unit #108, Esplanade Condominiums, 410 7th Avenue South, Lewistown, Montana, Fergus County, State of Montana. Geo Code - 2467-15-4-43-01-108.

PT-1997-35: Unit #116, Esplanade Condominiums, 410 7th Avenue South, Lewistown, Montana, Fergus County, State of Montana. Geo Code - 2467-15-4-43-01-116.

- The DOR appraised the condominium units and proportionate land as follows:

	<u>Land</u>	<u>Improvements</u>
PT-1997-33: Unit #115.	\$1,900	\$151,700
PT-1997-34 Unit #108	\$1,900	\$ 79,300
PT-1997-35 Unit #116	\$1,900	\$ 82,300

- The taxpayer appealed to the Fergus County Tax Appeal Board requesting the values be adjusted as follows:

	<u>Land</u>	<u>Improvements</u>
PT-1997-33: Unit #115.	\$1,300	\$135,000
PT-1997-34 Unit #108	\$1,300	\$ 68,000
PT-1997-35 Unit #116	\$1,300	\$ 65,000

- The Fergus County Tax Appeal Board denied the taxpayer's appeal and upheld the DOR's market values.
- The taxpayer appealed the Fergus County Tax Appeal Board's decision to the State Tax Appeal Board on December 12, 1997.

- The taxpayer appealed to the Fergus County Tax Appeal Board in 1997 on other Esplanade condominium units and the Board adjusted the improvement market values by 35%:

Unit #208

Bankruptcy, clouded titles, a leaky roof, a prolonged non-completion of the common area, etc, has caused a temporary drop in condo values. This Board is applying a 35 percent economic and functional depreciation to the 1997 reappraisal value on improvements. (Exhibit #1)

Unit #213

Bankruptcy, clouded titles, a leaky roof, a prolonged non-completion of the common area, etc, has caused a temporary drop in condo values. This Board is applying a 35 percent economic and functional depreciation to the 1997 reappraisal value on improvements. (Exhibit #1)

- The taxpayer contends the properties in the immediate appeal are affected by the same conditions as those properties that received the 35% reduction.
- After hearing testimony from the appellant, the DOR agreed to modify the market value for the subject improvements by 35%. Mr. Pankratz testified this 35% adjustment will be applied for tax years 1997, 1998 and 1999. If the pending legal actions and other circumstances affecting the market value of the subject properties change, the DOR will modify the market values accordingly.
- The taxpayer withdrew the appeal on the land valuations.

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ORDER

IT IS THEREFORE ORDERED by the State Tax Appeal Board of the State of Montana that based on the agreement between the parties, the market value for the subject properties is as follows:

	<u>Land</u>	<u>Improvements</u>
PT-1997-33: Unit #115	\$1,900	\$98,605
PT-1997-34 Unit #108	\$1,900	\$51,545
PT-1997-35 Unit #116	\$1,900	\$53,495

The decision of the Fergus County Tax Appeal Board is modified.

DATED this 4th day of November, 1999.

BY ORDER OF THE
STATE TAX APPEAL BOARD

GREGORY A. THORNQUIST, Chairman

(S E A L)

JAN BROWN, Member

JEREANN NELSON, Member

NOTICE: You are entitled to judicial review of this order in accordance with Section 15-2-303(2), MCA. Judicial review may be obtained by filing a petition in district court within 60 days after the service of this Order.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 4th day of November, 1999, the foregoing Order of the Board was served on the parties hereto by depositing a copy thereof in the U.S. Mails, postage prepaid, addressed to the parties as follows:

Esplanade of Central Montana, Inc.
4200 River Road
Bozeman, MT 59718-8557

Department of Revenue
Mitchell Building
Helena, Montana 59620

Department of Revenue
Fergus County
County Courthouse
Lewistown, Montana 59457

Department of Revenue
C/O Chuck Pankratz
300 Central Avenue
Suite 520
Great Falls, Montana 59401

John Lubinus
Chairman
Fergus County Tax Appeal Board
RR 1 Box 1688
Lewistown, Montana 59457

DONNA EUBANK
Paralegal