

Crumbling Foundation, Position of the Assessor

It was determined in the absence of a database of sales having crumbling foundations that a model would be created to estimate a percentage of value reduction based on the percentage of foundation deterioration. A chart was developed to provide guidance and consistency between towns and their assessors.

Value is estimated based on sales and not cost to cure. In the absence of crumbling foundation sales, the goal is to estimate the extent of concrete failure and apply a percent reduction to the overall improvement value. While this is not a perfect science, it does provide temporary tax relief to homeowners experiencing this dilemma.

The chart reflects various levels of deterioration. A ten percent reduction is made for any unit NOT having any evidence of foundation failure. This reduction reflects a negative market influence. The next levels are 20%, 40%, 60%, 75% and 100% if totally condemned. Each unit inspected has been assigned a percentage of reduction based on the visual inspection by the assessor or his designee.

It appears reasonable to conclude that a condominium complex having any crumbling foundation issues may have an overall negative value influence within the marketplace. Measuring this influence only comes from documented sales over time. At this stage, it is too early to rest on any other measurement other than the agreed chart that was used at inspection time.

As always, the homeowner has the right to appeal their value assessment if they believe it is unjust. Assessors do their very best to estimate value reductions, however the homeowner would have to provide more convincing evidence to the Board of Appeals to warrant a more substantial adjustment.

Appeal Process and deadlines:

Anyone, having obtained a Professional Engineer's report that identifies their foundation as defective, must submit an application to the assessor no later than December 31 to be considered for the October 1st Grand List of that year. Applications submitted after this date will be considered for the following grand list year. Applications are available online and in the assessor's office.

The time period for filing an application for the October 1, 2019 Grand List is January 1, 2019 through the deadline of December 31, 2019. Applications are online and in our office.

The argument that a property is worth nothing because the homeowner can't sell it is only that, an argument but that does not determine true market value. If the homeowner continues to use the property as its intended use as residential, then the utility and benefit do create value. If offered \$5,000 for their property, how many would actually sell?

In conclusion, the assessor has applied reasonable, fair and consistent practice in estimating market value for residential units having issues with crumbling foundations. The BAA is the next step followed by filing an appeal in superior court. The assessor must remain blind to economic conditions of homeowners or the town. Value is the issue for the assessor to address, not taxes.