

\$149,350. Taxpayer appeals the board's determination claiming the value should be further reduced to \$125,000.¹

In support of her opinion of value, taxpayer offered a sales comparison grid prepared by her attorney, Mr. Carmichael. The grid compares the subject property with three sales in her neighborhood. The first comparable property is located next to the subject property and sold in January 2000 for \$125,000. Mr. Carmichael adjusted the sale price down \$2,016 for size because the comparable is 42 square feet larger than the subject property. He based the adjustment on \$48 per square foot. The adjustment resulted in an indicated value for the subject property of \$122,984.

The second comparable sold in February 1998 for \$144,500. Because it is 274 square feet larger than the subject property, Mr. Carmichael adjusted the price down \$13,152. The adjustment resulted in an indicated value for the subject property of \$131,348.

The third comparable sold in September 1999 for \$145,000. Because it is 1,088 square feet larger than the subject property, Mr. Carmichael adjusted the price down \$52,224. He then increased the price \$7,263 (based on five percent of the comparable's improvement value) for a quality adjustment because the comparable is a class four minus structure. Finally, he adjusted the price up \$7,263 for age because the comparable was built in 1969. The adjustments resulted in an indicated value for the subject property of \$107,302.

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Based on the sales comparison grid, taxpayer claims the value of her home

¹ Taxpayer's Complaint alleges the value should be reduced to \$130,000. At trial, Mr. Carmichael requested that the Complaint be amended to request a value of \$125,000.

as of January 1, 1999, was no more than \$125,000.

COURT'S ANALYSIS

The court has reviewed taxpayer's evidence in some detail and, although it concludes a reduction in value is warranted, it does not conclude the value should be reduced to \$125,000.

The third comparable sale used by taxpayer has 2,614 square feet while the subject property has only 1,526 square feet. The court lends this sale little weight based on the large adjustment required for the improvement's size. The first comparable sale, at first glance, appears to be a strong indicator of the property's value because it is located next to the subject property. However, this property was foreclosed upon in September 1999 and sold by the mortgage company in January 2000 for \$125,000. Although a sale by a mortgage company does not de facto mean the sale is not an arm's length transaction, the court still must consider it in its evaluation. Furthermore, taxpayer testified that the comparable is not in as good of condition as her property and that the new owners are currently in the process of upgrading it for resale.

As for the second comparable sale, an adjustment for age was not made although it was built in 1971 and the subject was built in 1977. It is unclear to the court why an age adjustment for eight years difference was made to comparable three but not one for comparable two with six years difference.

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CONCLUSION

After considering taxpayer's unrebutted evidence and testimony, the court is

persuaded that the value of the subject property as of January 1, 1999, was \$137,500.

Now, therefore;

IT IS HEREBY ADJUDGED AND DECREED that the 1999-2000 real market value of the property identified as Account No. 293801 was \$137,500; and

IT IS FURTHER ADJUDGED AND DECREED that the assessor and tax collector of Lane County shall amend the 1999-2000 tax roll to reflect the value as decreed herein and refund the excess taxes paid, if any, to taxpayer with statutory interest.

Dated this _____ day of June, 2000.

COYREEN R. WEIDNER
MAGISTRATE

THIS DOCUMENT WAS SIGNED BY MAGISTRATE COYREEN R. WEIDNER ON JUNE 9, 2000. THE COURT FILED THIS DOCUMENT ON JUNE 9, 2000.