

IN THE OREGON TAX COURT
MAGISTRATE DIVISION
Property Tax

HI MAU and HANH Y TRAN,)	
)	
Plaintiffs,)	TC-MD 040667A
)	
v.)	
)	
MULTNOMAH COUNTY ASSESSOR,)	
)	
Defendant.)	DECISION

Plaintiffs appealed the assessment of their home, a residence identified as Account R177303, for the 2003-04 tax year. They appeared and made their arguments. Defendant was represented by Steve Blixt, of its staff.

I. STATEMENT OF FACTS

The property at issue is a new home at 15627 SE Bybee Dr. in Portland, Oregon, in the Hawthorne Ridge neighborhood. It has a gross living area of some 2,978 square feet, distributed over four bedrooms and two-and-a half baths. Its total real market value on the roll is \$314,290, with an exception value of \$50,700 and an assessed value of \$241,990. Plaintiffs contend that its real market value was \$262,530. The agreement between Plaintiffs and their builder states that the home was constructed at a cost of \$278,000.

Plaintiffs' presentation focused on two attributes of their home. First, was the basement; the other was quality. Plaintiffs reason that because their basement is unfinished, it did not substantially contribute to value. As for the quality of their home, Plaintiffs pointed out their residence lacks the hardwoods, tile, glass doors, and vacuum systems of houses such as that at 156856 SE Bybee Dr. Vaulted ceilings, stone, and walls with two-tone textures are features that Plaintiffs have seen as they toured open houses but do not have in their home.

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Other materials presented by Plaintiffs include a realtor's analysis that took three sales

DECISION TC-MD 040667A

and derived from them average list prices, average area, average selling price, and an average selling price per square foot. Plaintiffs also referenced a home at 15316 SE Bybee Dr., larger than theirs, which sold in April 2001 for \$268,712.

For its part, Defendant compared the subject property to three houses from Plaintiff's neighborhood which sold between February and April 2002, at unadjusted prices from \$269,900 to \$288,000. After adjusting for quality, room count, gross living area, and garage, Defendant opined that the value indicated for the subject property from those transactions was \$300,000. As for the basement, Defendant testified that for the year at issue, it valued the area as unfinished.

Plaintiffs also spoke of how the board of property tax appeals did not follow through on its statement that it would send an appraiser to inspect his property. Plaintiffs question whether that would call for their appeal being granted.

II. ANALYSIS

Plaintiffs referenced houses in their neighborhood, with more attractive features than their own, which sold for less than the value assigned to their home. However, this point only goes so far. What Plaintiffs did not include in their presentation was the point that their house is, at almost 3,000 square feet of gross living area, significantly larger than many in the neighborhood. Plaintiffs did not balance this element in their comparison, and so their proof on this point is unpersuasive.

More specific points came from Plaintiffs' use of sales described as comparable to their own. Plaintiffs used a realtor's analysis, from which averages were derived, and applied it to their house. This is a step in the right direction, but Defendant went even further to study three houses in Plaintiffs' neighborhood, and made specific adjustments for differences between those sales and the subject property. This is the preferred method. Plaintiffs also referred to sales, such as the transaction as to 5316 SE Bybee Dr. However, a reference to a sale, lacking

adjustments for the differences between the sale and the subject property, is also less persuasive than an appraisal. Plaintiffs' evidence carries less weight.

As for the remaining points, Plaintiffs will not prevail because the board of property tax appeals did not follow through on its stated intention of sending an appraiser to visit the home. This court has given careful attention to this matter, using multiple proceedings to both investigate the merits of the matter and to permit Plaintiffs to acquire the knowledge that would permit them to participate effectively. The depth of this inquiry is enough to cure any defect that might have occurred at an earlier proceeding. As to the degree the basement was finished, the evidence in this case shows the home was assessed according to Plaintiffs' claims.

The court understands Plaintiffs' situation. They are making a large house payment and there is a natural urge to reduce the accompanying property tax burden. However, the court cannot find the real market value of Plaintiffs' home is less than its recent costs to construct. The appeal is granted, but only to the extent of Defendant's evidence.

III. CONCLUSION

The conclusion of the court is that the real market value of the property as of January 1, 2003 was \$300,000.

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Now, therefore,

IT IS THE DECISION OF THIS COURT that the appeal is granted to the extent of
DECISION TC-MD 040667A

Defendant's evidence.

Dated this _____ day of December 2004.

SCOT A. SIDERAS
MAGISTRATE

IF YOU WANT TO APPEAL THIS DECISION, FILE A COMPLAINT IN THE REGULAR DIVISION OF THE OREGON TAX COURT, BY MAILING TO: 1163 STATE STREET, SALEM, OR 97301-2563; OR BY HAND DELIVERY TO: FOURTH FLOOR, 1241 STATE STREET, SALEM, OR. YOUR COMPLAINT MUST BE SUBMITTED WITHIN 60 DAYS AFTER THE DATE OF THE DECISION OR THIS DECISION BECOMES FINAL AND CANNOT BE CHANGED.

THIS DOCUMENT WAS SIGNED BY MAGISTRATE SCOT A. SIDERAS ON DECEMBER 15, 2004 . THE COURT FILED THIS DOCUMENT ON DECEMBER 15, 2004.