

Evidence to Support Your Opinion of Your Property's Value

In most residential appeals, the most reliable type of evidence to support your opinion of "fair market value" is the sale of properties similar to yours.

There are three basic methods used by appraisers to find the value of property: Comparable Sales of similar property approach; Replacement Cost less depreciation approach; and Income Approach. In most residential appeals, the most reliable type of evidence to support your opinion of "fair market value" is the sale of properties similar to yours. These are called "comparable properties."

Before you begin to gather evidence about comparable properties, you should gather information about your own property. Determine the age, building size(s), lot size, and so forth for your property first, and then compare that information with the assessor's information for your property. You can obtain information about your property by contacting the assessor's office.

The following information explains how to judge whether a sold property is comparable to your property.

COMPARABLE SALES

Comparable sales dated more than 90 days after the valuation date (also referred to as the lien date) cannot be admitted into evidence.

"Comparable sales" are sales of other properties that are similar to yours. Three different standards are used to judge the comparability of the properties you submit as evidence.

- Are the sales arm's-length open market transactions? "

Arm's-length open market transaction" refers to conditions surrounding the sale. Was the property exposed for sale on the open market? Was the property available for sale to anyone? Did the seller have to sell quickly? Was the property listed for sale with a Realtor? Did the buyer and seller know each other?

For example, a house sold between relatives may sell for less than if it were sold to someone the seller does not know. In that situation, a sale may not be an "arm's-length open market transaction."

- Are the properties physically similar to your property?

Elements used to measure the physical similarity include, but are not limited to, the following:

- Distance from your property
- Zoning
- The number of bedrooms and bathrooms
- Year built
- Size of improvement, such as a house — in square feet
- Lot size and other attributes — such as a view
- Miscellaneous improvements — pools, patios, and so forth
- Quality of construction
- Property condition — excellent, good, fair, or poor

- Are the comparable sales relevant for the valuation date of the property you are appealing?

By law, an appeals board may only consider comparable sales that have occurred no later than 90 days after the valuation date of your property that you are appealing (the valuation date is explained below). Comparable sales that occur well before or up to 90 days after the valuation date are acceptable, but sales closer to the valuation date will most likely be viewed by an appeals board as more reliable.

PROPERTY TAX COMPARISON WORK SHEET

	Your Property (Subject Property)	Sale #1	Sale #2	Sale #3
Property Address				
Distance from Subject Property				
Zoning				
Property Use				
Lot Size				
Lot Attributes (view, excess traffic, terrain, etc.)				
Living Area				
Garage Area				
Year Built				
Bedrooms/Bathrooms				
Central Heat	Y N	Y N	Y N	Y N
Air Conditioning	Y N	Y N	Y N	Y N
Other Improvements (pool, patio, porch, etc.)				
Property Condition				
Sale Date	/ /	/ /	/ /	/ /
Property Value	Assessed Value \$	Sale Price \$	Sale Price \$	Sale Price \$
\$ per Square Foot of Living Area	Assessed Value \$	Sale Price \$	Sale Price \$	Sale Price \$