Assessed Values and Property Taxes

The State of Oregon has provided for a unified system to assess real estate for property taxes. Assessment Districts are established on a county basis to assess real estate within the county. The appraised property falls under the taxing jurisdiction of the county and is subject to both general taxes and direct assessments.

Map ${mappage} – Tax Lots ${taxlot}, ${county}, State of Oregon.

Assessor Parcel Nos.: ${parcelarray}.

The subject property’s assessed values and total taxes including direct assessments are shown in the following table:

Real Property Assessment and Taxes

**Fiscal Tax Year ${assessedyear}**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Parcel**  **Number** | **Market**  **Land** | **Market**  **Imps.** | **Market**  **Total** | **Meas. 50**  **Assessed**  **Value** | **Annual**  **Taxes** |
| ${firstRow\_removeit} |  |  |  |  |  |
| ${parcelno} | ${landval} | ${impval} | ${totalval} | ${meas50} | ${taxes} |
| **TOTAL** | **${sumland}** | **${sumimp}** | **${sumtotal}** | **${summeas}** | **${sumtaxes}** |

The county sets the new fiscal tax year beginning each July 1, with no new taxes due until the following November 15. Note that Ballot Measure 50 passed in 1997 limits future property assessed value increases to no more than 3.0% per year, unless voter approved bonded indebtedness is incurred. Hence, the future taxes for the subject will most likely continue to increase, as they have over the last few years, but likely no more than 3.0% per year.

According to the County Tax Assessor’s Office, the subject’s property taxes for the most recent year are paid in full.

While the current tax year began July 1, 2019, the assessed values and tax liability have yet to be certified and reported. The first installment for real estate taxes will be November 15, 2019, and eligible for a -3.0% discount if paid in full by this date.

Additional LID Payment

Note that the county assessment records in the Addenda indicate that total tax liability cited above is divided between a base, ad valorem tax assessment of $2,128.61, plus and LID payment of $315.02. This local improvement district / LID payment has been ongoing since 2012, and recently increase in 2018.

National Historic Register / Tax Freeze

The subject was placed on the National Historic Register in 2015. This resulted in a 15-year Assessed Value freeze. This freeze commenced July 1, 2016 and expires June 30, 2031. The subject’s tax or millage rate will vary over the next 10 years; however, this should have little impact on the subject’s tax liability. As such, the subject’s current taxes of $16,290 (rounded) will likely remain frozen for the next 10 years. The Real Market Value continues to be reassessed; however, this does not affect the subject’s tax burden.

Stabilized Real Property Tax Liability Calculation

Our estimation of the real property taxes for the subject without the tax freeze is provided following, with the assessed value based on our concluded stabilized value, multiplied by the current ${assessedyear} change ratio of 54.13% for commercial properties in Multnomah County (stabilized fee simple value of $5,030,000 x 54.13% = $2,722,739). Finally, our estimation assumes a stabilized millage rate based on the current rate of $22.4618 per $1,000.

**Estimated Real Property Assessment and Taxes Without a Tax Freeze**

**Fiscal Tax Year ${assessedyear}**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Real**  **Property**  **Component** | **Assessed**  **Value** | **x** | **Millage Rate**  **Per $1,000**  **Assessed Value** |  | **Annual**  **Taxes** |
| **TOTAL** | **$2,722,739** |  | **$22.4618** |  | **$61,160 (R)** |