

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

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**Allen J. Shockley,**  
Petitioner-Appellant,

v.

**Black Hawk County Board of Review,**  
Respondent-Appellee.

**ORDER**

**Docket No. 10-07-0314**  
**Parcel No. 8712-25-466-004**

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On March 11, 2011, the above-captioned appeal came on for consideration before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. The appellant, Allen J. Shockley, was self-represented and requested the appeal take place without a hearing. The Black Hawk County Board of Review designated Assistant County Attorney David J. Mason as its legal representative. The Appeal Board now having examined the entire record, and being fully advised, finds.

*Findings of Fact*

Allen J. Shockley, owner of a residential property located at 607 1st Street, La Porte City, Iowa, appeals from the Black Hawk County Board of Review decision reassessing his property. The real estate was classified residential for the January 1, 2010, assessment and valued at \$161,920; representing \$12,870 in land value and \$149,050 in dwelling value. This value was the same as the 2009 assessment. Shockley protested to the Board of Review on the ground that there had been a downward change in the value of the property under Iowa Code sections 441.37(1) and 441.35(3). The Board of Review denied the petition.

Shockley then filed his appeal with this Board on the same ground. He contends \$72,500 is the property's actual value.

According to the property record card, the subject property consists of a two-story frame dwelling having a 1144 square-foot base, a full basement, and a one-story frame addition with 576 square feet. The dwelling was built in 1910, the additional was built in 1980 and has a 3-5 quality grade. The dwelling is situated on 0.169 acres.

Shockley stated on his protest form to the Board of Review and this Board that he paid \$72,500 for the subject property in November 2009. In his opinion the subject property's yard is unusable which lowers the value of the property. He also makes the claim that the subject property is in need of a new roof and supplied a roofing estimate for \$14,950. Shockley submitted evidence of the sales listing for the subject property and a copy of the Black Hawk County website parcel regarding the subject property's sale in November, 2009.

The Black Hawk County Board of Review did not supply any additional evidence other than the certified record. Although Black Hawk County did not produce evidence in support of its value, the evidence from the county website and the sale listing indicate the sale/purchase was from an exempt organization. This would potentially impact the sale price of the subject property making it abnormal and not arms-lengths. Iowa Code § 441/21(1)(b). As noted in the sales listing all proceeds go to Iowa Habitat for Humanity.

Reviewing all the evidence, we find the preponderance of evidence does not support Shockley's contention that there has been a downward change in value of the subject property.

### *Conclusions of Law*

The Appeal Board based its decision on the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal

Board determined anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.* 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sales prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

In a non-reassessment or "interim" year, when the value of the property has not changed, a taxpayer may challenge its assessment on the basis that there has been a downward trend in value. *Eagle Food Ctrs., Inc. v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 862 (Iowa 1993). The last unnumbered paragraph of Iowa Code section 441.37(1) and its reference to section 441.35(3) give rise to the claim of downward trend in value. For a taxpayer to be successful in its claim of change in value, the taxpayer must show a change in value from one year to the next; the beginning and final valuation. *Equitable Life Ins. Co. of Iowa v. Bd. of Review of the City of Des Moines*, 252 N.W.2d 449, 450 (Iowa 1997) The assessed value cannot be used for this purpose. *Id.* Essentially, it is not enough for a taxpayer to prove the last regular assessment was wrong; such a showing would be sufficient only in a year of regular assessment. *Id.* at 451.

Shockley failed to prove by a preponderance of evidence that the subject property has had a change in value. We think it is clear from the wording of section 441.21(1)(b) that a sales price for the subject property in a normal transaction just as a sales price of comparable property is a matter to be considered in arriving at market value but does not conclusively establish that value. A sales price in an abnormal transaction is not to be taken into account unless the distorting factors can be clearly accounted for. *Riley v. Iowa City Board of Review*, 549 N.W.2d 289, 290 (Iowa 1996). Although the sale price is significantly less than the assessment and suggests a downward change in value, there is no evidence that the distorting factors were clearly accounted for.

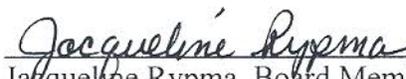
Therefore, we affirm the Shockley property assessment as determined by the Board of Review. The Appeal Board determines that the property assessment value as of January 1, 2009, is \$161,920.

THE APPEAL BOARD ORDERS that the January 1, 2009, assessment as determined by the Black Hawk County Board of Review is affirmed.

Dated this 10 day of May 2011.

  
Richard Stradley, Presiding Officer

  
Karen Oberman, Board Member

  
Jacqueline Rypma, Board Member

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Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>5-10</u> , 2010.	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
Signature	<input type="checkbox"/> Certified Mail
	