

PROPERTY ASSESSMENT APPEAL BOARD
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

PAAB Docket No. 2015-091-01177R

Parcel No. 48-120-15-0042

Michelle Clauson,

Appellant,

v.

Warren County Board of Review,

Appellee.

Introduction

This appeal came on for written consideration before the Property Assessment Appeal Board (PAAB) on September 16, 2015. Michelle Clauson was self-represented and asked her appeal be considered without hearing. County Attorney John Criswell is legal representative for the Warren County Board of Review.

Clauson is the owner of a residential property located at 808 West Boston Avenue, Indianola. The subject property was constructed in 1961 and is a one-story, brick dwelling with 1266 total square feet of living area, a full-unfinished basement, and a 504 square-foot attached brick garage. The dwelling is listed in normal condition and with average construction quality (Grade 4+05). It is situated on a 0.223-acre site.

The property's January 1, 2015, assessment was \$143,600, allocated as \$21,300 in land value and \$122,300 to dwelling value. Clauson's protest to the Board of Review claimed there was an error in the assessment. Clauson's statement however, essentially claimed the property was assessed for more than authorized by law under Iowa Code section 441.37(1)(a)(1)(b). The Board of Review denied the protest. Clauson then appealed to PAAB.

Findings of Fact

Clauson asserted her property was over assessed based on a recent appraisal she had done for refinancing purposes. According to Clauson's statement, the appraisal was completed in March 2015 and valued the property at \$137,000. The certified record included a cover letter prepared by Holly Springer of Springer Appraisal Services, Inc., Waukee. The cover letter affirms Clauson's statements and indicates Springer opined a property value of \$137,000. The cover letter further notes that Springer also previously appraised the subject property in 2013 for mortgage lending.

In reviewing the assessment history, we note that Clauson's 2013 assessment was approximately 10% higher than her purchase price that year. Likewise, the 2015 assessment, which was a reduction from 2013, is roughly 6% higher than Springer's appraised value, as shown:

Subject	2013	2015
Assessed Value	\$148,900	\$143,600
Purchase Price	\$135,000	-
Appraised Value	-	\$137,000
Ratio	110%	105%

Even though these comparisons could be construed to support Clauson's claim of over-assessment, the full appraisal was not submitted into evidence. Without the full report, PAAB is unable to determine whether the sale properties were sufficiently comparable to the subject property, whether the sales were normal, arm's-length transactions, and/or whether the adjustments Springer made to the sales were reasonable to reliably conclude the subject's fair market value.

The Assessor's Office also provided a list of five "Comps" in the certified record. The chart included information relating to the property's age, grade, style, square feet, and their sales prices and assessments. In the chart, a sales ratio was also calculated. The ratio was determined by dividing the total assessment by the sales price of the individual property. We note Clauson's 2013 sale price was compared to her 2015 assessment in the study.

Address	Sq Ft	Bas Fin SF	Total AV	Sale Price \$	AV /PSF	Sale \$/ SF	Sales Ratio
Subject	1266	0	\$143,600	\$135,000	\$113.43	\$106.64	1.06
1100 N D St	1107	500	\$140,200	\$152,000	\$126.65	\$137.31	0.92
802 Ashland Ave	990	750	\$126,500	\$138,000	\$127.78	\$139.39	0.92
101 S F St	744	No Bas	\$ 95,300	\$100,000	\$128.09	\$134.41	0.95
804 Scott Felton Rd	1498	625	\$193,400	\$190,000	\$129.11	\$126.84	1.02
512 W Girard Ave	1320	850 W/O	\$179,800	\$155,000	\$136.21	\$117.42	1.16

The assessments ranged from 8% below sale price to 16% above the sale price, and Clauson's is within this range. We further note Clauson's property had the lowest assessment per-square-foot (\$113.43) of the selected sales.

Conclusions of Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2015). PAAB 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). PAAB considers only those grounds presented to or considered by the Board of Review, but determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. §§ 441.37A(1)(a-b). New or additional evidence may be introduced, and PAAB 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). However, the taxpayer has the burden of proof. § 441.21(3). This burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Richards v. Hardin County Bd. of Review*, 393 N.W.2d 148, 151 (Iowa 1986).

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. § 441.21(1)(b). Market

value essentially is defined as the value established in an arm's-length sale of the property. *Id.* Sale 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 to determine market value then "other factors," such as income and/or cost, may be considered. § 441.21(2).

In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(1)(b), the taxpayer must show: 1) the assessment is excessive and 2) the subject property's correct value. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995).

The subject property's 2013 sale price and 2015 appraisal cover letter tend to suggest Clauson's property may be slightly over-assessed. However, Clauson did not submit the full appraisal report and without it or other supporting evidence, we cannot conclude the appraisal reliably reflects the property's fair market value.

Conversely, the assessor's assessment/ sales ratio study using properties that appear comparable to the subject support the assessment at a high level.

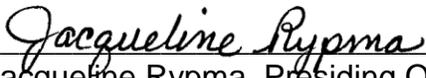
Ultimately, Clauson's limited evidence failed to establish the subject property was over-assessed.

Order

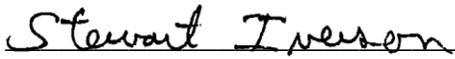
IT IS THEREFORE ORDERED that the Warren County Board of Review's action is affirmed.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2015). Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action. Any judicial action challenging this Order shall be filed in the district court where the property is located within 20 days of the date of this Order and comply with the requirements of Iowa Code sections 441.38; 441.38B, 441.39; and Chapter 17A.

Dated this 12th day of October, 2015.



Jacqueline Rypma, Presiding Officer



Stewart Iverson, Board Chair



Karen Oberman, Board Member

Copies to:

Michelle Clauson

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Brian Arnold