

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

PAAB Docket No. 2015-077-00856R

Parcel No. 311/00305-749-226

Michael Heine,  
Appellant,

v.

Polk County Board of Review,  
Appellee.

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This appeal came on for consideration before the Property Assessment Appeal Board (PAAB) on December 18, 2015. Michael Heine was self-represented and requested his appeal proceed without hearing. Assistant County Attorney Christina Gonzalez represented the Polk County Board of Review.

Heine is the owner of a residential, one-story home located at 2413 NE Beaverbrooke Boulevard, Grimes. The home was built in 2009 and has 1707 square feet of living area. It also has a full walkout basement with 1290 square feet of living-quarter finish, a deck, an open front porch, a patio and an attached three-car garage. The site is 0.362-acres.

The property's January 1, 2015, assessment was \$301,300, allocated as \$68,700 in land value and \$232,600 in dwelling value. Heine protested to the Board of Review claiming the property was assessed for more than the value authorized by law and that there was an error in the assessment under Iowa Code sections 441.37(1)(a)(1)(b & d). The Board of Review denied the petition, and Heine appealed to PAAB. He believes the correct assessment is \$280,000.

## Findings of Fact

The gist of Heine’s claim is that he cannot believe the value of his home increased \$25,000 since the last assessment. He asserts there have been no additions to the property in the past year and no significant changes in the neighborhood. Heine further notes the 2015 assessment is well above what he paid for the property in 2009. The Board of Review notes that Heine purchased the property in November 2009 for \$259,190; however, the purchase price did not reflect basement finish, which occurred after the sale. (Ex. B).

Heine’s letter to the Board of Review listed two properties he believes demonstrate his property is over assessed. He states that 2513 N Beaverbrooke Boulevard has an assessed value of \$362,400, yet is listed for sale at \$334,900. Additionally, he asserts that 2404 NE Destination Circle has an assessed value of \$329,200, but “sold in September for \$310,000.” We assume the sale date was 2015. Heine did not submit any other information about these properties, and we are unable to determine if they are sufficiently similar for comparison. Moreover, he did not adjust the sales or list prices to arrive at an opinion of fair market value for his property.

On appeal to PAAB, Heine listed six additional properties.

Address	2015 AV
2401 NE Destination Cr	\$293,200
7509 NW 97th Ct	\$279,400
2401 NE 8th St	\$266,900
2405 NE 11th St	\$291,600
2504 NE Beaverbrook Blvd	\$265,900
2308 NE Beaverbrook Blvd	\$263,000

Heine did not provide any other information about these properties; therefore, we are unable to determine if they are sufficiently similar to his property or require adjustments for differences. Moreover, there is no indication any of these properties have recently sold to use as sales comparables in arriving at an opinion of market value.

The Board of Review reports that at least two to the properties Heine submitted do not have any basement finish. (Ex. B).

Heine also asserts there is an error in the amount of basement finish listed on his assessment. He claims the reported finish area of 1290 square feet is incorrect; and that the correct amount of basement finish is 1075 square feet. He did not provide any photographic evidence or floor plans to support his assertion.

The Board of Review submitted Board of Review Comments (Ex. B) explaining that at the time the property was being constructed, the staff appraiser recognized the basement was being prepared to be finished at a later date and took measurements of the area. Moreover, it notes that in January 2012 a staff appraiser with the Assessor's Office spoke with the property owner and confirmed the dimensions as well as the anticipated completion date of the basement finish. It submitted Exhibit A as documentation of the amount of finish, as well as the progress of completion.

The Board of Review's certified record also included a summary of five properties that were adjusted for cost differences, which the Board of Review presumably relied on in its decision.

Address	Sale Price	Sale Date	Adjusted Sale Price
Subject	N/A	N/A	N/A
2509 NE 12th St	\$278,000	Apr-14	\$298,000
2404 Destination Cr	\$310,000	Sep-14	\$285,000
2309 NE 12th St	\$295,000	Mar-13	\$332,400
2201 NE 12th St	\$278,460	Mar-13	\$312,860
1112 NE Silkwood Ct	\$242,000	Jul-14	\$296,400

All of the properties are one-story homes built between 2005 and 2012. The subject's assessed value of \$301,300 is within the adjusted range of \$285,000 to \$332,000. It is slightly higher than the median adjusted sale price of \$298,000 but below the average of roughly \$305,000.

### **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. § 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.* "Sales prices of property in abnormal transactions not reflecting market value shall not be taken into account, or shall be adjusted to eliminate the effect of factors which distort market value, including . . . foreclosure or other forced sales." *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 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).

Heine submitted the addresses and asserted assessed values of eight properties; however, he did not provide any detailed information about the properties such as year built, size, style, quality, condition, or amenities. Thus, PAAB cannot determine if the properties are sufficiently similar for comparison. Moreover, there is no information regarding sales prices or sale dates of the properties, and no adjustments

for differences to determine a fair market value of the subject property as of the assessment date.

Heine also contends there is an error in his assessment under section 441.37(1)(a)(1)(d). An error claim is not limited solely to clerical or mathematical errors, but includes other claims. Iowa Admin. Code r. 701-71.20(4)(b)(4). Heine asserts the amount of basement finish is incorrectly listed. However, he does not provide any evidence such as photographs or sketches to support this assertion. Moreover, the Board of Review submitted documentation that the Assessor's Office has previously measured anticipated finished areas and confirmed the measurements and completion of the finish. (Ex. A). Because Heine believes the amount of finish is incorrectly reported, we urge him to request an interior inspection to measure the basement finish and ensure its accuracy for the next assessment cycle.

Based on the foregoing, we find Heine has not met his burden of establishing the property is over-assessed or that there is an error in the assessment.

## Order

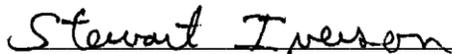
IT IS THEREFORE ORDERED that the Polk County Board of Review's action is affirmed.

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 22nd day of January, 2016.



Karen Oberman, Presiding Officer



Stewart Iverson, Board Chair



Jacqueline Rypma, Board Member

Copies to:

Michael Heine

Christina Gonzalez