

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

PAAB Docket No. 2015-106-00081R

Parcel No. 07-14-179-014-00

Daniel L. and Carol M. Bohl,  
Appellants,

v.

Mason City Board of Review,  
Appellee.

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**Introduction**

This appeal came on for written consideration before the Property Assessment Appeal Board (PAAB) on December 10, 2015. Daniel and Carol Bohl were self-represented. Attorney Tomas Meyer, Meyer Law, Mason City represented the Mason City Board of Review.

The Bohls are the owners of a residential, one-story home located at 1259 Moonstone Court, Mason City. The home was built in 2005 and has 1988 square feet of living area. It also has a full basement with 1317 square feet of average living-quality finish, a deck, an open front porch, and an attached three-car garage. There is also a detached utility shed on the 0.758-acre site.

The property's January 1, 2015, assessment was \$258,670, allocated as \$48,100 in land value and \$210,570 in dwelling value. The Bohls protested to the Board of Review claiming the assessment was not equitable as compared with assessments of other like property under Iowa Code section 441.37(1)(a)(1)(a).

The Board of Review denied the petition, and the Bohls appealed to this Board. They believe the correct assessment is \$246,036.

## Findings of Fact

The Bohls assert the assessment of their property is inequitable compared to five neighboring properties. The following chart summarizes the information they submitted to the Board of Review.

	2015 Assessed Value	GLA (SF)	AV/SF
Subject	\$258,670	1988	\$130.12
1267 Moonstone Ct	\$243,490	1744	\$139.62
1191 Onyx Ct	\$242,220	1965	\$123.27
1431 Garnet Ct	\$247,860	1920	\$129.09
1275 Moonstone Ct	\$238,680	2128	\$112.16
1136 Onyx Ct	\$250,010	1647	\$151.80

We note the record indicates all of the comparable properties are similar one-story homes, built between 2005 and 2008, with 1647 to 2128 square feet of above-grade living area (GLA). (Ex. A). However, the properties vary in the amount and quality of basement finish; and the subject's site is larger than the comparables. Moreover, none have recently sold nor did the Bohls submit an estimate of the fair market value for the properties. This information is necessary to develop an assessment/sales ratio analysis to support an equity claim.

According to the Assessor Comments written on behalf of the Board of Review, the Bohls did not provide any other information about these properties as part of their petition. In reviewing the properties, the Board of Review noted that 1191 Onyx Court did not have any basement finish compared to the subject, which has 1317 square feet of average living-quarter finish. For this reason, it did not consider this property sufficiently similar. Likewise, it found the basement finish of 1275 Moonstone Court was significantly inferior with only 620 square feet of rec-room quality finish. These disparities would explain why these two properties set the lower-end of the assessed value per square foot range.

The Board of Review believes the assessed value per square foot of the Bohls' remaining comparable properties, ranging from \$129.09 to \$151.80, demonstrates that the subject's assessed value per square foot of \$130.12 is equitable.

The Bohls appeal to PAAB questions why two properties on their street have lower assessed values than their property, when the 2006 purchase prices of those properties were higher than their 2006 purchase price.

	Sale Price (SP)	2015 Assessed Value (AV)	% Difference between 2015 AV and 2006 SP
Subject	\$252,000	\$258,670	2.65%
1267 Moonstone Ct	\$257,000	\$243,490	-5.26%
1275 Moonstone Ct	\$255,000	\$238,680	-6.84%

The Bohls assert in their appeal that the property at 1267 Moonstone Court sold for \$257,000 in 2006, and base their calculations from that sale price. However, the certified record indicates this property sold for \$250,000. This would change the percentage difference between the assessed value and 2006 sale price from -5.26% to -2.60%.

Although we recognize Bohls' primary concern is that the 2015 assessment for these properties are lower than their 2006 sales prices, there is insufficient information to explain what other elements may be contributing to these differences.

The Board of Review submitted five properties it considered comparable for an equity analysis. (Ex. B). All of the properties are similar style, age, size, and have approximately similar grades and basement finish. The following chart is a brief summary of these properties.

	GLA	2015 Assessed Value	AV/GLA
Subject	1988	\$258,670	\$130.12
1280 Moonstone Ct	1950	\$250,990	\$128.71
1267 Moonstone Ct	1744	\$243,490	\$139.62
1211 Moonstone Ct	1790	\$244,390	\$136.53
1243 Moonstone Ct	2015	\$267,850	\$132.93
1401 S Louisiana Ave	1796	\$243,390	\$135.52

The Board of Review asserts these properties are more comparable to the subject and notes it relied on one property (1267 Moonstone Court), which the Bohls also submitted. Like the Bohls' equity comparables, none of these properties sold in 2014, and the Board of Review did not provide an opinion of market value to produce an assessment/sales price ratio analysis.

Lastly, the Board of Review submitted a summary explanation of the residential reappraisal that took place for the January 1, 2015 assessment. (Ex. C). It notes there was no city-wide flat percentage increase or decrease to the assessed values, but rather sales ratios were computed for each map area.

Additionally, we also note the certified record includes market value comparables that the Board of Review may have relied on in its decision. However, we do not find it necessary to recite this information because the Bohls did not raise a claim of over assessment.

### **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).

To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shivers*, 257 Iowa 575, 133 N.W.2d 709 (Iowa 1965). The six criteria include evidence showing

"(1) that there are several other properties within a reasonable area similar and comparable . . . (2) the amount of the assessments on those properties, (3) the actual value of the comparable properties, (4) the actual value of the [subject] property, (5) the assessment complained of, and (6) that by a comparison [the] property is assessed at a higher proportion of its actual value than the ratio existing between the assessed and the actual valuations of the similar and comparable properties, thus creating a discrimination."

*Id.* at 711. The *Maxwell* test provides that inequity exists when, after considering the actual and assessed values of comparable properties, the subject property is assessed at a higher proportion of this actual value. *Id.* The *Maxwell* test may have limited applicability now that current Iowa law requires assessments to be at one hundred percent of market value. § 441.21(1). Nevertheless, in some rare instances, the test may be satisfied.

The Bohls offered five properties they considered comparable to theirs for an equity analysis. There is no information in the record indicating any of these properties has recently sold or any information about their market values. This information is necessary to establish inequity in the assessment.

While the Bohls also assert other properties similar to theirs have lower 2015 assessed values than their 2006 sale prices, there is not enough information in the record for PAAB to draw any conclusions regarding these properties and their assessments.

Lastly, The Bohls did not assert that the Assessor failed to uniformly apply an assessing method to similarly situated or comparable properties.

For the foregoing reasons, the Board finds that the Bohls failed to show their property is inequitably assessed as compared to like properties.

### **Order**

IT IS THEREFORE ORDERED that the Mason City Board of Review's action is affirmed.

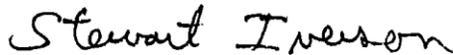
This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2015). Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will 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 6th day of January, 2016.



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Karen Oberman, Presiding Officer



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Stewart Iverson, Board Chair



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Jacqueline Rypma, Board Member

CC:

Daniel and Carol Bohl

Tomas Meyer