

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

PAAB Docket No. 2018-007-10020R

Parcel No. 8912-32-477-088

Tobin Dickinson,

Appellant,

vs.

Black Hawk County Board of Review,

Appellee.

Introduction

This appeal came on for written consideration before the Property Assessment Appeal Board (PAAB) on November 8, 2018. Tobin Dickinson was self-represented. Attorney Michael Treinen represented the Black Hawk County Board of Review.

Tobin Dickinson owns a residential property located at 166 Feldt Avenue, Evansdale, Iowa. The subject property's January 1, 2018 assessment was set at \$57,550, allocated as \$17,990 in land value and \$39,560 in dwelling value. (Ex. A).

Dickinson petitioned the Board of Review contending the property was assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2) (2018). The Board of Review modified the assessment to \$41,440, allocating \$17,990 to land value and \$23,450 to dwelling value.

Dickinson then reasserted his over assessment claim to PAAB.

General Principles of Assessment Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2018). 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 may consider any grounds under Iowa Code section 441.37(1)(a)(1-5) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code Rule 701-71.126.2(2-4). PAAB 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). 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).

Findings of Fact

The subject property is a 0.232-acre site with a one-story home and two-car detached garage, both built in 1950. The home has 924 square feet of gross living area, an enclosed porch, and a 264 square foot basement. It is listed as below-average-quality construction (5+10 grade) and in poor condition. (Ex. A).

Dickinson purchased the subject property for \$31,000 in July 2017. He argues it was an arm's-length transaction as defined by Iowa Code section 441.21(b)(1). He noted the subject property had been listed for sale for more than 225 days, plus it had sat vacant for two to three years prior to his purchase. (Appeal). He further noted that no direct communication occurred between the buyer and the seller as both relied on real estate agents for the transaction.

Dickinson explained that after his purchase he spent \$490 replacing broken windows, missing vents, and damaged water pipes. He contends the subject property's correct value is \$31,490; the total of his purchase price plus the cost of repairs.

The Board of Review offered the subject property's record card and a letter from Black Hawk County Assessor TJ Koenigsfeld. In his letter, Koenigsfeld noted the subject's sale was coded as a foreclosure sale, which his office does not consider a normal arm's length transaction. (Ex. D). The D12 sales condition code (NUTC) on the subject property's record card support's Koenigsfeld's statement that the sale was a forced sale. (Ex. A). See *also* IOWA DEP'T OF REVENUE, SALES CONDITION CODES FOR CONTRACT AND DEED SALES EFFECTIVE 8/31/15 available at <https://tax.iowa.gov/sites/files/idr/documents/Sales%20Condition%20Codes.pdf> (last visited Dec. 5, 2018).

Analysis & Conclusions of Law

Dickinson contends the subject property is over assessed.

In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2), 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).

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.* Conversely, sale prices of abnormal transactions not reflecting market value shall not be taken into account, or shall be adjusted to eliminate the factors that distort market value, including but not limited to foreclosure or other forced sales. *Id.*

Dickinson offered no recent sales of comparable properties and instead argued the subject property's actual value is its July 2017 sale price plus the cost of his subsequent repairs, or \$31,490. However, it appears the subject property sold as the result of foreclosure. As noted above, such transactions shall not to be taken into account, or the sale price needs to be adjusted to eliminate distortion in market value, which Dickinson did not do. Typically, market value is demonstrated with a competent

appraisal or a comparative market analysis, considering at minimum the sales comparison approach to value.

Viewing the record as a whole, we find Dickinson failed to demonstrate the subject property is over assessed.

Order

PAAB HEREBY AFFIRMS the Black Hawk County Board of Review's action.

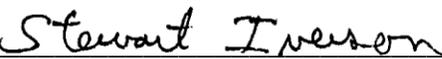
This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2018).

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 30 days of the date of this Order and comply with the requirements of Iowa Code sections 441.37B and Chapter 17A.19 (2018).



Camille Valley, Board Member



Stewart Iverson, Board Chair



Karen Oberman, Board Member

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Black Hawk County Board of Review by eFile