

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

PAAB Docket No. 2017-051-00625R

Parcel No. 10-02-101-008

**Seth Miller,**

Appellant,

**vs.**

**Jefferson County Board of Review,**

Appellee.

---

**Introduction**

This appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on April 17, 2019. Seth Miller was self-represented. Attorney Brett Ryan represented the Jefferson County Board of Review.

Seth and Diana Miller own a residential property located at 2021 Libertyville Road, Fairfield. The property's initial January 1, 2017 assessment was set at \$440,500, allocated as \$47,600 in land value and \$392,900 in dwelling value. (Ex. A).

Jefferson County subsequently received an equalization order from the Iowa Department of Revenue, requiring 7% increases to the 2017 assessed values of all residential properties in the County. As applied to the subject property, this resulted in an assessment of \$471,300, allocated as \$50,900 to land value and \$420,400 to dwelling value. (Ex. A). Miller petitioned the application of the equalization order to the Board of Review. (Ex. C). The Board of Review denied the petition. (Ex. B).

Miller then appealed to PAAB.

## General Principles of Assessment Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2017). 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).

## Findings of Fact

The subject is a one-story, brick home built in 2008. The property record card lists the subject with 1701 square feet of gross living area and 1344 square feet of living-quarter quality finish in the walk-out basement. There is an open porch, a three-season porch, a deck, and a heated three-car attached garage with a basement area. The property also has geothermal heating. It is listed in normal condition with a 1-05 superior-quality grade. A 10% functional obsolescence adjustment was applied to the improvements. Additionally, there is an unused and exposed 17' by 27' concrete foundation for a lap pool to the rear of the home. The site is 3.73 acres. (Ex. A).

The Millers purchased the subject property in January 2014 for \$475,000 but assert their property is not worth this much as of January 1, 2017. Although not part of this appeal, the Millers purchased an adjoining 1.67-acre site to the east of the subject property in 2016. Seth Miller testified that he believes the purchase price of the

adjoining lot was roughly \$20,000, and he reported its 2017 assessment was \$19,700. (Ex. 4). No documentation was submitted to confirm the sale price of this parcel.

The parties each submitted an appraisal in support of their positions. The Millers' appraisal was completed by Linda Dearborn of Dearborn Appraisal Company, Fairfield, and has an effective date of June 2017. (Ex. 6). The Board of Review submitted an appraisal completed by Tim Brecount of Village Residential Appraisal Services, Keosauqua, presumably with an effective date of January 2014. (Ex E).<sup>1</sup>

Based on these appraisals, the gross living area, basement size, and basement finish may be under reported on the property record card. (Ex. 6 & E). Additionally, based on comments and photographs in the appraisals, it appears the assessment does not include a large patio to the rear of the home. The following table summarizes these features of the subject property as reported by the Assessor's Office (Ex. A) and the appraisals. (Exs. 6 & E).

Exhibit	Gross Living Area	Basement Size	Basement Finish	Patio
A	1701	2601	1344	None
6	2037	3227	2003	Patio
E	1887	2463	1477	Patio

We first address the Brecount appraisal. The Brecount appraisal was completed for mortgage purposes when the Millers purchased the subject property in January 2014. Brecount concluded an opinion of value of \$475,000 for the property at the time of sale. (Ex. E).

Seth Miller was critical of this appraisal asserting market conditions have changed since that time and it does not reflect the market value of the subject property as of January 1, 2017. He testified that when they purchased the subject property, there were no other listings of similar properties but there were numerous buyers, resulting in higher sales prices. Since 2014, Seth asserts the market has changed, and his property is no longer worth what he paid for it. In response, the Board of Review noted that

---

<sup>1</sup> We believe the effective date is an error and it should have been January 2014 because the appraisal was based on a December 2013 contract date; it also and relied on uses sales that occurred between May and August 2013.

Brecount identified the subject's market as having a balance of supply and demand with stable property values. (Ex. E, p. 1). Moreover, the Board of Review noted three years later, the Millers' Dearborn appraisal identifies the market area as still having a balance of supply and demand and stable property values. (Ex. 6). Seth did not submit any evidence to support his contention that the market has declined since he purchased the subject property.

Because the sales occurred in 2013 and the record indicates more recent comparables are available, we do not believe the Brecount appraisal reflects the subject's market value as of the January 1, 2017 assessment date. However, we find no reason to conclude that the market has declined, as Miller asserts.

The Millers' Dearborn appraisal values the subject property and adjoining site together, a total site size of 5.40 acres, at \$450,000 as of June 2017. Seth Miller asserts the correct value of the subject property is \$430,300. He arrived at this conclusion by subtracting the 2017 assessed value of the adjoining site from Dearborn's conclusion of value. Although he believes the subject property's value is \$430,300, Seth seeks to have the 2017 assessment reduced to its pre-equalization order assessment of \$440,500. See *PAAB Order Granting Motion for Partial Summary Judgment*, Feb. 22, 2018.

Dearborn developed the sales comparison approach and relied on five sales in her analysis, which are summarized in the following table. Dearborn indicates she had difficulty finding comparables sales stating, "There have been very few recent sales, listings or pending sales of rural homes that are truly comparable to the subject in size, quality and overall market appeal." (Ex. 6, Supplemental Addendum).

Address	Sale Date	Sale Price	Actual Age	Site Size (Acres)	Gross Living Area	Adjusted Sale Price
Subject			9	5.40	2037	
1 - 2216 Kingwood Ct	Jun-17	\$495,000	17	2.33	3182	\$474,500
2 - 1110 Louden Dr	Mar-17	\$345,000	25	1.14	2842	\$384,550
3 - 2531 Oasis Blvd	Oct-16	\$395,000	17	22.25	2472	\$360,450
4 - 407 Heatherwood Cr	Sep-16	\$395,000	36	0.81	4269	\$391,760
5 - 2312 Walton Lake Dr	Listing	\$379,000	8	0.37	1674	\$391,390
6 - 1503 S Maple St	Listing	\$420,000	11	4.31	1690	\$419,840

Dearborn's adjusted values range from approximately \$360,000 to \$475,000. Four of the comparable properties have adjusted values less than \$400,000. Dearborn acknowledged the wide adjusted range of value, yet provided no meaningful analysis for her final opinion of value of \$450,000 from within this range.

Comparables 5 and 6 were reported as active listings at the time of Dearborn's June 2017 opinion of value, but Comparable 6 was actually a pending sale as of May 2017. (Ex. 8).

Comparables 1, 4, and 6 are two-story homes compared to the subject's one-story design. Dearborn did not acknowledge whether the market recognizes differences in the style of the properties nor did she identify or report that this dissimilarity did not require adjustment. (Exs. 8-9).

Seth Miller testified that Comparable 1 is his neighbor and located immediately west of his property. In his opinion, this is the best comparable because of its location, but it is a two-story house which he believes explains why it has the highest adjusted value. Dearborn made the least adjustments to Comparable 1, indicating it is most comparable to the subject, and gave Comparable 1 the most consideration in her conclusion of value. We note its adjusted value supports the subject's equalized assessed value. Dearborn reported it as having 3182 square feet of gross living area and an actual age of 17 years, but its property record card indicates it has 3860 square feet of gross living area and an actual age of 22 years. (Ex. 9). Additionally, the property record card indicates it has an in-ground pool, which Seth confirmed, yet Dearborn did not report or account for this amenity.

Diana Miller, who is also an attorney, testified she was aware of a 2018 appraisal of Comparable 1 that she obtained as part of a case she was handling. The appraisal was not submitted as evidence.

Jefferson County Assessor Steve Wemmie testified he was familiar with Comparable 1 and had inspected the exterior. Generally, he believes the quality of this house is not what people expect to offset its issues, noting it is listed with a grade of 1-10. He stated it had rotted windows, lesser quality stone veneer, and he was aware of some Realtor notes indicating the master bath was “all black” including black fixtures.

The Board of Review was critical of some of Dearborn’s adjustments to the sales. Wemmie noted her age adjustments appear arbitrary or she makes no adjustment for these differences. We note Dearborn indicated adjustments were necessary for only Comparables 2 and 3. (Ex. 6). The Board of Review pointed out that Dearborn’s site size adjustments appeared to be artificially low at roughly \$2000 an acre for excess land. Seth Miller testified that he purchased the adjoining 1.67-acre site for \$20,000, which may provide support for the Board of Review’s contention that Dearborn under adjusted for this feature.

The Board of Review was also critical that Dearborn listed Comparable 4 as having no basement area and made no adjustment for it lacking this feature. The only adjustment she did make was an upward \$10,000 adjustment for lacking basement finish, which equates to roughly \$5.00 per square foot for this amenity.

The Board of Review questioned Dearborn’s adjustments for basement finish and gross living area, which were \$5 and \$20 per square foot respectively. These adjustments, particularly the basement finish, appear abnormally low for a property of this size and quality. Along with a description of the basement on the property record card, interior photographs of the subject property’s basement finish in Dearborn’s appraisal report indicate it has high quality finish that includes three bedrooms and two bathrooms. (Ex. 6). Additionally, Dearborn determined a cost new of nearly \$74,000 for an unfinished basement and \$80,000 cost new for basement finish, deck, and porch area. (Ex. 6, p. 3, Cost Approach to Value). Failing to make any adjustment for the lack of a basement (Comparable 4) and adjusting basement finish at \$5.00 per square foot

does not appear to be reasonable. Applying incorrect basement finish adjustments, in this case, would result in an artificially low adjusted value for the comparable properties.

Similarly, we question several of Dearborn's other adjustments, such as those made for bathroom and garage amenities, both of which appear abnormally low for this quality of property.

We also note that despite including the adjoining lot in her appraisal, which sold only a few months prior, she did not report or analyze the transaction as required under the UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP)<sup>2</sup>. Additionally, although technically outside of USPAP reporting guidelines, Dearborn did not provide any analysis of the prior sale of the improved subject site. As a result, we are unable to reconcile how she concluded a lower opinion of value for the subject property than its somewhat recent sales price, in a market that she concluded was stable.

Dearborn also concluded a value of \$488,765 by the cost approach, but she gave it no weight in her conclusions. She provided no explanation for excluding it from consideration. Seth Miller testified that in his opinion, the cost approach is not an appropriate method for valuing homes in Jefferson County due to a limited number of builders, contractors, and supplies resulting in inflated costs to construct. Miller explained he was personally aware of several people who have custom built homes with costs consistently being higher than the homes' appraised value.

Both Seth and Diana Miller testified about the proximity of their property to the waste management disposal facility, which is directly across the street and in the immediate view from their front yard. The road in front of their home experiences heavy truck traffic from the facility and there is also a substantial amount of daily commuter traffic with speeds higher than the posted limit. (Ex. 6, Subject Photos Street View & Air Photo). Diana also testified that constant noise from the traffic and trucks diminishes the tranquility and enjoyment that she believes most residential properties owners expect.

---

<sup>2</sup> USPAP is the generally recognized ethical and performance standards for the appraisal profession. USPAP requires the appraiser to "analyze all sales of the subject property that occurred within the three (3) years prior to the effective date of the appraisal." USPAP 2016-2017 EDITION, SR 1-5(a).

Lastly, the Millers believe a vacated pool foundation in their backyard negatively impacts the value of their property. (Ex. 6, Subject Photos Pool Foundation). Seth explained the 3-foot-deep concrete foundation was installed by the previous owners, and contained a free-standing swim spa that has since been removed. Diana testified the pool foundation is a safety hazard for their small children and pets. They both acknowledged these conditions existed prior to their decision to purchase the subject property. However, Diana testified they intended to purchase the swim spa, so in her opinion this has been a changed condition as it would not have been a vacant foundation.

We note that neither Brecount nor Dearborn commented on the waste disposal facility's proximity or its impact on the subject property's value; nor did they address the pool foundation and whether it impacts the property's value. Dearborn specifically stated in her appraisal that "no functional or external obsolescence was noted." (Ex. 6, p. 9).

Diana Miller also testified about another development where she and Seth had purchased a lot with the intent to build. After receiving construction quotes with costs to build between \$750,000 and \$800,000 they made the decision to purchase the subject property instead. The Board of Review noted that if construction costs were prohibitive, this would drive demand for existing homes. Diana testified she was unaware of how that may impact the marketability of existing homes but does believe there is a shortage of housing in the Fairfield market. Typically, a shortage of supply would result in higher prices for that product. For this reason, it would appear that Diana's testimony conflicts with Seth's earlier testimony that there has been a decline in property values since 2014.

In further support of their claim, the Millers submitted several multiple listing sheets of Fairfield properties that were for sale in 2016-2017 with list prices ranging from roughly \$340,000 to \$650,000. (Ex. 8). The Millers also submitted 2017 sales of properties located in Fairfield. (Exs. 7 & 9). The Millers believe the assessed value per square foot of their property is the highest in the County.

Seth testified about each of the properties and any knowledge he had of them, noting he was familiar with several because they were purchased by work colleagues. These sales had an average sale price per square foot of \$154.47 compared to the subject's assessed value of \$277.07 per square foot. He noted the sale price per square foot of each property as all less than his total assessed value per square foot. The Millers did not adjust any of the sale prices to account for differences between the comparable properties and the subject property to conclude an opinion of market value. Based on these properties, Seth Miller asserts his property is over assessed because its assessed dwelling value per square foot is the highest. Seth believes the sale price per square foot for Sale 4 (\$163.44) is inflated because of its superior location on Walton Lake. Wemmie testified that this property was inferior in quality of construction compared to the subject property.

Wemmie further noted that Sale 3 was a court-ordered sale. (Ex. 9). He also believes Sales 5 and 6 were of inferior quality compared to the subject property. He had limited information on Sale 7 but noted it is 17 years older than the subject property. Overall, Wemmie believes all of these properties are inferior to the subject property and for this reason are not comparable.

Seth also submitted a list of fourteen one-story homes with basements that he asserted have very similar characteristics to the subject property. (Exs. 7 & 10). He reports the 2017 assessed dwelling value of these properties range from \$99.22 to \$183.40 per square foot, with an average assessed dwelling value per square foot of \$142.28. Comparatively, his dwelling is assessed at \$247.15 per square foot. In Seth's opinion, these properties should be considered for his over-assessment claim because they are required to be assessed at market value.

Wemmie provided a brief history of his professional background and qualifications as an Assessor, and explained his role with the Board of Review. Seth asked Wemmie about his opinion of appraiser Linda Dearborn. Wemmie testified that he has not engaged Dearborn for residential assignments but he has seen examples of her work product. Based on the appraisal reports he has seen, he does not believe Dearborn's work product is an accurate reflection of market actions. For example, he

does not believe she correctly valued the excess land associated with the Millers' adjoining parcel. Additionally, he believes she failed to apply adequate due diligence when reporting factual information about the subject property and comparable properties.

Wemmie testified that residential property values in Fairfield have increased overall since 2014. He cites two equalization orders for Jefferson County that support this opinion that the market has been increasing. An equalization order is issued by the Department of Revenue when sale ratios indicate properties are assessed below market value. Wemmie testified that Jefferson had a 13% equalization order in 2015 and a 7% equalization in 2017.

Seth was critical of Wemmie and asserted the subject property's variation in assessed values over the years diminishes the credibility of the assessments because Iowa law requires the assessments reflect market value. Focusing on the original 2017 assessment, Wemmie explained that sales were analyzed as part of the overall assessment process, but he did not provide any other details of this analysis. Wemmie also recited features of the subject property which were considered in the valuation as part of the cost approach.

Wemmie stated the 2014 sale price of the subject property was an arm's length transaction and he believes it reflects the market value of the subject as of January 1, 2017. Seth noted that despite Wemmie's testimony the original 2017 assessed value was set at \$440,500.

Miller questioned Wemmie about the subject property's grade (quality of construction) rating. Wemmie explained the January 1, 2017 grade was listed as 1-05. (Ex. A, p. 1). Wemmie acknowledged that prior to him becoming the Assessor, he worked in the Assessor's office as an appraiser and in 2015 he was directed to change the grade of the subject property from E-05 to 2-05. (Ex. A, p. 7). Wemmie was unable to identify when the subject's grade was changed to its current rating, but he speculated it may have been in 2016 for the 2017 assessment.

The Board of Review also submitted five recent sales, summarized in the following table that it believes are comparable to the subject property. (Ex. D).

Address	Date of Sale	Sale Price	Year Built	Gross Living Area	Basement Finish	Site Size (Acres)	County
1 - 2631 Salem Rd	Nov-17	\$540,000	2005	2077	1800	11.26	Henry
2 - 7860 Monroe	Mar-16	\$400,000	2004	2295	1200	2.50	Wapello
3 - 7695 215th Ave	Sep-16	\$400,000	2009	1870	1200	9.50	Wapello
4 - 21757 110th St	Mar-18	\$545,000	2015	2220	1400	8.17	Des Moines
5 - 5548 Fairway Dr	Jun-18	\$570,000	2011	2206	1650	0.51	Des Moines

Jefferson County is located between Wapello and Henry County; Des Moines County is east of Henry County. Miller was critical of these comparables, in part, because they are located outside of Jefferson County. However, it is not required that comparable properties are located in the same taxing jurisdiction for the determination of market value. *Bartlett & Co. Grain v. Bd. of Review of City of Sioux City*, 253 N.W.2d 86, 94 (Iowa 1977); *Carlton v. Bd. of Review of City of Clinton*, 572 N.W.2d 146, 150 (Iowa 1997) (indicating comparable sales need not necessarily be located in the assessor's geographical area in determining market value). But their location is a matter to be considered in evaluating their comparability. *Soifer v. Floyd Cnty. Bd. of Review*, 759 N.W.2d 775, 783 (Iowa 2009).

We note that none of the properties were adjusted for differences between them and the subject property to conclude an opinion of value. However, the sale prices of \$540,000 to \$570,000 suggest there is a demand for high quality homes in similarly situated rural counties.

Lastly, the Millers noted that over 150 protests were filed with the Jefferson County Board of Review challenging the 2017 equalization order. (Ex. 13-1). The Board of Review made no adjustments to any of the protested properties.

### **Analysis & Conclusions of Law**

Miller asserts the equalization order results in an over assessment of his property.<sup>3</sup>

---

<sup>3</sup> To the extent the Millers contend their assessment is inequitable, PAAB's review of the application of the equalization order is limited to a determination of whether the

Assessors are to value property in accordance with the forms and guidelines contained in the real property appraisal manual produced by the Iowa Department of Revenue. § 441.21(1)(h). Every two years, “[t]he department shall adjust to actual value the valuation of any class of property as set out in the abstract of assessment when the valuation is at least five percent above or below actual value as determined by the department.” § 441.47.

In an appeal challenging the application of an equalization order, the claim is essentially that the valuation “will result in a greater value than permitted under section 441.21.” *First State Bank v. Bd. of Review of Monroe Co.*, 424 N.W.2d 441, 443 (Iowa 1988). Any adjustment by PAAB to the assessment “shall not exceed the percentage increase provided for in the department’s equalization order.” § 441.49(4).

In Iowa, property is assessed for taxation purposes following Iowa Code section 441.21. Iowa Code subsections 441.21(1)(a-b) require property subject to taxation to be assessed at its actual value, or fair market value. *Soifer*, 759 N.W.2d at 778. “Market value” is defined as the fair and reasonable exchange in the year in which the property is listed and valued between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and each being familiar with all the facts relating to the particular property. § 441.21(1)(b). In determining market value, “[s]ales prices of the property or comparable property in normal transactions reflecting market value, and the probable availability or unavailability of persons interested in purchasing the property, shall be taken into consideration in arriving at market value.” *Id.* Using the sales price of

---

equalization order causes the subject property to be assessed for more than the value permitted by section 441.21. Section 441.21 does not speak to the residential assessment equity issue the Millers raised. Even if PAAB were to consider an equity argument, the Millers failed to demonstrate inequity under the applicable legal tests set forth in Iowa law. The Millers have made no showing the Assessor is applying a non-uniform assessment method to like property. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860 (Iowa 1993). And because we conclude the Millers failed to offer credible, persuasive evidence of the subject’s actual market value, we would necessarily find they have not satisfied the requirements of showing inequity under *Maxwell v. Shivers*, 133 N.W.2d 709 (Iowa 1965). (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 its actual value.)

the property, or sales of comparable properties, is the preferred method of valuing real property in Iowa. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 398 (Iowa 2009); *Soifer*, 759 N.W.2d at 779 n. 2; *Heritage Cablevision v. Bd. of Review of Mason City*, 457 N.W.2d 594, 597 (Iowa 1990).

At hearing, Seth raised concerns about alleged issues with his assessment, including the grade, that preceded the 2017 valuation in an attempt to discredit Wemmie's testimony and the 2017 valuation itself. Further, Seth questioned the Board of Review's decision to deny all protests challenging the application of the 2017 equalization order.

Regardless of whether Wemmie's testimony is found credible or not, the Millers bear the burden of proof in this action and our scope of review is limited to the Millers' property alone. § 441.21(3). Although we operate under no presumption the assessment is correct, the Millers must show the application of the equalization order results in an assessment that exceeds the subject property's value as permitted under section 441.21. § 441.37A(3); *First State Bank*, 424 N.W.2d at 443. Thus, we now examine the evidence to determine if the Millers have met their burden.

The Millers purchased the subject property for \$475,000 in 2014. That sales price supports the current assessment. Seth contends the market has declined since he purchased the property, but we find no evidence in the record to support Miller's opinion that the market has declined since 2014. Notably, two appraisals in the record completed in 2014 and 2017 both indicate a stable market with a balance of supply and demand.

Market value is commonly demonstrated through appraisals of a subject property. In this case, each party submitted an appraisal. The Brecount appraisal has an effective date of January 2014 and relied on 2013 sales. Because the sales occurred in 2013 and the record indicates more recent sales were available we do not give the Brecount appraisal any weight in determining whether the subject property is over assessed as of the January 2017 assessment date.

The Dearborn appraisal, which concludes a market value of \$450,000 as of June 2017, includes an additional site that is not part of this appeal. Seth contends the

subject property's value can be determined by subtracting the assessed value of the adjacent parcel from Dearborn's conclusions. However, we note, Dearborn does not give nearly this much value to additional acres in her own analysis, and we find no support for Seth's method.

Further, while Dearborn's inclusion of the adjoining site gives us pause, our reluctance to rely on this appraisal is not isolated solely to that problem. After reviewing Dearborn's analysis, we find it riddled with reporting errors related to the subject and comparable properties, several adjustments do not appear to be reasonable or supported, and it lacks sufficient analysis to persuade us that the conclusions can be relied upon. For these reasons, we do not find Dearborn's analysis a reliable or persuasive opinion of the subject property's value as of January 1, 2017.

The Millers also submitted a listing of sales comparables and assessed comparables located in Fairfield. (Ex. 7, 9, 10). Without addressing the actual comparability of these properties to the subject, we note the Millers did not adjust the sales for differences between them and the subject to arrive at an opinion of value as of January 1, 2017. Rather, Seth compared the sales price per square foot and the assessed dwelling values per square foot of these properties to the subject. In his opinion, because his property's dwelling value has the highest assessed value per square foot, he must be over assessed.

There are legal and factual flaws with this analysis. First, the record has demonstrated that the subject's living area is likely incorrectly listed on the property record card. Thus, relying on the square footage reported on the property record card may lead to inaccurate results. Second, the majority of properties the Millers rely on are larger than the subject (even considering the incorrectly reported square footage). Common appraisal methodology states that, all else being equal, smaller properties will have a higher value per-square-foot than larger properties. APPRAISAL INSTITUTE, THE APPRAISAL OF REAL ESTATE 585 (14th ed. 2013); INT'L ASSOC. OF ASSESSING OFFICERS, PROPERTY ASSESSMENT VALUATION 249 (3rd ed. 2010). Based on Millers' reported figures, the majority of his comparables are larger than the subject. Extracting a per-square-foot value from larger properties and applying it to the subject is not consistent

with appraisal practice. Lastly, and most importantly, simply comparing assessed values is insufficient to demonstrate the market value of the subject property under Iowa law. The Millers' method does not account for the amount and quality of basement finish, the age of the property, or amenities such as exterior finish, outbuildings, garages, decks, and patios. All of these factors would influence the assessed value of the dwelling.

The Board of Review also submitted recent sales. Like the Millers' comparables, none of the sales were adjusted for differences that exist between them and the subject property to conclude an opinion of value.

Viewing the record as a whole, we find the Millers failed to sufficiently prove the property's actual fair market value as of January 1, 2017. Accordingly, we are not persuaded they have shown the equalization order results in an assessment greater than authorized by section 441.21.

### **Order**

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

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2017).

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.



---

Karen Oberman, Board Member



---

Elizabeth Goodman, Board Member



---

Dennis Loll, Board Member

Copies to:

Seth Miller by eFile

Brett Ryan for Jefferson County Board of Review by eFile