

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

PAAB Docket No. 2019-070-10005R

Parcel No. 1330202020

Ronald Henderson,

Appellant,

vs.

Muscatine County Board of Review,

Appellee.

Introduction

This appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on December 16, 2019. Ronald Henderson was self-represented. Muscatine County Assessor Randy Spies represented the Board of Review.

Ronald and Kathy Henderson own a residential property located at 5820 63rd Avenue W, Muscatine. Its January 1, 2019, assessment was set at \$133,300, allocated as \$25,410 in land value and \$107,920 in dwelling value. (Ex. A).

Henderson petitioned the Board of Review and selecting the area on the form reserved for a claim that there was an error in his assessment under Iowa Code section 441.37(1)(a)(4). However, his written statement clearly asserted the subject property was assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2). (Ex. C), The Board of Review denied the petition. (Ex. B).

Henderson then appealed to PAAB reasserting his claim of over assessment.

General Principles of Assessment Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2019). PAAB is an agency and the provisions of the Administrative Procedure

Act apply. § 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) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code Rule 701-126.2(2-4). New or additional evidence may be introduced. *Id.* 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 the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted).

Findings of Fact

The subject property is a one-story home built in 1982. It has 1008 square feet of gross living area; a full, unfinished basement; a deck; and a two-car attached garage. The home is listed in normal condition with a 4+00 grade for average quality material and workmanship. There are also two additional detached garages on the property built in 1987 and 1991, each with 1080 square feet of building area. In addition to physical depreciation, 30% and 40% obsolescence adjustments were applied to the garages due to their condition and lack of electricity. The site is 1.16 acres. (Ex. A). A 25% obsolescence was applied to the site's assessment due to its sandy soil and the lack of irrigation.

Henderson testified his home was cheaply built and has had no repairs or improvements to justify the increases in assessed value in each of the last four years. He cited to hail damage to his siding that has not been repaired, cracks in his unfinished basement, and a leaky garage. He also asserts that nearby subdivisions have newer

streets than his. Lastly, Henderson stated a neighbor has multiple vehicles in his yard, which negatively affects the value of his property.¹

He referred to a friend's home near his that has had new siding, a new roof and deck, and a new pole building added, yet still has a lower assessment than his property. He believes this property is superior to his home. He acknowledged this property had not recently sold. Henderson believes his property is worth \$126,000 and expressed concern with County spending and his rising taxes.

Henderson did not submit any additional evidence.

Spies testified that in preparing for the 2019 assessment, his office reviewed 130, 2018 residential property sales in Muscatine County. The review indicated an average assessment-to-sale-price ratio of 92%. A ratio below 100% indicates that properties are assessed for less than actual value. Assessments were subsequently raised 9%, on average. Henderson's property assessment increased by 7.5%. (Ex. B).

Spies noted the subject property's grade reflects some of the quality factors that Henderson noted in his testimony. Spies considers a 4-grade house is very average. He indicated the garages are also valued giving consideration to the lack of electricity and poor roofs. He described the neighborhood as a more rural setting with larger lots. In Spies' opinion Henderson could sell his home for more than the assessed value.

The Board of Review submitted six properties it reviewed in support of its decision, which sold between 2014 and 2017. The properties are generally similar in size, but all are older than Henderson's property. His property has the largest lot and also has larger/more detached garages than any of the comparables. These properties' assessments ranged from \$107,160 to \$121,780. Considering Henderson's lot is the largest, his property is the newest, and he has more detached garage space than any of the comparables it appears reasonable that his assessment would set the high end of the range of these properties.

The Board of Review also submitted another eight properties in Henderson's subdivision that sold between 2015 and 2018 with sale prices ranging from \$64,292 to

¹ These are the same descriptions Henderson gave to PAAB in his appeal of his January 1, 2017, assessment. *Henderson v Muscatine Cnty. Bd. of Review*, PAAB Docket No.2017-070-10033R (February 7, 2018).

\$192,500. (Ex. B). Most of the properties were one-story homes in the subject's subdivision and had similar age and site size compared to the subject property. The only 2018 sale was located at 5821 63rd Avenue W and sold for \$192,500. This property is 400-square-feet larger than the subject property, listed as a 4+10 grade, and is in above-normal condition. Its 2019 assessment is \$194,850. Henderson asserts this property is not comparable to his. We would agree that the property is superior to the subject, and that is reflected in its higher sales price and assessment.

Analysis & Conclusions of Law

Henderson asserts the subject property is assessed for more than the value authorized by law, as provided under Iowa Code section 441.37(1)(a)(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. *Soifer v. Floyd Cnty. Bd. of Review*, 759 N.W.2d 775, 780 (Iowa 2009) (citation omitted).

Simply comparing assessments is not sufficient to prove over assessment.

Henderson did not submit any evidence of the subject property's fair market value as of January 1, 2019. Typically, this evidence is a competent appraisal or comparative market analysis or at minimum recent sales of comparable properties adjusted for differences between them and the subject property. We understand Henderson's concern that the value of his property continues to increase; however, based on the limited evidence in the record, it appears that nearby properties are continuing to sell for more than their assessments, which would tend to support an increase in assessed values in area. Without evidence of lower, adjusted sales to support his contention that his property is over assessed, and viewing the record as a whole, we find Henderson has failed to prove his claim.

Order

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

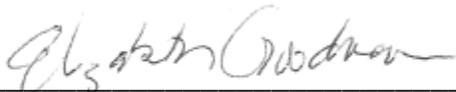
This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2019).

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)(2019).



Karen Oberman, Board Member



Elizabeth Goodman, Board Member



Dennis Loll, Board Member

Copies to:

Ronald Henderson
5820 63rd Avenue W
Muscatine, Iowa 52761

Muscatine Board of Review by eFile