

2012 PROPERTY ASSESSMENT

APPEAL HEARING

ASSISTANCE HANDBOOK

FOR USE IN

ALLEGHENY COUNTY

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* **BACKGROUND**

This Handbook was prepared by attorney Kenneth R. Behrend. For five years, from January 1996 through December of 2000, Mr. Behrend served on the Allegheny County Board of Property Assessment Appeals and heard thousands of appeals. His area of practice of law is in property assessment appeals, litigating claims against insurance companies, personal injury and consumer rights.

- * This Handbook was prepared to help you win your Property Assessment Appeal. Since there is much misinformation concerning the assessment appeal process, this Handbook was prepared to clear the confusion and to shed light on the appeal process. The information contained herein is based upon observations from handling thousands of appeals. Also, provided herein is current information on how the assessed value on your property was supposedly determined. Additionally, provided are sample forms to guide you and help in organizing your presentation of your appeal. Presenting your appeal in an organized manner assists the hearing examiner to understand your appeal, and why the assessed value is inaccurate.

TIP: Most importantly, please note that there are two halves to your assessment appeal. The first is to establish your fair market value. The second is to make sure that the data collected on your property and set forth on your Property Record Card (kept by the County) is accurate. The data on your Property Record Card is important since that data is used to calculate your market value for taxation purposes. If you do not correct the data now, every time a reassessment is done, you will have to appeal because the County's computer will use the wrong data in determining your market value.

TIP: This Handbook provides you with information and sample forms that are generally unavailable to the public from the Office of Property Assessment. This information is critical to your Assessment Appeal. Also, this information should help you have a better understanding of how the value was set on your property. Knowledge is power!

TIP: At your Assessment Appeal Hearing is not the time to be overly proud of your house! You should be fair in your evaluation and presentation, but present the property in a light most favorable to yourself to win your appeal. Since the appeal hearing is an adversarial process, the burden is on your shoulders to prove your case. Do not expect the Hearing Examiner to help you win your appeal.

TIP: If you do not want to do the work to determine the fair market value on your property, hire a Certified Appraiser to perform an appraisal of your property value. However, an appraiser will only do the work necessary for the valuation part of your appeal. To correct any errors on your Property Record Card - also known as the Residential/Rural Review Document, you must still review your Property Record Card and determine what errors were made and present that information at the Assessment Appeal Hearing.

* **NEW 2013 ASSESSMENT VALUE**

- * You should have received a Notice of Assessment Change Form from the Office of Property Assessment. On this Form you will find the following information for your property. You will need this information to complete the Appeal Application Form:
 - * Block and Lot Number
 - * Total Market Value
 - * Land and Building Value

* **PROPERTY OWNER APPEAL FORM**

- * You can obtain an appeal form from the Office of Property Assessment, Customer Service Center, (412)350-4600, 3rd Floor County Office Building, or you can download a copy from the Allegheny County Website. The Application Form is to be filled out and returned to the Office of Property Assessment. If you mail in the Application Form there is a chance that it will get lost. **Always keep a copy of anything that you send or provide to the Office of Property Assessment.**
- * You must provide the Block and Lot Number. It can be obtained from the Change of Assessment Notice, the tax bill, County Website or call Assessment Office at (412)350-4600.
- * “Location of Property” is the address of the property that is under Appeal
- * “Information on Agent or Representative,” if you have an Agent representing you, this is for the Agent representing you to complete. If not, leave blank.
- * You must sign and date the Form.

* **DOCUMENTS YOU SHOULD REQUEST FROM THE COUNTY**

- * Property Record Card also known as the Residential/Rural Review Document

You should request the Property Record Card from the Office of Property Assessment, located on the third floor of the County Office Building on the corner of Forbes Ave. and Ross St. in downtown Pittsburgh. Phone number (412)350-4600. The Property Record Card must be picked up at the Office. Since they are public records, anyone can pick one up on your behalf. Also, you can request the information for any property in Allegheny County. It can be of assistance to get copies of Property Record Cards for the properties you consider comparable in value to your property.

A review of your Property Record Card is essential to winning your appeal. It forms the basis of how the New Assessed Value was assigned by the County computer to your property. Therefore, The information contained on your Property Record Card is a the heart of how the assessed value is determined for your property. You will be at a great disadvantage at your appeal hearing, if you do not get a copy of your Property Record Card and review it in detail

prior to the appeal hearing.

You should verify that the data on your property is accurate. Many errors were found on these cards, everything from the wrong amount of square footage to the incorrect inclusion of items that your property does not actually have, yet adds value to the property.

TIP: If the Property Record Card is inaccurate, during your Appeal Hearing you should bring this fact to the attention of the Hearing Examiner. List each error in writing and provide a copy at the Appeal Hearing to be placed in the record. **ALWAYS KEEP A COPY OF ANYTHING YOU PROVIDE, FOR YOUR OWN RECORDS.** This information is used to determine your Assessed value.

Again, it must be stressed that your Property Record Card is extremely important to you and a review of it may greatly increase your chance of winning your Assessment Appeal. The other forms included herein will help you understand the Property Record Card.

TIP: Please note that the information contained on the County's Real Estate Website is only about 35% of the information that is contained on your Property Record Card. Therefore, it is imperative that you obtain a copy of your Property Record Card.

* **INFORMATION YOU SHOULD GATHER FOR YOUR APPEAL HEARING**

* Property Record Card on your property can be obtained from the Office of Property Assessment, third floor of the County Office Building. (412)350-4600.

TIP: You should gather information on at least three similar properties in your neighborhood that sold in the last three years. (Five are recommended, if possible).

Some sources of recent sales of comparable properties are as follows:

- * A Local Realtor
- * The Real Estate Multi-List for Western Pennsylvania
- * Newspapers
- * Websites which contain property sales information
 - a. www.realtor.com
 - b. www.trulia.com
 - c. www.zillow.com
 - d. www.county.allegheny.pa.us (then click on Real Estate Website)
 - e. www.triblive.com
 - f. www.post-gazette.com

TIP: It is highly recommended to take photographs of your property and home and the comparable properties/homes in order to show the Hearing Examiner they truly are comparable properties. "A picture is worth a thousand words."

TIP: At the hearing, when you are showing the photographs of the your home and the comparable homes, **ALWAYS START WITH YOUR HOME FIRST**. In order for the Hearing Examiner to determine if the other homes are comparable, he/she needs a reference point, which is your home. Also, if you do not show a picture of your home, it creates the appearance that you might be hiding something, which hurts your credibility.

An organized presentation is very helpful to the Hearing Examiner in reaching a favorable decision. Since the hearing rooms are small, (you sit across a desk from the Hearing Examiner), you can mount your pictures on a poster board, or affix them to sheets of paper, with the address and block and lot number of the properties at the top of the page. You should also include your name and address on each page, so copies that are left with the Hearing Examiner can be kept with your appeal file.

TIP: Take pictures of any internal or external problems with your home and show them in an organized fashion during the Appeal Hearing. You should bring a copy to be left with the Hearing Examiner to be placed in your Appeal file. The photos should be labeled and identified with your name and address. If you are going to leave a copy, it is recommended to affix the photos onto sheets of paper and label each one with you name and address, the room in your home and the problem shown in the photo (where it is not self-evident).

- * Review your home for any problems which should be repaired or replaced
 - * Internal or External
 - * If possible, get repair estimates: bids or price quotes for the items that need to be repaired or replaced
 - * Take photographs of the problems
 - * Some typical examples of types of problems that will decrease the value on the house

* Foundation cracked	* Old wiring
* Water Damage to Ceiling	* Leaky basement
* Old kitchen or bathrooms	* Driveway crumbling
* Mold	* Flooding of property

* **THE APPEAL HEARING**

- * The Appeal Hearing rooms are small and typically you will sit across a desk from the Hearing Examiner. The Hearing Examiner tape records the hearing and will “swear you in” at the beginning of the hearing asking you “to tell the truth.” After you are sworn in, a review of the information on your property will be done. At this time you will want to point out any errors on your Property Record Card.
- * There might be an assessor at the hearing, though unlikely. If there is an Assessor, ask if the Assessor reviewed your property. If yes, then ask for the Assessor’s Report on your property prepared for the Appeal Hearing. Chances are none exists, but you

should check in case there is a report, it may be very helpful to you. If provided check for accuracy of information on the Assessor's Report.

- * If no Report is provided, and an Assessor is present, ask the assessor:
 - * Did the assessor see my house?
 - * Does the Assessor know anything about the value of my house?
 - * Does the Assessor have a C.P.E. License (Certified Pennsylvania Evaluator)?

- * If there is no Assessor present, which is most likely, then provide the Hearing Examiner with information as to why you should have your assessment reduced:
 - * Review Property Record Card errors and how they affect the value
 - * Sales Comparables of recent sales of similar homes
 - * Show pictures and estimates for repair (if any)
 - * Explain problems with your home that hurt value
 - * Explain problems with neighborhood which hurt value e.g. increased traffic, noise, pollution, construction, crime, etc.

- * Typically, there will be an attorney present representing either the school district or local municipality. They may ask you questions about your property and neighborhood. Do not expect them to help you. After they are done questioning you, they may present information to support the value assigned to your house. This information could include a copy of your deed, or information regarding other sales which they believe are of similar houses in your neighborhood. You have a right to question them regarding any information they provide.

* **POSTPONEMENT OF HEARING**

If you are unable to attend your Assessment Appeal Hearing on the date selected by the Assessment Office, you can postpone one time. In order to postpone your Hearing, you should call the Office of Property Assessment as far in advance as possible at (412)350-4600. Also, you should follow-up the phone call with a letter confirming the postponement to the Allegheny County Board of Property Assessment Appeals and Review, County Office Building, 542 Forbes Ave., Pittsburgh, PA 14219. It is recommended that the letter be sent registered mail, or receipt of mailing, so, in case the postponement request is misplaced at the Property Assessment Office, you have proof that you actually requested a postponement.

If you require a second postponement, they are usually not granted, so you may have to get special permission from the Board of Property Assessment or a court order granting a postponement.

* **DECISION OF ASSESSMENT APPEAL BOARD**

- * The Property Assessment Board makes the valuation decision, not the Hearing Examiner. The Hearing Examiner makes a recommendation of value. If the recommendation is questioned, then the Hearing Examiner must defend the recommended value. Thus, it is essential that during the Hearing you provide the Hearing Examiner with sufficient information to support the recommended value. This means that during the Hearing you must clearly educate the Hearing Examiner about the problems with your property value and is also why it is important to leave copies of photos and documents that you believe support your opinion of value.
- * The decision is usually made within a few weeks of the Hearing, but the Board typically does not review the evidence you have submitted at the Hearing, unless there are questions regarding the recommended value from the Hearing Examiner.

* **PETITION FOR APPEAL**

- * If you are not satisfied with the Assessed Value when you receive the decision from the Board of Property Assessment, you have the right to file an appeal to the Court of Common Pleas within 30 days of the decision date from the Board of Property Assessment. There is a filing fee. Your appeal must be filed at the Office of Court Records on the First Floor of the City-County Building. The City-County Building is located on Grant Street, directly across Ross Street from the County Office Building, where the Assessment Appeal Hearing was heard.
- * The appeal will be assigned to the Board of Viewers, who will schedule a hearing at which you should present the same type of evidence, as mentioned above, to support your opinion of value for your property.
- * At the Board of Viewers, an attempt is made to settle the valuation question. If no settlement is reached then a hearing takes place which is more formal than the hearing before the Board of Property Assessment. Because of the more formal procedure, usually property owners hire attorneys to represent them before the Board of Viewers.
- * After the Appeal is heard a Decision is mailed to you. If you again are not satisfied, you have 30 days in which you can file appeal of the Board of Viewers decision at the Office of Court Records in the City County Building. There is a filing fee. This appeal is sent to a Judge and a trial before a jury will be scheduled.

* **WORKSHEETS AND TABLES**

The worksheets and tables included herein are to be used as models to assist in preparation and organization of your presentation at the appeal hearing. They help you in determining market value and to make corrections to your Property Record Card.

* **ACTUAL MARKET VALUE WORK SHEET - (Page 12)**

This worksheet is provided to help you organize your presentation to the Hearing Examiner of your opinion of market value based upon sales of comparable properties which were sold in the last three years. Any sales beyond three years will not be considered, so always limit your search to the prior three years only. All of the information can be obtained from the Internet websites set forth above.

TIP: If you have a recent appraisal of your property that was done within the last three years for a mortgage or financing of your property, you can use the appraisal since it will already contain sales comparables.

* **PROBLEMS WITH SUBJECT PROPERTY WORK SHEET - (Page 13)**

This worksheet is provided to help you present any problems with your property that require work in order to bring the house to full market value. You should prepare a worksheet and give a copy to the Hearing Examiner, along with written estimates from contractors to establish the cost to repair each item.

* **ERRORS ON PROPERTY RECORD CARD WORK SHEET - (Page 14)**

If there are errors on your Property Record Card that improperly add value to your house, you should prepare a worksheet and give a copy to the Hearing Examiner to place into the Hearing file. Providing a list of corrections helps the Hearing Examiner to understand the errors and to correct your property value. Also, this information can be used for corrections to be made on the County computer. However, be prepared for the Hearing Examiner to not place a lot of weight on this evidence. That is, the Hearing Examiner will be more impressed with problems with the house and recent comparable sales.

TIP: IF ERRORS ON YOUR PROPERTY RECORD CARD ARE NOT CORRECTED, YOUR PROPERTY'S ASSESSED VALUE MAY BE WRONG EVERY TIME A REVALUATION OCCURS.

* **PHYSICAL CONDITION**

The County has determined the physical condition of your property, and set forth the information on your Property Record Card.

The information about the “Condition” of your house is used in conjunction with the “Effective Year Built” data, that your house was last updated/remodeled, to arrive at the depreciation factor on the “DWELLING COMPUTATIONS” column on page 2 of your Property record Card.

PHYS. COND Physical Condition. This information is found on your Property Record Card in the “DWELLING DESCRIPTION” column, on Page 1 on the upper right-hand side, right next to the Grade of the Building. **(See page 15 of Handbook for definitions)**

YR BLT/RMDL/EFF Year built/remodeled/Effective date. This information is found on your Property Record Card on page 1 in the “DWELLING DESCRIPTION” column.

TIP: To determine if the “Condition” of your house is accurate, you need to review the **CLU Rating Guide, (Condition, Location and Usefulness)**, on page 15 of the Handout. The CLU Rating Guide is a table used to help determine the value of your house. The condition descriptions range from Poor to Excellent. The better the condition, the greater the value assigned to your house. For taxation purposes, the worse the condition, the lower amount of taxes you pay. This information is found on your Property Record Card in the “DWELLING DESCRIPTION” column.

To determine the “Effective Year Built” of your house, look on your Property Record Card in the “DWELLING DESCRIPTION” column. It may not be the year your house was built, since the information reflects the most recent year a building permit was taken on your house and the house was updated. Thus, your house could have been built in the 1930's, but was renovated in 1982 and the Effective Year Built would be 1982. For depreciation purposes the 1982 year would be used to determine value. The older the house, the greater the depreciation and the lower the taxes. Thus, you want to make sure that the “Effective Year Built” information is accurate on your Property Record Card.

*** NUMBER OF STORIES OF HOUSE**

Please note that a 2 story house may actually be a 1.5 story house, or a 3 story may be 2.5 stories. This is a term of art. Even though you may have bedrooms on the second floor of a 2 story house, if you have dormers on the second story, then you do not have a 2 story house, it is 1.5 stories. The second floor in this example would be only 65% of the first floor square footage. If the house is not a full 2 story house, but incorrectly listed as 2 stories, you are paying taxes for square footage that does not exist. The same applies to a 2.5 story house that is incorrectly listed as 3 stories.

GRADE FACTOR (Found on Property Record Card listed under “DWELLING COMPUTATIONS”)

Last, but not least, you have to determine if the “GRADE” assigned to your house is accurate. The “GRADE” supposedly reflects the quality of construction of your house. The “Grade” is a multiplier which can increase or decrease the value of your house.

TIP: Check on the County website to see if your “GRADE” is similar to your comparable properties.

The GRADE FACTOR is used in the “DWELLING COMPUTATIONS” for determining value. The GRADE FACTOR works in increments of 10% with “C” = 100%. If the building is a slightly better or inferior quality than an actual grade factor, a (+) or (-) is supposed to be applied. The GRADE FACTOR is a multiplier and can add or delete value from your home.

Each GRADE is defined by the quality of construction material used in building the house.

GRADE DEFINITIONS (Per The Residential Cost Valuation Manual)

- XX/X** Buildings generally having an outstanding architectural style and design, constructed with the finest quality materials and workmanship throughout. Superior quality interior finish and built-in features. Deluxe heating system and high grade plumbing and lighting fixtures. (Having all the features typically characteristic of mansion-type homes).
- A** Architecturally attractive buildings constructed with excellent quality materials and workmanship throughout. High quality interior finish and built-in features. Deluxe heating system and very good grade plumbing and lighting fixtures. (Architect designed and supervised homes would normally fall into this classification).
- B** Buildings constructed with good quality materials and above average workmanship throughout. Moderate architectural treatment. Good quality interior finish and built-in features. Good grade heating, plumbing and lighting fixtures. (Custom built tract homes would normally fall into this classification).
- C** Buildings constructed with average quality materials and workmanship throughout, conforming with the base specifications used to develop the pricing schedule. Minimal architectural treatment. Average quality interior finish and built-in features. Standard grade heating, plumbing and lighting fixtures. (Typical tract-built homes would normally fall into this classification).
- D** Buildings constructed with economy quality materials and workmanship throughout. Void of architectural treatment. Cheap quality interior finish and built-in features. Low grade

heating, plumbing and lighting fixtures. (Economy mass built homes would normally fall into this classification).

- E** Buildings constructed with a very cheap quality grade of materials, usually “culls” and “seconds” and very poor workmanship resulting from unskilled, inexperienced, “do-it-yourself” type labor. Low grade heating, plumbing and lighting fixtures (Normally self built with mechanical contractor assistance).

A listing of most of the multipliers are as follows, depending on the GRADE assigned to your house:

XX = 2.20	A = 1.60	C = 1.00
XX- = 2.10	A- = 1.50	C- = 0.90
X+ = 2.00	B+ = 1.40	D+ = 0.80
X = 1.90	B = 1.30	D = 0.70
X- = 1.80	B- = 1.20	D- = 0.60
A+ = 1.70	C+ = 1.10	E+ = 0.50

ACTUAL MARKET VALUE WORKSHEET

- * On the next page is a sample worksheet, which you can use to help develop your own market value. The worksheet is for illustrative purposes, designed to help you present your information in a clear, concise, and organized manner.

ACTUAL MARKET VALUE WORK SHEET

	Property Address	Date	Bed	Rms	Grade	Sq.ft.	Sales Price	Ass'd Value
	SUBJECT PROPERTY	5/08	2	5	B-	1,552	109,000	156,000
1)	600 Lexington Ave	4/10	3	7	C	1,866	115,000	115,000
2)	909 Virginia Ave.	6/10	3	6	D+	1,553	119,000	84,300
3)	327 2nd Street	6/11	5	9	C	2,079	127,500	95,600
4)	908 Virginia Ave.	4/10	3	6	C	1,620	131,250	111,200
5)	206 Valley Dr.	3/10	3	6	C	1,302	131,500	101,200
6)	417 Valley Dr.	2/11	3	5	C	1,390	132,900	105,300
7)	603 Lexington Ave	8/09	3	6	C	1,894	135,000	115,500
8)	105 Fahnestock	4/10	3	8	C+	<u>1,694</u>	<u>142,000</u>	<u>135,000</u>
						14,398	1,034,150	863,100

(Take totals and divide by number of sales comparables used)

Location: All comparables within .04 mile or less from subject property

	Comparables	Subject Property
AVE. Square Foot =	1,675	1,552
AVE. Sales Price* =	\$129,300.00	\$109,000.00
AVE. Assessed Value =	\$107,900.00	\$156,000.00
AVE. Sales price per square foot =	\$71.83	\$70.25
AVE. Assessed Value per square foot =	\$64.42	\$100.52

If subject property set at \$64.42 per square foot x 1,552 sq. ft. = \$99,979.84

* Lot prices averaged in mid \$30,000.00 range and were not considered to materially change the calculations.

PROBLEMS WITH SUBJECT PROPERTY WORK SHEET

INTERIOR	REPAIR ESTIMATE	
1	basement leaks water damage in various areas french drains	\$ 7,350.00
2	basement stairs replace	\$ 4,250.00
3	fireplace chimney does not work	\$ 4,750.00
4	New Electrical Service to house	\$ 1,300.00
5	New Electrical Box + rewiring Nob and tube wiring plug socket	\$ 9,800.00
6	Kitchen walls not finished	
7	Sun porch not heated or A/C storm windows only to replace windows(12)	\$ 3,600.00
TOTAL		\$31,050.00
EXTERIOR		
1	structural problems with garage left brick wall buckling, roof leaks garage door deteriorating, made from particle board door frame rotted out	\$???
2	driveway slopes down toward house	\$???
3	one car garage	\$???
4	wall beside driveway is buckling out	\$???
5	kitchen steps pulling away from house door underneath rotted	\$???
6	House movement crack side of house	\$???
7	Rear yard level and resurface build retaining wall	\$ 3,500.00
8	Down spout in front of house	
9	Original heating pipes - leaking	<u>\$10,450.00</u>
TOTAL		\$13,950.00
GRAND TOTAL		\$45,000.00

ERRORS ON PROPERTY RECORD CARD WORK SHEET

* House is 1.5 stories not 2 stories

House has dormers on the 2nd floor, measurements **increase** the square footage by 66 sq. ft.[B], instead of **decreasing** the square footage, because do not have full usage of 2nd floor!!!
Sabre Cost Manual sets forth 2nd Floor of 1.5 story house is 50 to 65% of 1st floor

* First floor is not bigger than basement

* 2nd floor is not bigger than basement, it is smaller than 1s floor

1 st Floor	925 Sq.ft
2 nd Floor	<u>627</u> Sq.ft. @68% of 1 st floor
Total	1,552 Sq.Ft. Actual versus 2,114 on Property Record Card

* Basement is not finished

GRADE AND CONDITION ARE TOO HIGH

Grade should be: C (Instead of B-)

Condition should be: Average (Instead of Good)

Cost of additions are too high:

for example: PT2 (patio) actual instillation cost was \$1,100.00 not \$1,980.00

ACTUAL MARKET VALUE BASED UPON ACTUAL CONDITION OF PROPERTY

121,100.00	BUILDING assessed value @2114 sq. ft. x \$52.16
<u>- 29,314.00</u>	LESS the extra 562 sq. ft. x \$52.16
91,780.00	building value, if in good condition
<u>+35,140.00</u>	LAND assessed value
126,920.00	TOTAL ASSESSED VALUE, IF IN GOOD CONDITION
- 4,000.00	basement steps
- 9,600.00	rewiring and electric box
- 1,300.00	replace electrical service to house
- 3,770.00	chimney
<u>- 7,350.00</u>	basement leak (french drains)
101,000.00	TOTAL ASSESSED VALUE, IN AVERAGE CONDITION

CLU RATING GUIDE
(Condition, Location and Usefulness)

CLU RATING OF DWELLING	DEFINITION
Excellent	Building is in perfect condition; very attractive and highly desirable
Very Good	Slight evidence of deterioration; still attractive and quite desirable
Good	Minor deterioration visible; still attractive and quite desirable.
Average	Normal wear and tear is apparent; average attractiveness and desirability.
Fair	Marked deterioration - but quite usable; rather unattractive and undesirable.
Poor	Definite deterioration is obvious; definitely undesirable, and barely usable
Very Poor	Condition approaches unsoundness; extremely undesirable and barely usable.
Unsound	Building is definitely unsound and practically unfit for use.

Condition: represents a variable measure of the effects of maintenance and remodeling on a building.

Location: is a measure of the degree of appeal a particular building may have to prospective purchasers.

Usefulness: is a measure of the utility value of the structure for the purposes for which it may be used.

(These definitions were taken from the Residential Cost Valuation Manual used for the Allegheny County Reassessment.)