PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Kenneth and Jennifer GoodSmith
DOCKET NO.: 03-21076.001-R-1
PARCEL NO.: 16-07-2001-013-0000

The parties of record before the Property Tax Appeal Board are Kenneth and Jennifer GoodSmith, the appellants, and the Cook County Board of Review.

The subject property consists of a 24,012 square foot parcel improved with a 92-year-old, two-story style single-family dwelling of frame and masonry construction containing 4,053 square feet of living area and located in Oak Park Township, Cook County. Amenities include a partial basement, four full baths, one half bath, two fireplaces, and a two-car garage.

The appellant, Kenneth GoodSmith, appeared before the Property Tax Appeal Board claiming unequal treatment in the assessment process, overvaluation and the subject's assessed value is incorrect based on the Illinois Property Tax Code, Historic Residence Act(35/ILCS 200/10-50.)

The appellant testified that for eight years the subject enjoyed a tax assessment freeze as provided in the Illinois Property Tax Code §200/10-40 and 200/10-45 (Historic Residence Freeze Law) culminating with assessment year 2000. The 2000 assessment of $61,061 established the base year of the adjustment valuation period as provided in 35 ILCS 200/10-50. In the following year, assessment year 2001, the first year of the adjustment period, he testified that the subject's assessed value was determined as $63,879. He further testified that the second year (2002) of the of the adjustment valuation period the subject's assessment was increased to $76,246 with the third year (2003) the subject's assessment again increased to $87,960. The appellant did not know how the assessor arrived at or calculated the fair cash value and the subject's assessment for the base year or any of the adjustment period years. The appellant contends neither the subject's increased assessments nor its correspondingly

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds ***a reduction*** in the assessment of the property as established by the **Cook** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	$	22,018
IMPR.:	$	50,847
TOTAL:	$	72,865

Subject only to the State multiplier as applicable.

PTAB/lbs/070385

increasing market values conform to the provisions of 35 ILCS 200/10-50.

During the appellant's testimony regarding the equity grid analysis submitted, he explained that the four single family dwellings along with a fifth comparable for which he submitted a property description printout are located within a short distance of the subject. The witness indicated that the comparables are similar or superior to the subject in most aspects. The comparables are frame, masonry or frame and masonry construction range from 54 to 114 years old. The comparables contain multiple full baths; three have half baths; four have fireplaces; and one has an in-ground pool. The five improvements range in size from 3,877 to 6,644 square feet of living area with improvement assessments ranging from $9.53 to $15.25 per square foot of living area and total assessments ranging from $63,160 to $80,921. The appellant argued that the improvements of these five properties have per square foot full improvement assessments much lower than the subject's partial improvement assessment. The appellant further testified that none of the comparables have the benefit of the provisions of the Historic Residence Act. Photographs of the subject and the comparables along with a copy of the subject's 2003 board of review final decision was also included. Based on this evidence, the appellant requested a reduction in the subject's assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final total assessment of $87,970 was disclosed. Of the subject's total assessment $22,018 is allocated to the land and $65,952 is allocated to the improvement. The board's evidence disclosed that the market value on which the subject's assessment is based is $609,095. This figure is comprised of $137,614 as a market value for the land and $471,481 as a market value for the improvement. To determine the subject's assessment, the record revealed that the Cook County Real Property Ordinance level of assessment for Class 2 properties of 16% was applied to the market values. The property characteristic printouts were silent regarding any factors applied to the subject's market value or assessment to meet the requirements of the Historic Residence Act. The board's witness did not know what if any factors were applied.

In support of the subject’s assessment, the board of review offered property characteristic sheets and a spreadsheet detailing four suggested comparable properties located from one to two blocks from the subject. The comparables consist of from 84 to 94 year old, two-story style single-family dwellings of frame and masonry construction. All of the comparables contain two or three full baths and basements; three have fireplaces and two have garages. These properties range in size from 3,032 to 3,280 square feet of living area and have improvement assessments ranging from $17.26 to $18.78 per square foot of living area and total assessments ranging from $63,957 to $85,577. According to

the property characteristic printouts, the market values on which the board's comparables are based range from $399,819 to $503,333. Three of these comparables also enjoy the benefit of home improvement exemptions (HIE). The board's witness testified that to his knowledge none of the board's comparables are designated as a historic residence. He also opined that the review's comparables tend to support the subject's assessment. The board's witness did not know how the assessor determined either the market values or the assessments of historic residences. He was further unaware of whether the assessor utilized the correct methodology to assess the subject during the adjustment of value period. Based on this evidence, the board of review requested confirmation of the subject property's assessment.

When overvaluation is claimed the appellant has the burden of proving the value of the property by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179, 728 N.E.2d 1256 (2nd Dist. 2000). Having considered the evidence and testimony presented, the Board concludes that the appellant has satisfied this burden.

The parties agree that the subject received a Certificate of Rehabilitation under the Historic Residence Assessment Freeze Act, which states in pertinent part:

> [P]roperty certified pursuant to this Historic Residence Assessment Freeze Law shall be eligible for an assessment freeze, as provided in this Section, eliminating from consideration, for assessment purposes the value added by the rehabilitation and limiting the total valuation to the base year valuation.
> . . . the valuation for purposes of assessment shall not exceed the base year valuation for the entire 8-year valuation period.

The appellant's testimony indicated the valuation of the subject remained the same during the eight year rehabilitation period as provided by the Act. Thus, the Property Tax Appeal Board finds that the 2000 assessment of $61,061 is the base year assessment and after applying the assessor's methodology the subject had a fair cash value of $381,631 in the 2000 base year.

> [T]he fair cash value of the historic building, determined on the basis of the assessment officer's property record card, representing the value of the property prior to the commencement of rehabilitation without consideration of any reduction reflecting value during rehabilitation work (35 ILCS 200/20-40(h).)

Neither the board of review's witness nor the appellant were able to provide the Board with the fair market value from the assessment records in the base year of the adjustment period. In fact one of the appellant's argument was that the problem arose during the four year adjustment period. He contends that the assessment for the adjustment period was incorrectly calculated; emphasizing this third year's partial assessment and market value placed the subject inequitably and substantially above similar properties with full assessments and market values. The Property Tax Appeal Board finds this argument persuasive.

The Board finds that the methodology utilized to determine the assessments for five of the properties in the record was defined on their property characteristic printouts. Reversal of that process will, of course, produce the market values on which other assessments in other years are based.

The board of review's comparables, according to the assessment records, have market values ranging from $399,819 to $503,333. Utilizing the assessor's methodology the appellant's comparables have market values ranging from $394,750 to $505,756. According to the board of review's evidence, the subject's current fair market value is $609,095 which places it substantially above all of all the comparables in the record. Therefore, after adjustments to the comparables for size, construction type, age and amenities, the Property Tax Appeal Board finds that the subject's fair market value is $480,000 as of the assessment date.

The Historic Residence Act defines the adjustment in value during the four years after the freeze as;

> "the difference for any year between the then current fair cash value and the base year valuation." (35 ILCS 200/10-40(j))

The Act goes on to state, in pertinent part:

> For the 4 years after the expiration of the 8-year valuation period, the valuation for purposes of computing the assessed valuation shall be as follows:
>
> For the first year, the base year valuation plus 25% of the adjustment in value.
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> For the second year, the base year valuation plus 50% of the adjustment in value.
>
> For the third year, the base year valuation plus 75% of the adjustment in value.
>
> For the fourth year, the then current cash value. (35 ILCS 200/10-50)

The Board found within that the subject had a fair market value of $480,000 as of January 1, 2003 and a fair market value of $381,631 as of the base year. This equates to $98,369 as the

adjustment in value, 75%, or $73,777, of which is the assessable portion of the adjustment in value. The addition of the assessable portion of the adjustment in value ($73,777) to the base year fair market value ($381,631) results an assessable value for the subject of $455,408. Again applying the assessor's methodology, the subject's assessment should reflect a total of $72,865. Since the subject's current assessment exceeds this amount a reduction is appropriate.

This is a final administrative decision of the Property Tax Appeal Board are subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.

Chairman

Member

Member

Member

Member

DISSENTING:

C E R T I F I C A T I O N

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: September 28, 2007

Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the subsequent year are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for the subsequent year directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.