

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Ronald Schurr  
DOCKET NO.: 05-00581.001-F-1  
PARCEL NO.: 13-16-35-200-020

The parties of record before the Property Tax Appeal Board are Ronald A. Schurr, the appellant, and the Kankakee County Board of Review by Assistant State's Attorney Teresa Kubalanza.

The subject property consists of a 10.52 acre farm which is improved with a 27-year-old, split-level style frame and masonry single-family dwelling that contains 1,907 square feet of living area. Features of the home include a partial crawl-space foundation and partial basement, central air-conditioning, two fireplaces, and a two-car attached garage. The property is located in Chebanse, Otto Township, Kankakee County, Illinois.

The appellant appeared before the Property Tax Appeal Board claiming unequal treatment in the assessment process as the basis of the appeal with regard to the residence. No dispute was raised concerning the assessments of the homesite, farmland, or farm buildings. In addition, the appellant filed a brief to support a contention of law involving Section 16-185 of the Property Tax Code (35 ILCS 200/16-185). While appellant's appeal petition also indicated comparable sales as a basis of this appeal, only two recent sales were provided in the appellant's grid analysis.

In support of the inequity argument, the appellant submitted a grid analysis with improvement information on four suggested comparable properties located from one mile to five miles from the subject property. The comparables were reported to consist of split-level or bi-level/two-story style frame or frame and masonry dwellings that were built between 1962 and 1987, with one property having been "improved" in 1996. The dwellings range in size from 1,936 to 2,788 square feet of living area. One of the comparables was said to have a finished basement of 528 square feet of building area. Features of the comparables include central air-conditioning, a fireplace, and garages ranging in size from 504 to 720 square feet of building area. These

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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 **Kankakee** County Board of Review is warranted. The correct assessed valuation of the property is:

FARMLAND	HOMESITE	RESIDENCE	OUTBUILDINGS	TOTAL
\$367	\$2,984	\$41,001	\$6,439	\$50,791

Subject only to the State multiplier as applicable.

properties have improvement assessments ranging from \$39,586 to \$50,868 or from \$18.25 to \$20.45 per square foot of living area. At the hearing, appellant testified that comparable #2 was the most similar to the subject dwelling, although it is 17 years older than the subject dwelling; this property also was noted as having sold in April 2005 for \$130,000 or \$67.15 per square foot of living area including land. As set forth in the appellant's grid analysis, comparable #3 also sold in July 2004 for \$162,500 or \$71.21 per square foot of living area including land. The subject property has an improvement assessment of \$45,727 or \$23.98 per square foot of living area.

For appellant's brief, he noted that he had received favorable decisions from the Property Tax Appeal Board in the 2002, 2003 and 2004 assessment years in respective docket numbers 02-00931, 03-00724, and 04-00533. Given that the determination of the correct assessment of the residential improvement in 2004 was \$38,386, appellant seeks a finding of the correct assessment for 2005 of \$40,689 or \$21.34 per square foot of living area to account for a 6% increase from 2004 for the quadrennial reassessment cycle.

On cross-examination, appellant acknowledged that his comparable #2 was located in a different township than the subject property.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total homesite and residence assessment of \$48,711 was disclosed. The subject homesite and residence have an estimated market value of \$144,372 or \$75.71 per square foot of living area including land, as reflected by its assessment and Kankakee County's 2005 three-year median level of assessments of 33.74%.

In support of the subject's current assessment, the board of review presented an appraisal of the subject property providing an estimated fair market value as of January 1, 2005 of \$198,000. In addition, the board of review presented documentation regarding the quadrennial reassessment cycles in Kankakee County townships reflecting that 2005 was the start of a new assessment cycle in Otto Township in addition to submission of a one-page multiple listing sheet regarding a property located on a river.

The board of review called Steve Sasnow for testimony. Sasnow is a licensed and certified appraiser in the State of Illinois with experience in the Kankakee County area since 2003 on a full-time basis. The majority of his appraisal work has involved residential properties with an average of 250 appraisals a year, of which about 80% were located in Kankakee County.

The appraiser was not allowed inside the dwelling and thus performed an exterior inspection only on March 5, 2007. The appraiser utilized two of the three traditional approaches to value to arrive at an estimated market value for the subject property as of January 1, 2005 of \$198,000. The appraiser noted the income approach was not applicable.

Under the cost approach, the appraiser estimated the subject's land value at \$40,000. No data was provided as to how the land value was calculated. Using the Marshall Swift Valuation Service, the appraiser determined a reproduction cost new for the subject dwelling of \$162,967 assuming a living area square footage of 1,907 and a basement area of 672 square feet. Additionally the replacement cost new of the garage was said to be \$16,754 for 657 square feet of building area. Approximately 12% was deducted for physical depreciation resulting in a depreciated value of improvements of \$158,873. The appraiser provided no explanation for the physical depreciation calculation. Site improvements were estimated at \$7,500 for a total value by the cost approach of \$206,373.

Under the sales comparison approach, the appraiser used sales of five comparable properties located between 2 and 8.5 miles from the subject property. He testified that he chose rural properties like the subject, but acknowledged there can be a challenge to find properties similar in lot size, age, dwelling size and location to a rural subject; he acknowledged having been unable to find another split-level designed property like the subject. The subject was also described in the appraisal as consisting of 1,907 square feet of living area and being 28 years old. In the appraisal, the comparable dwellings consist of three one-story, one one and one-half story, and one two-story of unknown exterior construction which ranged in age from 23 to 90 years old. Three comparables had partial unfinished basements and two comparables had no basements. The comparable dwellings ranged in size from 1,606 to 2,029 square feet of living area. Two comparables had no garages; the other comparables had two-car or four-car garages. Four of the comparables had central air conditioning. No data was provided regarding fireplaces, if any.

The comparables sold between July 2004 and October 2004 for prices ranging from \$164,987 to \$211,500 or from \$93.33 to \$109.23 per square foot of living area including land. In comparing the comparable properties to the subject, the appraiser made adjustments for land area, age, size, basement foundation and/or finish, lack of central air conditioning, and garage/size. Little explanation was provided in the appraisal as to what methodology the appraiser utilized to support his adjustments; the appraiser noted "gross/net adjustments for sales 2, 4 and 5 exceed recommended guidelines due to site adjustments." This analysis resulted in adjusted sales prices for the comparables ranging from \$198,487 to \$213,000 or from \$95.86 to \$123.91 per square foot of living area including land. From this process, the appraiser estimated a value for the subject by the market approach of \$198,000 or \$103.83 per square foot of living area including land.

Upon cross-examination, the appraiser explained that despite the significant adjustments necessitated by the varying lot sizes of the comparables to the subject, he still felt that for rural properties these were sufficiently comparable sales for valid

comparison purposes. The appraiser also explained on cross-examination the mechanism utilized for performing an appraisal in March 2007 with a valuation date of January 1, 2005 by focusing on sales of properties occurring six to twelve months prior to the date of valuation.

The board of review's next witness was the Otto Township Assessor. He testified at the recommendation of the State's Attorney, a current appraisal was obtained in response to the instant appeal. He further indicated that the township had a multiplier of 1.06 for 2005.

In closing, the board of review's representative contended that the appellant failed to meet his burden in an equity claim. Therefore, based on the evidence presented, the board of review requested the subject's assessment be confirmed.

In rebuttal, appellant noted the board of review did not respond to his equity claim. Furthermore, appellant asserted that the appraisal done in 2007 for the subject property would not be accurate as the appraiser did not inspect the property in 2005. Moreover, the single sale comparable presented by the board of review was river front property which would be valued substantially higher than the subject. Furthermore, appellant asserted the comparables utilized in the appraisal were not of the same design as the subject dwelling and were located from 10 to 12 miles from the subject property, including being in other townships and perhaps even another county.

After reviewing the record and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Property Tax Appeal Board further finds that a reduction in the subject's assessment is warranted.

The legal argument raised by the appellant will be addressed first. The subject property is an owner occupied residence that was the subject matter of an appeal before the Property Tax Appeal Board the prior year under docket number 04-00533.001-F-1. In that appeal the Property Tax Appeal Board rendered a decision lowering the assessment of the subject property based on the evidence submitted by the parties. Appellant contended this decision should be carried forward pursuant to Section 16-185 of the Property Tax Code. Section 16-185 of the Property Tax Code (35 ILCS 200/16-185) provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel on which a residence occupied by the owner is situated, such reduced assessment, subject to equalization, shall remain in effect for the remainder of the general assessment period as provided in Sections 9-215 through 9-225, unless that parcel is subsequently sold in an arm's length transaction establishing a fair cash value for the parcel that is different from the fair cash

value on which the Board's assessment is based, or unless the decision of the Property Tax Appeal Board is reversed or modified upon review." [Emphasis added.]

As established in this record, 2005 was the start of a new general assessment period in Otto Township, Kankakee County, and therefore the provisions of Section 16-185 of the Property Tax Code (35 ILCS 200/16-185) are not applicable. Instead, a decision must be rendered based upon the evidence presented by the parties.

The appellant further argued unequal treatment in the assessment process. The Illinois Supreme Court has held that taxpayers who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d 1 (1989). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. After an analysis of the assessment data, the Board finds the appellant has overcome this burden.

The appellant submitted four comparables for the Board's consideration. The Property Tax Appeal Board finds that the board of review failed to submit any evidence addressing the appellant's inequity claim. The Property Tax Appeal Board gave less weight to the appellant's comparable #4 due to its different design, exterior construction, age, and size. The Board finds the three remaining comparables were most similar to the subject in terms of design, size and most property characteristics. These comparables had improvement assessments ranging from \$18.47 to \$20.45 per square foot of living area. The subject's improvement assessment of \$23.98 per square foot of living area is above this range. After considering adjustments and the differences in both parties' comparables when compared to the subject, the Board finds the subject's improvement assessment is not supported and a slight reduction in the subject's assessment is warranted. The differences between the subject and the three most similar comparables in the record with regard to age and basement foundation and/or basement finish justifies a slightly higher assessment for the subject.

The appellant's evidence submission also implied that the subject property was overvalued. When overvaluation or market value is claimed as the basis of the appeal, the appellant has the burden of proving the value of the property by a preponderance of the evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill. App. 3d 179, 728 N.E.2d 1256 (2<sup>nd</sup> Dist. 2000); National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill. App. 3d 1038 (3<sup>rd</sup> Dist. 2002); *Official Rules of the Property Tax Appeal Board*, 86 Ill. Admin. Code Sec. 1910.63(e). The Board finds the appellant has not overcome this burden.

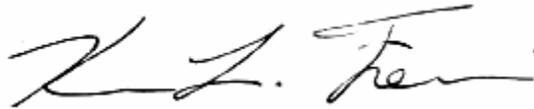
The two sales presented by appellant close in time to the assessment date at issue established sales values of \$67.15 and \$71.21 per square foot of living area including land. These suggested sales were relatively similar to the subject and closer in proximity than most of the sales presented in the appraisal filed by the board of review. The Board has given minimal weight to the appraisal submitted by the board of review as the comparable sales set forth in the appraisal lacked sufficient similarity to the subject property to support the appraisal's value conclusions which were primarily based upon the sales comparison approach. Moreover, the adjustments were mostly unsupported with very substantial adjustments to land size.

After considering adjustments for differences between the subject and the two sales comparables suggested by the appellant and considering the assessment reduction granted based on the principles of uniformity, the Property Tax Appeal Board finds no further reduction in the subject's residence is warranted. The evidence supporting a reduction of the residential assessment for the subject property results in an estimated market value of the subject homesite and residence of \$130,365 or \$68.36 per square foot of living area including land, pursuant to Kankakee County's 2005 three-year median level of assessments of 33.74%. This estimated market value of the subject residence falls within the range of the sales comparables presented by the appellant, thus considering the appellant's sales evidence, no further adjustment of the subject's assessment based on overvaluation is warranted.

This is a final administrative decision of the Property Tax Appeal Board which is 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: October 10, 2008



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.