



**Final Administrative Decision of the
State of Illinois
PROPERTY TAX APPEAL BOARD**

APPELLANT: Peter C. Voris
DOCKET NO.: 06-01697.001-R-1
PARCEL NO.: 14-32-376-015

The parties of record before the Property Tax Appeal Board are Peter C. Voris, the appellant; and the McHenry County Board of Review.

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

LAND: \$15,207
IMPR.: \$21,434
TOTAL: \$36,641

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 32,512 square feet has been improved with a 51-year-old, one-story single family dwelling of frame exterior construction which contains 1,092 square feet of living area. The dwelling features a partial crawl-space and partial unfinished basement foundation and an attached one-car garage of 200 square feet of building area. The property is located in Crystal Lake, Nunda Township, McHenry County.

The appellant submitted a residential appeal contending overvaluation based on a recent purchase of the subject property. In support of the argument concerning the purchase price, the appellant indicated on the appeal form and submitted a copy of the Settlement Statement that the subject property was purchased in September 2005 for a price of \$100,000 or \$91.58 per square foot of living area, including land. In the appeal form and an attached letter, the appellant reported the subject property was advertised for sale for five months by use of a sign in the yard "for sale by owner," the seller was represented by a real estate attorney, and the parties to the transaction were not related.

The copy of the closing statement also disclosed a sales price of \$100,000. On the appeal form, appellant did further report that \$10,000 was expended in renovations before occupying the subject property in October 2005. Based on the foregoing, the appellant requested an assessment representative of the recent purchase price of the property.

As an alternative argument to the assessment being directly based upon the recent sale price, the appellant further argued in the letter that "[a]fter close inspection and review of township records of similar houses all within 2 blocks of mine seems to me a fair market value should be \$135,756." To support this calculation, appellant attached a grid identifying the parcel number, street address, assessment data, building square footage. Based on this alternative evidence, the appellant requested the subject's assessment be reduced to \$45,207.

The board of review submitted its "Board of Review Notes on Appeal" wherein its final assessment of the subject totaling \$55,651 was disclosed. The subject's assessment reflects an estimated market value of approximately \$167,070 or \$152.99 per square foot of living area, including land, utilizing the 2006 three-year median level of assessments for McHenry County of 33.31% as determined by the Illinois Department of Revenue. In support of the subject's assessment, the board of review submitted a one-page letter from Dennis Jagla, Nunda Township Assessor, along with aerial photographs, property record cards, and grid analysis of four suggested comparable sales.

In a grid analysis, the board of review presented descriptions and sales data on four comparable properties. The comparables were said to be located from .15 to .40-miles from the subject property. The comparable parcels range in size from 9,240 to 41,024 square feet of land area and have been improved with one-story frame or frame and stone dwellings that range in age from 46 to 54 years old. Each comparable has a basement, two of which include finished areas of 352 and 819 square feet, respectively. Two comparables have a fireplace and each comparable has a one-car or two-car garage ranging in size from 264 to 456 square feet of building area. The dwellings range in size from 1,040 to 1,090 square feet of living area. These comparables sold between December 1993 and September 2003 for prices ranging from \$116,750 to \$225,000 or from \$107.11 to \$206.04 per square foot of living area, including land. In this grid, the board of review also presented assessment data for these four comparables; in the letter, the township assessor contended that the subject property was assessed in a fair and equitable manner given the assessment data provided in the grid.

Also in the documentation was a less detailed chart entitled Sales Comparables. This spreadsheet of ten improved parcels included the parcel number, street address, neighborhood code, year built, story height, square footage, number of bathrooms, whether there was a basement, garage square footage, and sale date with sale price. The properties were located within the

subject's neighborhood code as assigned by the assessor and consisted of one-story dwellings built between 1920 and 1957 which ranged in size from 892 to 1,208 square feet of living area. Eight of the properties had a basement and each had a garage ranging in size from 276 to 624 square feet of building area. These suggested comparable improved properties sold between June 2004 and September 2006 for prices ranging from \$156,500 to \$217,000 or from \$135.70 to \$242.15 per square foot of living area, including land. The spreadsheet also presented one vacant land parcel of 13,560 square feet of land area which sold in August 2006 for \$75,000. Based on this evidence, the board of review requested confirmation of the subject's assessment.

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 the appeal. The Board further finds the evidence in the record supports a reduction in the subject's assessment.

The appellant contends the assessment of the subject property is excessive and not reflective of its market value. When market value is the basis of the appeal the value of the property must be proved 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). The Board finds the evidence in the record supports a reduction in the subject's assessment.

The appellant contends the subject's assessment should be reduced based primarily on the sale of the subject. The evidence disclosed that the subject sold in September 2005 for a price of \$100,000 or \$91.58 per square foot of living area, including land. The information provided by the appellant indicated the sale had the elements of an arm's-length transaction and the sale occurred only 3 or 4 months prior to the assessment date at issue of January 1, 2006. The board of review's responsive evidence did not contest the arm's-length nature of the sale of the subject property.

Ordinarily, property is valued based on its fair cash value (also referred to as fair market value), "meaning the amount the property would bring at a voluntary sale where the owner is ready, willing, and able to sell; the buyer is ready, willing, and able to buy; and neither is under a compulsion to do so." Illini Country Club, 263 Ill. App. 3d at 418, 635 N.E.2d at 1353; see also 35 ILCS 200/9-145(a). The Illinois Supreme Court has held that a contemporaneous sale of the subject property between parties dealing at arm's length is relevant to the question of fair market value. People ex rel. Korzen v. Belt Ry. Co. of Chicago, 37 Ill. 2d 158, 161, 226 N.E.2d 265, 267 (1967). A contemporaneous sale of property between parties dealing at arm's-length is a relevant factor in determining the correctness of an assessment and may be practically conclusive on the issue of whether an assessment is reflective of market value. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill. App. 3d 369 (1st

Dist. 1983), People ex rel. Munson v. Morningside Heights, Inc., 45 Ill. 2d 338 (1970), People ex rel. Korzen v. Belt Railway Co. of Chicago, 37 Ill. 2d 158 (1967); and People ex rel. Rhodes v. Turk, 391 Ill. 424 (1945). In light of this holding, the comparable sales submitted by both parties were given less weight.

The Board finds the best evidence of the subject's fair market value in the record is the September 2005 sale for \$100,000. The Property Tax Appeal Board finds the sale was not a transfer between family or related parties; the property was advertised for sale by signage for a period of 5 months and involved a real estate attorney representing the seller. The board of review did not contest the arm's-length nature of the subject's sale. Thus, based on the foregoing facts, the Property Tax Appeal Board finds the subject's September 2005 sale price of \$100,000 was arm's-length in nature.

The appellant did, however, also report that renovations for a cost of \$10,000 were performed before the appellant occupied the subject property in October 2005. This information about renovations suggests that the sale price alone from September 2005 was not entirely reflective of the subject's market value on January 1, 2006 after the renovations had been made. While renovation work may not increase a property's market value dollar for dollar of expense, in this matter where the appellant has not otherwise provided evidence of the change in value after the renovations were made, the Property Tax Appeal Board finds that the subject's September 2005 sale price must be increased by the expenses of renovation of \$10,000.

Based on the foregoing analysis, the Property Tax Appeal Board finds the subject property had a market value of \$110,000 on January 1, 2006. The subject's assessment reflects an estimated market value of \$167,070, which is higher than its arm's-length sale price including the costs of renovation work. Therefore a reduction is warranted. Since the fair market value of the subject has been established, the Board finds that the 2006 three-year median level of assessment for McHenry County of 33.31% shall apply.

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.



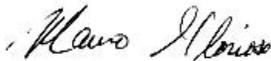
Chairman



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: September 28, 2009



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.