



**FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD**

APPELLANT: Kevin Sharp
DOCKET NO.: 07-02543.001-R-1
PARCEL NO.: 08-12-400-005

The parties of record before the Property Tax Appeal Board are Kevin Sharp, the appellant, and the Boone County Board of Review.

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change in the assessment of the property as established by the Boone County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$60,599
IMPR.: \$26,528
TOTAL: \$87,127

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 16.54-acres is improved with a part one-story and part one and one-half-story frame dwelling that is 102 years old¹ and outbuildings. The dwelling contains 1,214 square feet of living area and features a partial unfinished basement. The property is located in Garden Prairie, Spring Township, Boone County.

A consolidated hearing was conducted on Docket Nos. 06-02449.001-F-1, 07-02543.001-R-1 and 08-01838.001-R-1. At hearing, appellant withdrew the 2008 assessment appeal and a letter closing that matter based on the withdrawal has issued. Separate decisions will issue on the other two docket numbers.

The appellant appeared before the Property Tax Appeal Board contending overvaluation as the basis of this 2007 appeal. The matter was set for hearing and the appellant essentially stood on the written record along with providing some testimony including an argument that property values over the years have been

¹ The subject's property record card reports "year constructed" 1904.

artificially inflated in the area which affected all of the area properties.

In support of the overvaluation argument, appellant submitted an appraisal report which was prepared by Robert L. Zahn of Appraisal Services of Rockford with a valuation date of January 10, 2008. The appraiser described the subject property as located in a rural area with scattered homes mostly on acreage sites. The appraiser also reported typical marketing time for the area was 3 to 6 months and the supply/demand of properties appeared to be in balance. In describing the subject site, the appraiser noted the subject was not in a "FEMA Special Flood Hazard Area" and referenced FEMA Zone maps A & C; however, the appraiser also reported "the improvements are located in Flood Zone 'C.'"

The appraiser described the parcel as containing 16.54-acres and the dwelling as containing 1,397 square feet of living area. The appraiser also reported the subject had additional features of a workshop of 833 square feet, an outbuilding of 3,260 square feet, and a security system. The appraiser performed the sales comparison approach to value analyzing three sales noting "there were no recent comparable sales on larger sites available for review." In the report, the appraiser remarked the sales were in the subject's market area, even though they were over six months old and large adjustments were necessary.

The three comparables were from 9.6 to 18.1-miles from the subject. The parcels ranged in size from 5 to 9.84-acres and were improved with one-story or two-story frame or brick dwellings that ranged in age from 27 to 101 years old. The dwellings ranged in size from 1,523 to 2,196 square feet of living area and each comparable has a full unfinished basement and central air conditioning. One comparable has a fireplace and two comparables have two-car garages and outbuildings. These comparables sold between April and July 2007 for prices ranging from \$215,000 to \$279,000 or from \$122.95 to \$183.19 per square foot of living area including land. The appraiser made adjustments for site, dwelling exterior construction, age, dwelling size, air conditioning, and other features. After adjustments, the appraiser reported adjusted sale prices ranging from \$152,600 to \$256,900 or from \$94.78 to \$168.68 per square foot of living area including land. From this analysis, the appraiser expressed an opinion of market value for the subject of \$225,000 under the sales comparison approach.

At hearing as part of his summation, appellant noted the subject property was on the market for a period of time (date of listing was not specified). The appellant testified that the only offer was from a nursery for "the low \$200,000's." However, once the potential buyer learned that nearly 30% of the land was in a flood zone, the offer to purchase was withdrawn.

Based on the foregoing evidence, the appellant requested the total assessment of the subject be reduced to \$30,791 which would reflect a market value of approximately \$92,373.²

The board of review presented its "Board of Review Notes on Appeal" wherein its final assessment of \$87,127 for the subject property was disclosed. The subject's assessment reflects an estimated market value of \$261,643 or \$215.52 per square foot of living area including land using the 2007 three-year median level of assessments for Boone County of 33.30%.

In response to the appraisal, the board of review pointed out the the appraiser's sale #1 was sold from the Federal Home Mortgage Company and therefore was deemed to have been a sale under duress by the assessing officials. As such, the board of review contends this is an inappropriate sale to assist in determining market value of the subject property. The board of review also disputed the land adjustments made by the appraiser in his report. Lastly, the board of review noted the opinion of value is about one year past the valuation date at issue in this appeal.

In support of the subject's assessment, the board of review contended that a study was performed to determine values for rural farm homesites as well as rural residential homesites. The assessor's methodology reportedly was the first acre was valued at \$30,000 plus \$10,000 for the well and septic plus the township factor for 2007; residual acreage was valued through a regression valuation process that values more acres at less value per acre. The subject land was valued at approximately \$181,797 or \$10,991 per acre; the board of review also argued that the subject homesite had a value of \$40,648 and the residual acreage was valued at \$141,149 or \$9,083 per acre. In further support of its land valuation methodology, the board of review presented five land sales that occurred between September 2004 and October 2005. The parcels ranged in size from 5 to 20.79-acres and sold for prices ranging from \$150,000 to \$320,000 or from \$13,305 to \$30,000 per acre.

In further support of the subject's assessment, the board of review presented a grid analysis of six improved sales of properties located in Spring Township, although the sixth comparable was also included in the land sales. The parcels range in size from 2.7 to 20.07-acres and have been improved with one-story, one and one-half-story, or two-story frame dwellings that were built between 1890 and 1965. The dwellings contain from 964 to 1,860 square feet of living area. Five comparables have basements; one comparable has central air conditioning and a fireplace. Three comparables have garages, one of which has both an attached and a detached garage. These comparables sold

² In his written rebuttal, appellant acknowledged an error in his assessment reduction request and asked that his 2007 appeal reflect a total assessment request of \$67,873 or a market value of approximately \$203,619.

between September 2004 and December 2006 for prices ranging from \$148,000 to \$450,000 or from \$79.57 to \$321.58 per square foot of living area including land.

Based on the foregoing data, the board of review requested confirmation of the subject's assessment.

In written rebuttal filed as to both the 2006 and 2007 assessment appeals, appellant pointed out that the board of review comparable sales were 3 to 5 years old although "per Boone County's own rules comparables need to be recent with[in] the last 6 months."

The appellant also noted the board of review's reference to a gate on the subject's driveway along with a no trespassing sign. To this appellant responded that he has invited the assessing officials to inspect the subject property with contact phone numbers for the appellant to arrange an appointment, but no such contact has been made.

Lastly, appellant asserted the appraisal of the subject property with a valuation date of January 2008 was appropriate for these 2006 and 2007 assessment appeals as the appraisal was contracted for in 2008. Moreover, the subject and comparable parcels were zoned agricultural (rural, undeveloped or farming) and therefore appellant contends those agriculturally zoned properties should be assessed similarly.³

After hearing the testimony and reviewing the record, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

The appellant argued the subject property is overvalued. When market value is the basis of the appeal, the value must be proved by a preponderance of the evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill. App. 3d 179, 183, 728 N.E.2d 1256 (2nd Dist. 2000). After an analysis of the evidence, the Board finds the appellant has not overcome this burden.

In support of the overvaluation argument, the appellant presented an appraisal with a valuation date of January 10, 2008 opining a market value for the subject of \$225,000 or \$185.34 per square foot of living area including land. The Board finds that in the absence of the appraiser at hearing to address questions as to the selection of the comparables and/or the adjustments made to the comparables in order to arrive at the value conclusion set forth in the appraisal, the Board will consider only the appraisal's raw sales data in its analysis and give no weight to

³ As noted previously, the appellant has already acknowledged that parcels engaged in farming activity as defined in the Property Tax Code are entitled to a preferential farmland assessment different from the subject property, regardless of zoning classification.

the final value conclusion made by the appraiser. Novicki v. Dept. of Finance, 373 Ill. 342 (1940); Grand Liquor Co., Inc. v. Dept. of Revenue, 67 Ill. 2d 195 (1977); Jackson v. Board of Review of the Dept. of Labor, 105 Ill. 2d 501 (1985). The Board finds the appraisal report is tantamount to hearsay. Oak Lawn Trust & Savings Bank v. City of Palos Heights, 115 Ill. App. 3d 887 (1st Dist. 1983).

Illinois courts have held that where hearsay evidence appears in the record, a factual determination based on such evidence and unsupported by other sufficient evidence in the record must be reversed. LaGrange Bank #1713 v. DuPage County Board of Review, 79 Ill. App. 3d 474 (2nd Dist. 1979); Russell v. License Appeal Comm., 133 Ill. App. 2d 594 (1st Dist. 1971). In the absence of an appraiser being available and subject to cross-examination regarding methods used and conclusion(s) drawn, the Board finds that the weight and credibility of the evidence and the value conclusion of \$225,000 as of January 2008 has been significantly diminished and cannot be deemed conclusive as to the value of the subject property.

Examining the raw sales data in the appraisal, there are three comparable sales that were from 9.6 to 18.1-miles from the subject. The parcels range in size from 5 to 9.84-acres and are improved with one-story or two-story frame or brick dwellings that range in age from 27 to 101 years old. The dwellings range in size from 1,523 to 2,196 square feet of living area and each comparable has a full unfinished basement and central air conditioning. One comparable has a fireplace and two comparables have two-car garages and outbuildings. These comparables sold between April and July 2007 for prices ranging from \$215,000 to \$279,000 or from \$122.95 to \$183.19 per square foot of living area including land. The Property Tax Appeal Board finds the appraiser's Sales #2 and #3 are sufficiently similar in age to the subject dwelling for comparison purposes despite their parcel sizes being about 1/3 of the subject property. These two properties sold in April 2007 for \$122.95 and \$183.19 per square foot of living area including land.

The board of review presented six suggested comparable sales. The most similar dwellings in age presented by the board of review were Sales #3 through #6. Again, these properties consist of only 1/3 or less of the land area of the subject and sold between September 2004 and December 2006 for prices ranging from \$79.57 to \$126.90 per square foot of living area including land.

The subject's assessment reflects an estimated market value of \$261,643 or \$215.52 per square foot of living area including land which is higher on a per-square-foot basis than the most similar comparables on this record. However, after considering adjustments to the comparables for any differences when compared to the subject and in particular given the subject's 16.54-acres, the Property Tax Appeal Board finds the subject's estimated market value as reflected by its assessment is supported and no

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reduction in the subject's assessment is warranted on this record.

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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario Morris

Member

Shawn R. Lerbis

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: March 18, 2011

Allen Castrovillari

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.