



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

APPELLANT: Ron Post
DOCKET NO.: 08-00267.001-R-1
PARCEL NO.: 16-05-35-202-002-0000

The parties of record before the Property Tax Appeal Board are Ron Post, the appellant, and the Will 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 Will County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$31,489
IMPR: \$142,121
TOTAL: \$173,610

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel consist of a 1.2-acre site improved with a two-story single-family dwelling of brick and cedar exterior construction that was built in 1996. The home contains 3,369 square feet of living area and features a full unfinished basement, central air conditioning, a fireplace, and both a three-car and a two-car garage. The subject is located in Homer Glen, Homer Township, Will County.

The appellant contends that the market value of the subject property is not accurately reflected in the property's assessed valuation as the basis of this appeal. In support of the market value argument, the appellant submitted an appraisal prepared for tax appeal purposes. The appraiser, Michael Bruno of Illinois Valuation Group Ltd., used the sales comparison approach to value in order to estimate that the subject property had a market value of \$460,000 as of January 1, 2008.

The appraiser determined the dwelling contains 3,295 square feet of living area and included a two-page schematic drawing supporting that figure, the appellant also submitted a property record card and a schematic indicating the subject property contains 3,369 square feet of living area. The Board finds the

best evidence of the subject dwelling size is 3,369 square feet as submitted by the appellant.

Under the sales comparison approach, the appraiser analyzed three sales located on the subject's street and from .02 to .33-miles from the subject property. The comparable properties consist of 1-acre or 1.25-acre parcels improved with a two-story dwelling of brick and cedar exterior construction that range in age from 5 to 14 years old. The comparables range in size from 3,366 to 3,562 square feet of living area and feature full basements, two of which include finished area. Each dwelling has central air conditioning and a three-car garage. Two comparables have a fireplace. One comparable has an in-ground pool. These properties sold in August 2005 or November 2007 for prices ranging from \$449,000 to \$520,000 or from \$126.05 to \$154.49 per square foot of living area including land. The appraiser adjusted the comparables for differences from the subject in room count, dwelling size, basement finish, lack of an additional two-car garage, and in-ground swimming pool amenity. This resulted in adjusted sale prices for the comparables ranging from \$449,400 to \$481,000 or from \$127.62 to \$142.90 per square foot of living area including land. From this analysis, the appraiser estimated the subject's market value to be \$460,000 or \$139.61 per square foot of living area including land as of January 1, 2008 based on the appraiser's determination of the subject's dwelling size as 3,295 square feet.

Based on the foregoing evidence, the appellant requested a total assessment for the subject of \$153,333 or an estimated market value of approximately \$460,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$173,610 was disclosed. The subject's assessment reflects an estimated market value of \$522,292 or \$155.03 per square foot of living area including land using the 2008 three-year median level of assessments for Will County 33.24%.

The board of review submitted a two-page letter from the Homer Township Assessor's Office critiquing the appellant's appraisal along with the assessor's own two-page analysis on a Uniform Residential Appraisal Report and a grid analysis of four equity comparables.

As to the appellant's appraisal, the assessor "disagrees" with sale #2 as it was bank owned and a foreclosure. To support this contention, the assessor provided a copy of the Multiple Listing Service (MLS) sheet that displayed an original listing price of \$499,900 and showed the property was on the market for 121 days prior to its sale. Also attached was a copy of the November 2007 Illinois Real Estate Transfer Declaration indicating the property was advertised for sale and sold for \$449,000. The assessor also reported a prior sale of this same property in January 2006 for \$570,000 along with a listing of the property for \$575,000 and a marketing time of 213 days. The assessor next criticized various

adjustments the appraiser made: size adjustment of \$50 per square foot was high, asserting that \$35 per square foot would be "more realistic"; bath adjustment was high, a "more realistic" value for bedrooms and baths would be \$5,000 and \$3,000, respectively; basement finish adjustment is high; and in-ground pool adjustment is high.

The assessor's letter next states that the appellant's comparables were re-gridded "minus comparable #2 (foreclosure)." Sale #2 appears on the Uniform Residential Appraisal Report sales comparison approach analysis submitted by the assessor, however, the assessor has presented the January 2006 sale price of \$570,000 and made adjustments thereto, not the November 2007 sale price of \$449,000. The assessor also added a fourth sale comparable described as a 1-acre parcel improved with a two-story brick and stucco dwelling that was 9 years old. The home contains 3,492 square feet of living area and features a full basement finished with three rooms, central air conditioning, a fireplace, and a three-car garage. This comparable sold in December 2006 for \$585,000 or \$167.53 per square foot of living area including land.

The assessor then adjusted the four comparable sales for room count (bedrooms and baths separately), dwelling size, basement finish, heating/cooling only as to comparable #4 (although each was identically described as to the subject), lack of a second two-car garage, and other amenities. The assessor then arrived at adjusted sale prices of the comparables from \$468,700 to \$588,200 or from \$137.61 to \$167.01 per square foot of living area including land. The analysis included the following statement: "Sales data indicates a wide range of value for the subject property. A classic weighting technique utilized with most weight to sale #4, #3, #1 and #2. A mid adjusted value is prudent and reasonable due to quality and appeal." The assessor then opined a market value for the subject of \$540,000 or \$160.28 per square foot of living area including land. As a result of the analysis, the assessor contended the value conclusion "supports the current assessment."

The equity grid analysis shows four two-story homes of similar size in the subject's subdivision for uniformity of improvement assessments. The Property Tax Appeal Board finds that submission of equity comparables in response to the appellant's market value argument is not responsive and these equity comparables will not be further addressed herein.

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

After considering the evidence 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 Board further finds that a reduction in the subject's assessment is not warranted.

The appellant argued that the subject's assessment was not reflective of 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. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill. App. 3d 179, 728 N.E.2d 1256 (2nd Dist. 2000); National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill. App. 3d 1038 (3rd Dist. 2002). The Board finds this burden of proof has not been met and a reduction in the subject's assessment is not warranted.

The Board gives no weight to the value conclusion contained in the appellant's appraisal as the adjustments were not well-supported and the appellant never rebutted the criticisms of the adjustments made by the board of review. Similarly, the Board gives no weight to the value conclusion presented by the board of review because it similarly did not adequately support the various adjustments to the sale prices that were presented.

Given the record, including the consideration of a foreclosure sale as to sale #2, the Property Tax Appeal Board finds that all of the raw sales data presented by both parties shall be analyzed to determine whether the subject property is overvalued. The Board finds that four comparable properties were presented on this record with five sale prices, sale #2 having two recent sales. While sale #2 involved a foreclosure, the record reveals the original asking price was \$499,900, the property was advertised through MLS using a Realtor, was listed for 121 days, and eventually sold for \$449,000, all of which suggests this was an arm's-length transaction under these circumstances. The general public did have the same opportunity to purchase sale #2 at any negotiated sale price. Other recognized sources further demonstrate the fact a property must be advertised or exposed in the open market to be considered an arm's-length transaction that is reflective of fair market value. Black's Law Dictionary (referencing Bourjois, Inc. v. McGowan and Lovejoy v. Michels (citation omitted)), states:

. . . the price a property would command **in the market**" (Emphasis added). This language suggests a property must be publicly offered for sale in the market to be considered indicative of fair market value.

The Board finds there are other credible sources that specify a property must be advertised for sale in the open market to be considered an arm's-length transaction. The Dictionary of Real Estate Appraisal [American Institute of Real Estate Appraisers, *The Appraisal of Real Estate*, 8th ed. (Chicago American Institute of Real Estate Appraisers, 1983)], provides in pertinent part:

The most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the appraised property will sell **in a competitive market** under all conditions requisite to fair sale;

The property is **exposed for a reasonable time on the open market.**

Additionally, the Property Assessment Valuation, 2nd edition, states: Market value is the most probable price, expressed in terms of money, that a property would bring if **exposed for sale in the open market** (Emphasis added) in an arm's-length transaction between a willing seller and a willing buyer; a reasonable time is allowed for **exposure to the open market.** (Emphasis added). (International Association of Assessing Officers, Property Assessment Valuation, 2nd edition, Pgs. 18, 35, (1996)).

All four properties on this record are similar to the subject in location, size, style, foundation and several amenities. The subject has an additional two-car garage not enjoyed by any of the comparables and three of the four comparables have basement finish not enjoyed by the subject. The comparables presented by both parties sold between August 2005 and November 2007 for prices ranging from \$449,000 to \$585,000 or from \$126.05 to \$167.53 per square foot of living area including land. The subject has an estimated market value of \$522,292 or \$155.03 per square foot of living area including land using the 2008 three-year median level of assessments for Will County of 33.24%, which is within the range of comparable sales presented on this record. After considering the most comparable sales on this record, the Board finds the preponderance of the evidence did not demonstrate the subject property's assessment to be excessive in relation to its market value and a reduction in the subject's assessment is not 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 M. Louie

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: August 19, 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.