



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

APPELLANT: Karen L. Hodges (Trustee)
DOCKET NO.: 08-03037.001-R-1
PARCEL NO.: 01-05-07-331-053

The parties of record before the Property Tax Appeal Board are Karen L. Hodges (Trustee), the appellant, and the Carroll 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 Carroll County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$13,374
IMPR: \$103,213
TOTAL: \$116,587

Subject only to the State multiplier as applicable.

ANALYSIS

The subject 1.22-acre parcel (53,143 square feet of land area) is improved with a one-story dwelling of brick exterior construction containing 1,930 square feet of living area.¹ The dwelling is 5 years old. Features of the home include a full partially-finished walkout-style basement, central air conditioning, a fireplace, and an attached three-car garage of 968 square feet of building area. The property is located in the private community of Lake Carroll in Cherry Grove Township, Carroll County.

The appellant's appeal is based on both unequal treatment in the assessment process and overvaluation challenging both the land and improvement assessments. In support of these claims, the appellant submitted a grid analysis of four equity comparables, a 26-page appraisal (which examined three sales), and additional

¹ The appellant's appraiser reported a main-floor living area of 2,006 square feet.

analyses of the submitted data, including a chart of four land equity comparables.²

The four land equity comparables ranged in size from 43,560 to 65,350 square feet of land area. The parcels had land assessments ranging from \$7,846 to \$13,333 or from \$0.17 to \$0.21 per square foot of land area. The subject has a land assessment of \$13,374 or \$0.25 per square foot of land area. Based on this evidence, the appellant requested a land assessment reduction to \$9,861 or \$0.19 per square foot of land area which reflects the median of the four equity land comparables presented on a per-square-foot basis.

The four improved equity comparables were described as parcels ranging in size from 49,658 to 94,960 square feet of land area. These parcels had land assessments ranging from \$11,758 to \$17,832 or from \$0.19 to \$0.26 per square foot of land area. Each property is improved with a one-story frame and masonry dwelling. The homes were from 3 to 12 years old and range in size from 1,831 to 2,339 square feet of living area. Each homes has a full basement, three of which are finished. Features include central air conditioning and garages ranging in size from 808 to 909 square feet of building area. Three comparables have a fireplace; one comparable also has a swimming pool. The comparables have improvement assessments ranging from \$104,433 to \$123,002 or from \$46.25 to \$49.26 per square foot of living area. The subject's improvement assessment is \$103,213 or \$53.48 per square foot of living area. Based on this evidence, the appellant requested a reduction in the subject's improvement assessment to \$94,427 or \$48.93 per square foot of living area which was calculated as the median per-square-foot improvement assessment of the four comparables.

In support of the overvaluation argument, the appellant submitted an appraisal prepared by Nicholas J. Isenhart of Isenhart Realty, Inc. who examined three sales (which were presented as appellant's improved equity comparables #1, #2 and #3).

In discussing the subject property, the appraiser noted Lake Carroll include a 640-acre man-made lake for recreational use, an 18-hole golf course, campgrounds, a ski hill, tennis courts, swimming pool, and motorcycle and snowmobile trails among other amenities. The subject site "offers excellent panoramic views as well as a long range golf course view" and has a retaining pond to the west of the home that adds to the view.

The appraiser stated "[t]he cost approach would support subject courthouse value."

Under the sales comparison approach, the appraiser used three sales of comparable homes located in Lake Carroll. The parcels

² Although sale prices for the lots were also presented, only one sale from April 2007 was proximate in time to the assessment date of January 1, 2008 at issue in this proceeding; the remaining sales occurred in 2003 and 2004.

ranged in size from 1.3 to 2.14-acres and were improved with dwellings ranging in size from 2,038 to 2,150 square feet of living area as reported by the appraiser. The homes sold between April 2007 and March 2008 for prices ranging from \$335,000 to \$355,000 or from \$155.81 to \$174.19 per square foot of living area including land. The appraiser made adjustments to the comparables for date of sale, lot size, design/appeal, quality of construction, age, and condition to arrive at adjusted sales prices ranging from \$334,500 to \$352,500 or from \$155.58 to \$172.96 per square foot of living area including land. From this analysis, the appraiser opined a market value for the subject as of June 27, 2008 of \$345,000 or \$171.98 per square foot of above-grade living area including land based on the appraiser's size determination for the subject of 2,006 square feet. Utilizing the dwelling size reported by the appellant and the board of review of 1,930 square feet, the appraiser's value opinion would be \$178.76 per square foot of living area.

Based on the foregoing evidence, the appellant requested a total assessment reduction to \$104,288 which would reflect a market value for the subject property of approximately \$312,864.

The board of review through its Special Assistant State's Attorney submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$116,587 was disclosed. The subject's assessment reflects an estimated market value of \$352,866 or \$182.83 per square foot of living area, land included, using the 2008 three-year median level of assessments for Carroll County of 33.04%.

In response to the appeal, the board of review through its counsel presented a 17-page brief with Exhibits A through S attached. As to the appraisal, the board of review contends (1) the date of valuation is not January 1, 2008 and therefore the appraisal is entitled to no weight and (2) "it is unclear what actually has been submitted." The board of review notes that Isenhardt does not appear to be a licensed real estate appraiser and it is not clear who prepared the document as the 'credentials' at the back of the document concern Ray Hodges who did not sign the document. Furthermore, as to the merits of the analysis, the board of review questions the adjustments made to the comparables although the board of review specifically did not request a hearing during which the appraiser could be questioned about his methodology.

In the alternative, the board of review contends that the 'appraisal' submitted by the appellant reflects that the subject property is "overvalued by only approximately 1%."³ As such, the board of review contends the evidence presented does not

³ The board of review erroneously reported a 2008 three-year median level of assessments for Carroll County of 33.62%. (See Table 3, 2008 Final Equalization Factors published by the Illinois Department of Revenue reflecting an equalized assessment level for Carroll County in 2008 of 33.04%.)

demonstrate that the subject has a grossly excessive assessment and "given the deficiencies" in the appraisal document, the board of review contends that a 1% margin of error "would seem reasonable."

As to the appellant's improved equity data, the board of review agrees that some weight should be afforded to comparable #1 located about ½ block from the subject. However, the board of review contends that comparable #2 is not located on the golf course and is more than 1-mile from the subject; comparable #3 is not in the same neighborhood code assigned by the assessor as the subject or in the subject's township.

In support of the subject's assessment, the board of review contends that its comparables are located on the golf course and within a mile of the subject with greater similarity in size, design, exterior construction, location and/or age to the subject property.

For the land assessment argument, the board of review presented a total of eight comparable properties said to be located in Lake Carroll which range in size from 22,216 to 64,033 square feet of land area. These properties have land assessments ranging from \$10,699 to \$17,832 or from \$0.22 to \$0.48 per square foot of land area. As the subject falls within the range, the board of review seeks to have the subject's land assessment confirmed.

In support of the subject's assessment and market value, the board of review presented a grid analysis with descriptions and assessment information on four comparable properties consisting of one-story frame or frame and masonry dwellings that were 3 to 12 years old. Comparable #1 is a common comparable among the parties. The dwellings range in size from 1,570 to 2,038 square feet of living area. Features include full basements, three of which have finished area, central air conditioning, a fireplace, and a garage ranging in size from 468 to 912 square feet of building area. These properties have improvement assessments ranging from \$77,456 to \$107,813 or from \$49.34 to \$61.22 per square foot of living area. Based on this evidence, the board of review requested confirmation of the subject's improvement assessment. The board of review also reported that these comparables sold between May 2005 and April 2007 for prices ranging from \$283,000 to \$355,000 or from \$174.19 to \$184.55 per square foot of living area land included. Based on this evidence, the board of review requested confirmation of the subject's estimated market value as reflected by its 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 this appeal. The Board further finds a reduction in the subject's assessment is not warranted.

The appellant contends unequal treatment in the subject's land and improvement assessments as the basis of the appeal. 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 not met this burden.

As to the land uniformity argument the parties have presented eleven comparable properties. The Board has given less weight to the board of review improved land comparable #3 that consists of .51-acres due to its substantially smaller land size as compared to the subject. The remaining ten comparables present a land assessment range from \$0.17 to \$0.39 per square foot of land area. The subject's land assessment of \$0.25 per square foot of land area falls within the range of the most similar comparables on this record.

The parties submitted seven improved equity comparables to support their respective positions before the Board as to the uniformity argument on the improvement assessment. All seven comparables had improvement assessments that ranged from \$46.25 to \$61.22 per square foot of living area. The subject's improvement assessment of \$53.48 per square foot of living area is within the range established by the comparables on this record. After considering adjustments and the differences in both parties' comparables when compared to the subject, the Board finds the subject's improvement assessment is equitable and a reduction in the subject's assessment is not warranted on grounds of lack of uniformity.

The constitutional provision for uniformity of taxation and valuation does not require mathematical equality. The requirement is satisfied if the intent is evident to adjust the taxation burden with a reasonable degree of uniformity and if such is the effect of the statute enacted by the General Assembly establishing the method of assessing real property in its general operation. A practical uniformity, rather than an absolute one, is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill. 2d 395 (1960). Although the comparables presented by the parties disclosed that properties located in the same area are not assessed at identical levels, all that the constitution requires is a practical uniformity which appears to exist on the basis of the evidence. For the foregoing reasons, the Board finds that the appellant has not proven by clear and convincing evidence that the subject property is inequitably assessed. Therefore, the Property Tax Appeal Board finds that the subject's assessment as established by the board of review is correct and no reduction is warranted on this basis.

The appellant also 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 does not support a reduction in the subject's assessment on grounds of overvaluation.

Initially, the board of review's argument concerning the date of value in the appraisal document presented by the appellant shall be addressed. The Property Tax Appeal Board notes that proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. *Official Rules of the Property Tax Appeal Board*, 86 Ill. Admin. Code Sec. 1910.65(c). The appraisal document with a valuation date of June 27, 2008 was filed to challenge the assessment date of January 1, 2008 in this matter. In Cook County Board of Review v. Property Tax Appeal Board, 334 Ill. App. 3d 56, 777 N.E.2d 622 (1st Dist. 2002), the court stated "[t]here is no requirement that a taxpayer must submit a particular type of proof in support of an appeal. The rule instead sets out the types of proof that *may* be submitted. . . . Whether a two-year old appraisal is 'substantive, documentary evidence' of a property's value goes to the weight of the evidence, not its admissibility. [citing Department of Transportation v. Zabel, 47 Ill. App. 3d 1049, 1052, 362 N.E.2d 687 (1977) (whether a six-month-old appraisal is sufficient to establish value is for the trier of fact to consider in weighing the evidence)]." Therefore, the Board finds no merit in the board of review's argument concerning the valuation date in the appellant's appraisal submission.

As to the contention by the board of review that the appellant's appraisal should be afforded no weight because Isenhart is not a licensed real estate appraiser, the Board finds that Illinois is a voluntary licensing state.⁴ Nothing in the submission asserts that Isenhart was a licensed real estate appraiser, but rather he reported to be a real estate broker. Therefore, the Board finds no merit in this argument presented by the board of review.

The Board finds the appellant submitted an appraisal of the subject property with a final value conclusion of \$345,000 as of June 27, 2008, while the board of review submitted no appraisal, but presented four sales, one of which was presented in the appellant's appraisal. The six sales considered by both parties occurred between May 2005 and March 2008 for prices ranging from \$283,000 to \$355,000 or from \$160.76 to \$184.55 per square foot of living area including land. The highest per-square-foot sale price in this range was also the most distant from the valuation

⁴ "The licensing requirements of this Act do not require a person who holds a valid license pursuant to the Real Estate License Act of 2000, to be licensed as a real estate appraiser under this Act, unless that person is providing or attempting to provide an appraisal report, as defined in Section 1-10 of this Act, in connection with a federally-related transaction. Nothing in this Act shall prohibit a person who holds a valid license under the Real Estate License Act of 2000 from performing a comparative market analysis or broker price opinion for compensation, provided that the person does not hold himself out as being a licensed real estate appraiser." 225 ILCS 458/5-5(c).

date of January 1, 2008 and for this reason has been given reduced weight in the Board's analysis. The subject based on its assessment has an estimated market value of \$352,866 or \$182.83 per square foot including land using the 2008 three-year median level of assessments for Carroll County of 33.04%. After considering these most comparable sales for differences from the subject, the Board finds that the subject is superior to all of the comparables given its all brick exterior construction which supports its slightly higher per-square-foot estimated market value as compared to the comparables presented by both parties and a reduction in the subject's assessment is not warranted on this record on grounds of overvaluation.

In conclusion, the Board finds the appellant has failed to prove unequal treatment in the assessment process by clear and convincing evidence, or overvaluation by a preponderance of the evidence. Therefore, the Board finds that the subject's assessment as established by the board of review is correct and no reduction 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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario Morris

Member

J.R.

Acting 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: December 23, 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.