



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

APPELLANT: Adam Tatroe
DOCKET NO.: 08-04841.001-R-1
PARCEL NO.: 20-05-278-019

The parties of record before the Property Tax Appeal Board are Adam Tatroe, 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: \$23,606
IMPR: \$116,667
TOTAL: \$140,273

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of an 0.805-acre riverfront parcel that is improved with a 38 year-old, two-story style frame and masonry dwelling that contains 3,376 square feet of living area. Features of the home include central air conditioning, a fireplace, a partial unfinished basement and a 676 square foot garage. The subject is located in Cary, Algonquin Township, McHenry Township.

The appellant appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellant completed Section IV of the petition and submitted a settlement statement detailing the subject's sale in September 2008 for \$422,000. The appellant's evidence disclosed that the subject was sold through a realtor and was advertised on the market for 759 days through a newspaper, the multiple listing service and the internet. The appellant also indicated the parties to the sale were not related. In further support of the overvaluation argument, the appellant submitted an appraisal of the subject property wherein the appraiser utilized the cost and sales comparison approaches to estimate the

subject's market value at \$427,500 as of the report's effective date of June 30, 2008. In the cost approach, the appraiser first estimated the subject's site value at \$126,000. He then consulted the Marshall Valuation Service to estimate the subject's replacement cost at \$322,633. After subtracting depreciation of \$54,848 and adding back the site value and \$17,715 for site improvements, the appraiser concluded the subject's value by the cost approach was \$411,500.

In the sales comparison approach, the appraiser examined four comparable properties located 0.01 mile to 3.13 miles from the subject. The comparables consist of 1.5-story or ranch style frame dwellings that range in age from 31 to 95 years and range in size from 1,448 to 1,901 square feet of living area. All four comparables had one-car to three-car garages, three comparables had full basements, one of which has some finished area and three comparables have one or two fireplaces. The comparables sold between August 2007 and April 2008 for prices ranging from \$351,000 to \$477,500 or from \$184.64 to \$290.63 per square foot of living area including land. The appraiser adjusted the comparables for differences when compared to the subject, such as riverfront footage, room count, living area, basement and finish, garage size and other amenities. After adjustments, the comparables had adjusted sales prices ranging from \$427,500 to \$471,400 or from \$224.88 to \$319.54 per square foot of living area including land. Based on this analysis, the appraiser estimated the subject's value by the sales comparison approach at \$427,500. Finally, the appraiser concluded the sales comparison approach was the "most reliable value indicator." Based on this evidence, the appellant requested the subject's assessment be reduced to \$140,667 to reflect the subject's September 2008 sale for \$422,000.

During the hearing, the appellant testified the seller of the subject property was an older person who originally listed the home for \$574,900 who wanted to maximize the return on the subject's value, but kept reducing the price when it did not sell.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$184,648 was disclosed. The subject has an estimated market value of approximately \$555,499 or \$164.54 per square foot of living area including land, as reflected by its assessment and the McHenry County 2008 three-year median level of assessments of 33.24%.

In support of the subject's estimated market value as reflected by its assessment, the board of review submitted a letter prepared by the township assessor and a grid analysis of four comparable sales. The comparables consist of 1.5-story or two-story frame dwellings with riverfront locations like the subject that range in age from 21 to 96 years and range in size from 1,476 to 2,675 square feet of living area. These homes have features that include central air conditioning, garages that contain from 440 to 715 square feet of building area and full or

partial basements, two of which have finished areas of 764 or 800 square feet. The comparables sold between July and November 2007 for prices ranging from \$410,000 to \$642,500 or from \$205.61 to \$416.67 per square foot of living area including land. The comparables were adjusted for differences when compared to the subject and had adjusted sales prices ranging from \$547,500 to \$725,000 or from \$249.91 to \$470.17 per square foot of living area including land. Based on this evidence, the board of review requested the subject's assessment be confirmed.

During the hearing, the board of review acknowledged its comparable #2 was located in Lake County. The board of review requested that if the Property Tax Appeal Board was to rely on the subject's September 2008 sale price, a time adjustment would be made. The board of review submitted no evidence to justify such an adjustment.

After hearing the testimony 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 property's assessment is warranted.

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. 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 appellant met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the appellant submitted a settlement statement detailing the subject's sale in September 2008 for \$422,000. The appellant indicated on his petition that the subject was sold through a realtor, that the parties to the transaction were not related and that the home had been on the market for 759 days prior to his purchase of it. The board of review submitted no evidence to demonstrate this sale was not an arm's length transaction. The appellant further submitted an appraisal of the subject, wherein the appraiser estimated the subject's market value as of June 30, 2008 to be \$427,500. The board of review submitted four comparable sales in support of the subject's assessment. The Board finds the comparables used in the appellant's appraisal and the four comparables submitted by the board of review were all significantly smaller in living area than the subject and some were considerably older as well. Accepted real estate valuation theory provides that all other factors being equal, as the size of a property increases, its per unit value decreases. The subject dwelling, at 3,376 square feet of living area, is larger than all of the comparables in this record and is more than twice the size of some comparables. Based on this analysis, the Property Tax Appeal Board finds the best indication of the subject's market value as of its January 1, 2008 assessment date is the subject's September 2008 sale for

\$422,000. The Board gave no weight to the board of review's request to make a time adjustment to this sale because it occurred later in the year, since no evidence or testimony to support such an adjustment was submitted into the record. Therefore, the Board finds the subject's market value is \$422,000. Since market value has been established, the 2008 McHenry County three-year median level of assessments of 33.24% 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: May 18, 2012



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.