



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

APPELLANT: Todd & Myrna Hayes
DOCKET NO.: 08-06786.001-R-1
PARCEL NO.: 01-100-493-00

The parties of record before the Property Tax Appeal Board are Todd & Myrna Hayes, the appellants; and the Warren 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 Warren County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$ 9,340
IMPR.: \$ 1,540
TOTAL: \$10,880

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a lakefront lot that is improved with a 292 square foot deck. Neither the appellant nor board of review provided the land size for the subject property. The subject property is located in Greenbush Township, Warren County, Illinois

The appellants submitted evidence before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this claim, the appellants presented a letter addressing the appeal, four suggested comparable sales and completed Section IV of the appeal petition regarding the subject's recent sale.

The appeal petition indicated the appellants purchased the subject property for \$16,500 in May 2008. The appeal petition shows the property was sold by owner, the transfer was not between family or related corporations and the property was advertised for sale for three months by "word of mouth he was asking."

In further support of the overvaluation argument, the appellants submitted four lakefront land sales. Their land sizes were not disclosed. They sold from July 2006 to October 2007 for sale prices ranging from \$26,000 to \$34,000.

Based on this evidence, the appellants requested a reduction in the subject's land assessment to \$4,450, an improvement assessment of \$1,460¹ for a total assessment of \$5,910.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$10,880 was disclosed. The subject property has a land assessment of \$9,340, which reflects an estimated market value of \$27,956 using Warren County's 2008 three-year median level of assessment of 33.41%.

In support of the subject's assessment, the board of review submitted a letter addressing the appeal, a revised grid of the comparable sales submitted by the appellants, property record cards, a location map and a list of 11 sales².

The list of eleven sales consists of the subject and 10 other properties. The properties are lakefront parcels located on the same lake as the subject. The land sizes of the properties were not disclosed. The board of review indicated three properties, including the subject, were not advertised. Two properties have boat houses. The remaining six vacant land comparables sold from May 2006 to September 2008 for prices ranging from \$27,500 to \$44,500, with a median sale price of \$34,000. The board of review also argued lakefronts lots are uniformly assessed on a site basis at \$9,340, which reflects an estimated market value of approximately \$28,020.

The board of review questioned the arm's-length nature of the subject's sale. The board of review presented the Real Estate Transfer Declaration associated with the sale of the subject property. The document shows the subject property was not advertised for sale.

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 this appeal. The Board further finds no reduction in the subject's assessment is warranted.

The appellants 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

¹ The Property Tax Appeal Board takes notice that the appellants submitted no evidence to support a reduction in the subject's improvement assessment.

² The appellants also used four of the comparable land sales submitted by the board of review.

N.E.2d 1256 (2nd Dist. 2000). The Board finds the appellants have not overcome this burden.

The appellants submitted four suggested comparable sales and completed section IV of the residential appeal petition to support the contention that the subject's land assessment was not reflective of fair market value. The board of review submitted sales information for six suggested comparable sales to support its assessment of the subject property.

The Property Tax Appeal Board finds the subject's sale does not meet one of the key fundamental elements of an arm's-length transaction. The appellants appeal form purports the subject property was advertised for sale for three months by "word of mouth he was asking." The Board finds the credible evidence shows the subject property was not advertised or exposed for sale in the open market. The Real Estate Transfer Declaration associated with the subject's sale, signed by the seller and buyer (appellant) was clearly marked that the subject property was not advertised for sale. Thus, the general public did not have the opportunity to purchase the subject property at any negotiated sale price. Therefore, the subject's sale price was given little weight and is not considered indicative of fair market value. Section 1-50 of the Property Tax Code defines fair cash value as:

The amount for which a property can be sold in the due course of business and trade, not under duress, between a willing buyer and a willing seller. (35 ILCS 200/1-50)

Similarly, Illinois Courts has stated fair cash value is synonymous with fair market value and is defined as the price a willing buyer would pay a willing seller for the subject property, there being no collusion and neither party being under any compulsion. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428, 256 (1970) and Ellsworth Grain Company v Property Tax Appeal Board, 172 Ill.App.3d 552, 526 (4th Dist. 1988). Although the appellant's evidence indicates the subject's transaction was between a willing, knowledgeable buyer and seller, the Board finds the transaction was not advertised for sale on the open market and is not typical of the due course of business and trade. The Board finds a property must be advertised for sale in the open market to be considered an arm's-length transaction that is indicative of fair market value. 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), 33], 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** 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**. International Association of Assessing Officers, Property Assessment Valuation, 2nd edition, Pgs. 18, 35, (1996). Since the appellants presented no factual evidence showing the subject property was advertised for sale or exposed to the open market in an arm's-length transaction, the Board gave little weight to the subject's transaction in determining its fair market value.

The Board further finds this record contains information for nine suggested vacant land sales submitted by both parties³. The Board gave less weight to three land sales. The Board finds, like the subject, three comparables were not arm's-length transactions because they were not advertised or exposed to the open market to be considered reliable indicators of fair market value. The Board finds the remaining six vacant land sales are better reliable indicators of the subject's fair market value. These lakefront parcels sold from May 2006 to September 2008 for sale prices ranging from \$27,500 to \$44,500. The subject's land assessment of \$9,340 reflects an estimated market value of \$27,956, which falls at the lower end of the range established by the most similar land sales. Therefore, no reduction in the subject's land assessment is warranted.

³ The Property Tax Appeal Board did not consider two dissimilar sales submitted by the board of review that were improved with boat houses, unlike the subject.

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.

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 28, 2012

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.