



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

APPELLANT: Randy Barthel
DOCKET NO.: 09-00898.001-R-1
PARCEL NO.: 16-05-12-409-018-0000

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

LAND: \$42,276
IMPR: \$86,378
TOTAL: \$128,654

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a one-story brick and frame single-family dwelling that was built in 2001 and is 8 years old. The home contains approximately 2,516 square feet of living area¹ and features a partial walkout-style basement that is finished, central air conditioning, a fireplace and a three-car garage of 756 square feet. The subject dwelling is located in Homer Glen, Homer Township, Will County.

The appellant contends the subject's assessment is not reflective of its fair market value. In support of the overvaluation argument, the appellant in a letter represented and provided supporting documentation that the subject property was placed on the market with various listing prices. In addition, the appellant presented a grid analysis of four comparable sales, one of which was also presented in an appraisal which the appellant submitted for this appeal.

¹ The assessing officials on a property record with a schematic drawing report a dwelling size of 2,479 square feet.

As to the listing history of the subject property with ReMax Team 2000, the appellant reported the following history from original listing to listing contract expiration on August 31, 2009:

<u>Date</u>	<u>Listing price</u>
May 12, 2008	\$474,900
May 27, 2008	\$469,900
August 6, 2008	\$454,900
March 12, 2009	\$425,000
June 10, 2009	\$409,999

The appellant reported as of the date the listing contract expired, there were no offers and only about 7 or 8 showings.

Since the 2009 assessment reflects a market value for the subject of approximately \$475,000 and since the subject property between 2008 and mid-2009 did not sell for any of these listing prices, the appellant contends the market value of the subject as reflected by its assessment is excessive.

In the Section V grid analysis of the appeal petition, the appellant submitted information on four sales comparables, however, comparable #4 is the same property was presented by the appellant's appraiser. The three comparables not otherwise presented were improved with a two-story and two, one-story brick dwellings that were 11 or 22 years old. The comparables range in size from 2,360 to 2,852 square feet of living area. Each comparable has a full finished basement, central air conditioning, a fireplace and a garage of 485 square feet of building area. These three sales occurred from April 2005 to January 2009 for prices ranging from \$345,000 to \$397,500 or from \$122.69 to \$153.95 per square foot of living area, including land.

The appellant also submitted an appraisal prepared by real estate appraiser Michelle Ansari of Flavin Appraisals estimating the subject property had a market value of \$386,000 as of November 13, 2009. The stated purpose of the appraisal was for a "refinance transaction" and the appraisal was performed for a lender, Pacor Mortgage Corporation in Oak Lawn with the fee simple rights to the property being appraised.

In a Market Conditions Addendum to the Appraisal Report, the appraiser concluded that due to insufficient market data, no accurate determination of overall trends in the subject's neighborhood could be made. Foreclosure sales were a factor in the market, but this was not deemed to be a marketing problem, but "primarily due to a tightening in mortgage requirements, employment loss and a decline in the market values." In the Supplemental Addendum, the appraiser wrote:

Per the local MLS, in the past twelve to twenty four months there have been 216 single family homes sold with a median selling price of \$335,000. The average days on the market were 233 days.

In the past twelve months there have been 111 single family homes sold with a median selling price of \$325,000. The average days on the market were 254 days. . . .

The variance in the median selling price indicated an annual decline of -3.0%.

Using the sales comparison approach, the appraiser analyzed three sales and two listings of a split level and four ranch-style dwellings of brick or brick and frame exterior construction. The comparables were located between 0.06 and 1.45-miles from the subject property. The dwellings range in age from 6 to 16 years old. The comparables range in size from 1,812 to 3,291 square feet of living area. Each comparable has a full or partial basement, four of which include finished area. Each dwelling features central air conditioning, a fireplace and a two-car or three-car garage. Three comparables sold between April and October 2009 for prices ranging from \$386,000 to \$390,000 or from \$133.24 to \$213.02 per square foot of living area including land. Comparable listings #4 and #5 had asking prices of \$410,000 and \$435,000 or \$146.01 and \$132.18 per square foot of living area including land.

In comparing the comparable properties to the subject, the appraiser made adjustments for date of sale, site size, exterior construction, age, bathrooms, room count, dwelling size, basement size and basement finish, garage size and other amenities. Those adjustments were further discussed in the Supplemental Addendum. The analysis resulted in adjusted sales prices for the comparables ranging from \$382,280 to \$398,000 or from \$120.94 to \$218.04 per square foot of living area land included. From this process, the appraiser estimated a value for the subject by the sales comparison approach of \$386,000 or \$153.42 per square foot of living area including land.

Based on the foregoing, the appellant requested a total assessment reduction to \$128,654 which would reflect a market value of approximately \$386,000 at the statutory level of assessment of 33.33%.

The board of review presented its "Board of Review Notes on Appeal" wherein the subject property's final assessment of \$158,243 was disclosed. The subject's assessment reflects an estimated market value of \$477,067 or \$189.61 per square foot of living area including land using Will County's 2009 three-year median level of assessment of 33.17%.

The board of review submitted a two-page letter from the Homer Township Assessor's Office along with attached documentation. In the letter, the assessor criticized the appellant's suggested comparable sales due to date of sale after January 1, 2009, design differences and sale date from 2005 being too distant in time from the assessment date. The assessor also criticized the

consideration of a listing "because it is not a closed sale." As to the appellant's appraisal, the assessor noted it was a refinance appraisal and had an effective date of November 13, 2009 "almost a year after the assessment date of 01-01-2009." Moreover, the sales analyzed by the appraiser all occurred in 2009 and two were listings, not closed sales.

As to evidence to support the subject's estimated market value based on its assessment, the assessor wrote:

We were unable to locate an arms-length sale of a ranch home in the subject's subdivision between 01-01-2006 and 12-31-2008. We did however locate comparable ranch sales within 1 mile of the subject property for comparison purposes.

The assessor presented an analysis of four comparable sales located from .44 to 1.57-miles from the subject property. The comparables consist of ranch-style brick or brick and frame dwellings that range in age from 12 to 38 years old. The dwellings range in size from 1,792 to 2,526 square feet of living area. Each comparable has a full or partial basement, three of which include finished area. The homes have central air conditioning, a fireplace and a two-car or three-car garage. These comparables sold between October 2006 and December 2007 for prices ranging from \$382,500 to \$475,000 or from \$163.46 to \$237.17 per square foot of living area, including land. The assessor adjusted the comparables for lot size, exterior construction, age, condition, bathrooms, dwelling size, basement and basement finish, garage size and other amenities. In the memorandum, the assessor reported that "standard adjustments for the market or sales comparison approach to value" were made. No further discussion of the basis of those adjustments was presented in the documentation. From this unspecified adjustment process, the assessor reported adjusted sale prices ranging from \$412,700 to \$489,600 or from \$176.37 to \$273.21 per square foot of living area including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

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 a reduction in the subject property's assessment is warranted.

When overvaluation is claimed, the appellant has the burden of proving the value of the property 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); *Official Rules of the Property Tax Appeal Board*, 86 Ill. Admin. Code Sec. 1910.63(e). 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 §1910.65(c). The Board finds the appellant has overcome this burden.

Ordinarily, property is valued based on its fair cash value (also referred to as fair market value), "meaning the amount the property would bring at a voluntary sale where the owner is ready, willing, and able to sell; the buyer is ready, willing, and able to buy; and neither is under a compulsion to do so." Illini Country Club, 263 Ill. App. 3d at 418, 635 N.E.2d at 1353; see also 35 ILCS 200/9-145(a). A contemporaneous sale of property between parties dealing at arm's-length is a relevant factor in determining the correctness of an assessment and may be practically conclusive on the issue of whether an assessment is reflective of market value. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill. App. 3d 369 (1st Dist. 1983); People ex rel. Munson v. Morningside Heights, Inc., 45 Ill. 2d 338 (1970); People ex rel. Korzen v. Belt Railway Co. of Chicago, 37 Ill. 2d 158 (1967); and People ex rel. Rhodes v. Turk, 391 Ill. 424 (1945).

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)).

Appellant's documentation clearly establishes that the subject property was advertised for sale. The evidence disclosed that the subject was listed on the open market in May 2008 for a price of \$474,900. Multiple reductions in the listing price were made between May 2008 and June 2009. Thus, the general public did have the same opportunity to purchase the subject property at any negotiated sale price ranging from \$474,900 to \$409,999. Furthermore, the board of review provided no 2008/2009 substantive market value evidence in response to the declining listing prices of the subject property. The most proximate date of sale presented by the board of review occurred 13 months prior to the assessment date at issue. Despite that presentation of

sales occurring significantly prior to the assessment date, the board of review through the assessor's office criticized consideration of sales and listings that occurred less than 13 months after the assessment date at issue on the basis that for "assessment purposes" such sales could not be considered.

Since the appellant presented evidence showing the subject property was advertised for sale and exposed to the open market, the Property Tax Appeal Board finds the subject's 2009 estimated market value of \$477,067 is excessive when compared to its May 2008 through June 2009 list prices ranging from \$474,900 to \$409,999.

The Property Tax Appeal Board finds the best evidence of market value in this record is the narrative appraisal of the subject property submitted by the appellant. The appellant's appraiser provided a detailed narrative setting forth the basis of the analysis and developed the sales comparison approach to value with adjustments and rationale discussed in detail in estimating the subject property had a market value of \$386,000 as of November 13, 2009. Conversely, the board of review through the assessor's office provided raw sales information on four comparables with no analysis and no discussion of the basis for adjustments to the sales. Particularly noteworthy was the lack of adjustment for date of sale/time given the sale dates ranging from October 2006 to December 2007 when the valuation date was January 1, 2009. Moreover, the adjustments for size, features and other related factors were not discussed in any manner besides a summary statement that "standard adjustments" were made.

Based on the foregoing analysis, the Property Tax Appeal Board finds the subject's assessment is excessive and a reduction in accordance with the appellant's request 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.

Donald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mark Morris

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: September 21, 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.