



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

APPELLANT: Steven Olson
DOCKET NO.: 10-01755.001-R-1
PARCEL NO.: 09-12-23-100-005

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

LAND: \$20,848
IMPR.: \$75,818
TOTAL: \$96,666

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a one-story single-family dwelling with a loft. The home has a frame exterior construction and contains approximately 2,356 square feet of living area.¹ Construction on the dwelling began in 1998. Features of the home include a full unfinished walkout-style basement, central air conditioning, a fireplace, a three-car garage, a 30 foot by 75 foot building with heating, plumbing, concrete slab floor and insulation, and a 24 foot by 36 foot shed with steel roof, dirt floor and no "door." The subject site consists of 6.73-acres of land area and is located in Lena, Erin Township, Stephenson County.

The appellant appeared before the Property Tax Appeal Board contending both unequal treatment in the assessment process and overvaluation as to both the subject's land and improvement assessments. Much of the construction of the dwelling has been

¹ At the hearing, the appellant made the point that the subject dwelling contains 2,300 square feet of interior living area as consistent with the building plans. The appellant was informed that assessing officials use exterior measurements which may account for the slight difference of 56 square feet along with rounding of measurements in determining a schematic footprint.

performed by the appellant. Part of the appellant's appeal is that the dwelling is not yet finished with ductwork, window trim and other finishes. There were about 28 color photographs included with the appeal to depict the unfinished nature of the home's interior.

In support of the market value and equity arguments, the appellant submitted a spreadsheet analysis with sales and assessment data of four comparable properties located from 1.60 to 4.90-miles from the subject property. The comparable parcels range in size from 3.90 to 10.75-acres of land area. The comparables have land assessments ranging from \$11,133 to \$21,321 or from \$1,983 to \$2,855 per acre of land area. The subject has a land assessment of \$20,848 or \$3,098 per acre of land area.

These four parcels are improved with ranch or 1.5-story dwellings of frame, log or frame and masonry exterior construction. The homes range in age from 17 to 40 years old and range in size from 2,008 to 2,523 square feet of living area. Each dwelling has a basement, three of which include finished area. The homes also feature central air conditioning and a two-car garage. Three of the comparables have one or two fireplaces and each has "other improvements" which the appellant detailed in the grid. Comparable #1 has a 60 foot by 42 foot metal building with heat, concrete floor, insulation, water, half-bath and workshop along with a 49 foot by 32 foot metal shed. Comparable #2 has a three-stall 30 foot by 50 foot metal building with heated shop and concrete floor along with a "barn." Comparable #3 has a 20 foot by 50 foot metal barn and a one-stall metal shed. Comparable #4 has a 40 foot by 25 foot metal building that is partially insulated and heated. The comparables have improvement assessments ranging from \$46,570 to \$69,248 or from \$19.34 to \$30.59 per square foot of above-grade living area, with all improvements. The subject's improvement assessment is \$75,818 or \$32.18 per square foot of above-grade living area, with all improvements.

The four comparables also sold between February 2009 and October 2010 for prices ranging from \$215,000 to \$295,000 or from \$91.16 to \$127.65 per square foot of above-grade living area, including land.

Based on the foregoing evidence, the appellant requested a reduction in the subject's total assessment to \$74,667 which would reflect a total market value of approximately \$224,000 or \$95.08 per square foot of above-grade living area, including land.

On cross-examination, the board of review representative asked the appellant what parameters in terms of time and location were used in selecting his comparables. Although much time has passed since the data was gathered, the appellant believes based on the advice of realtors and bankers, the sales should be within six months of "the date to file an appeal" with the Stephenson County Board of Review and the properties should be located within 3-

miles of the subject. Based on the time parameter, the appellant conceded that his comparables #1, #2 and #3 sold more than six months prior to the date that he filed an appeal with the county board of review.

In reply, the appellant reiterated his contention that he was relying on memory only in terms of the parameters. Regardless, he asserted that the sales presented were the closest in time available when gathering the data of appropriate comparable properties and thus the time period was expanded to find a sufficient number of comparables.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$96,666 was disclosed. The subject's total assessment for 2010 reflects an estimated market value of approximately \$290,027 or \$123.10 per square foot of living area, including land, when applying the statutory level of assessments of 33.33%.

The board of review presented a four-page memorandum outlining a response to the appellant's evidence along with evidence in support of the assessment. As to the appellant's comparables, the board of review contends that only comparable #2 is located within the subject's township. The board of review further asserted that the home "is mostly finished except for some interior trim and flooring." In addition, the subject is "located on one of the highest points in Stephenson County and Northern Illinois." A topographic map was provided to show the area elevation. At hearing, the board of review representative asserted that the county was generally fairly flat, but the subject is fairly unique in being located on one of the highest ridges in the county which tends to bring a premium price.

The subject is also a well-constructed home as depicted in the photographs as compared to, for instance, board of review comparable #4 which is an inferior quality of construction in light of the windows, different roof grade and lack of a walkout basement, according to the board of review's representative at hearing. The representative further asserted that board of review comparable #5 was a lot more similar to the subject.

In support of the assessment, the board of review presented a two-page grid analysis of seven comparable properties along with underlying property record cards, color photographs and a map depicting the location of these comparables in relationship to the subject. Based upon the map, comparables #1 and #7 are in close proximity to the subject. Comparables #1, #6 and #7 are located in the subject's township. The seven comparables are located from nearby to 7.32-miles from the subject. Board of review comparable #4 is the same property as appellant's comparable #1 and board of review comparable #6 is the same property as appellant's comparable #2.

The homesite portions of these parcels range in size from 4.75 to 10.75-acres.² The homesite parcels have land assessments ranging from \$12,590 to \$21,310 or from \$1,954 to \$3,890 per acre of homesite land area. The subject has a land assessment of \$20,848 or \$3,098 per acre of land area.

The parcels are improved with 1-story or 1.5-story dwellings of frame, log or masonry exterior construction. The homes were built between 1983 and 2001 and range in size from 1,494 to 2,496 square feet of living area. Six of the comparables have a full or partial basement, two of which include finished area. Each home has central air conditioning and a garage ranging in size from 700 to 1,009 square feet of building area. Five of the comparables have one or two fireplaces each. Comparable #1 has a second detached garage; comparable #4 has two pole sheds; comparable #5 has a pole shed; comparable #6 has "5 buildings"; and comparable #7 has a second detached garage. These properties have improvement assessments ranging from \$53,083 to \$88,110 or from \$27.91 to \$39.50 per square foot of above-grade living area, including all improvements. The subject has an improvement assessment of \$75,818 or \$32.18 per square foot of above-grade living area, including all improvements.

Comparables #1 through #6 also sold between June 2008 and January 2010 for prices ranging from \$285,000 to \$423,000 or from \$116.99 to \$193.42 per square foot of above-grade living area, including land and all improvements. Comparable #7 has a 2010 asking price of \$274,900 or \$184.00 per square foot of above-grade living area, including land and all improvements.³

In the memorandum, the board of review also discussed an eighth equity comparable located within the subject's township. Photographs and a property record card for this property were attached to the board of review's submission.⁴ In the submission, the board of review contends that this property has an improvement assessment of \$30.69 per square foot of above-grade living area.

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

As rebuttal to the board of review's submission, the appellant contended that the comparables presented by the assessing officials are too distant in time and too distant in location

² Comparable #5 has 17.05-acres in total of which 12.13-acres are used and assessed as farmland.

³ The board of review also reported this property has a 2011 asking price of \$249,900 or \$167.27 per square foot of above-grade living area, including land and all improvements.

⁴ Based upon the property record card, the parcel consists of 3.74-acres improved with two-story "elaborate" single family dwelling of frame construction. The home was built in 1995 and contains 2,208 square feet of living area. Features include a finished walkout-style basement, central air conditioning and a 700 square foot garage. The property has a land assessment of \$13,631 or \$3,645 per acre and an improvement assessment of \$67,760.

from the subject property to be appropriate comparables to the subject property. Some of the comparables are on hard surface roads whereas the subject is on a gravel road that is not always well-maintained. He further testified that the subject property is not on the ridge or "close to it"; the subject dwelling is "halfway up" on the side of the hill.

The appellant testified that board of review comparable #5 has both a second story deck area and overall a lot more deck than the subject. He also asserted that a log cabin construction (appellant's comparable #2 & board of review comparable #6) are 30% to 70% more expensive than a frame construction.

The appellant further argued that the fact that he puts in a great deal of work into the subject dwelling "makes it nicer but doesn't make it more valuable."

In closing the board of review representative stated that he has personally viewed the interior of the subject dwelling and noted that the appellant is a great carpenter. While there are some interior finishes of the dwelling that are not completed, the representative contended that the board of review's assessment reduction of \$2,582 that was granted for 2010 was done to account for the lack of those finishes.

In reply, the appellant discussed recent materials only expenses of \$3,000 incurred for a railing system for the main staircase and loft of the dwelling. Based on those costs that do not include finishing or installation, the appellant contended that the reduction issued by the board of review for lack of various interior finishes was "way low."

After hearing the testimony 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 a reduction in the subject's assessment is not warranted.

The appellant contends unequal treatment in the subject's land and improvement assessments as one of the bases 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 on an equity argument.

The Property Tax Appeal Board has given reduced weight to board of review comparable #8 which was not fully analyzed in the presentation by the board of review. The parties submitted a total of nine equity comparables which were set forth fully in grid analyses to support their respective positions before the Property Tax Appeal Board. These comparable parcels range in size from 3.90 to 10.75-acres of land area with homesite land

assessments ranging from \$1,982 to \$3,890 per acre. The subject has a land assessment of \$3,098 per acre of land area which is well-supported by the parcels located in Erin Township identified as board of review comparables #1, #6 and #7 which have land assessments ranging from \$2,740 to \$3,890 per acre of land area. Thus, based on the record evidence, the Property Tax Appeal Board finds there is insufficient evidence to assert that the subject's land is inequitably assessed.

As to the improvement inequity contention, the Board has given reduced weight to appellant's comparable #4 due to age and dwelling size which differs from the subject. Similarly, reduced weight has been given to board of review comparables #1, #2 and #7 as these dwellings each differ in size from the subject. The Board finds the remaining five comparables submitted by both parties were most similar to the subject dwelling in location, size, style, exterior construction, features and/or age. These comparables had improvement assessments that ranged from \$19.34 to \$39.50 per square foot of above-grade living area. The subject's improvement assessment of \$32.18 per square foot of above-grade living area is within the range established by the most similar comparables and appears supported in particular by board of review comparable #4 which, like the subject, has two outbuildings, although it is somewhat older than the subject. 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 appellant 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.

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). 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. 86 Ill.Admin.Code §1910.65(c). The Board finds the evidence in the record does not support a reduction in the subject's assessment.

The parties submitted a total of eight comparable sales and one listing for the Board's consideration. The Board has given reduced weight to appellant's comparable #4 and board of review comparables #1, #2 and #7 due to differences in age and/or dwelling size of these comparables when compared to the subject property. The Board finds the remaining five comparables submitted by both parties were most similar to the subject in size, design, exterior construction, location and/or age. Due to their similarities to the subject, these comparables received the most weight in the Board's analysis. These comparables sold between June 2008 and January 2010 for prices ranging from \$230,000 to \$423,000 or from \$91.16 to \$193.42 per square foot of above-grade living area, including land and all improvements.

The subject's assessment reflects a market value of approximately \$290,027 or \$123.10 per square foot of above-grade living area, including land, which is within the range established by the most similar comparables both in terms of overall value and on a per-square-foot basis. While underlying the appellant's value claim is an assertion that the subject is not completely finished with interior trims and other finishes, the appellant's evidence failed to attribute a value to those amenities. Instead, the presentation for market value concerned properties that presumably have all standard interior finishes completed and the analysis reveals that the subject's value falls within the range of those comparable sales. After considering these most comparable sales on the record, the Board finds the appellant did not demonstrate that the subject property's assessment is excessive in relation to its market value and a reduction in the subject's assessment is not warranted.

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.

Donald 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 23, 2013

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.