



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

APPELLANT: Sejal Ghia
DOCKET NO.: 10-02008.001-R-1
PARCEL NO.: 03-04-328-007

The parties of record before the Property Tax Appeal Board are Sejal Ghia, the appellant, by attorney Ronald M. Justin, of RMR Property Tax Solutions, in Hawthorn Woods, and the Kane 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 **Kane** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$19,171
IMPR.: \$74,237
TOTAL: \$93,408

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property¹ is improved with a two-story single-family dwelling of frame construction. The dwelling contains approximately 3,100 square feet of living area and was constructed in 1996. Features of the home include a full finished basement, central air conditioning, a fireplace and a three-car 630 square foot garage. The property has a 13,068 square foot site and is located in Algonquin, Dundee Township, Kane County.

The appellant appeared before the Property Tax Appeal Board through legal counsel contending the subject property was overvalued in light of its recent sale. In support of this market value argument, the appellant's counsel filed a brief citing various Illinois cases along with evidence disclosing the

¹ Descriptive details of the subject property have been drawn from the property record card submitted by the board of review as the appellant failed to complete Section III - Description of Property.

subject property was purchased on December 15, 2009 for a price of \$280,000. The appellant completed Section IV - Recent Sale Data of the appeal petition disclosing the parties to the transaction were not related and the property was sold using a Realtor firm of Coldwell Banker Residential with agent Gina Jordanov. Furthermore, the property had been advertised on the open market with the Multiple Listing Service for 38 days prior to its sale.

No witness was presented by the appellant to testify as to the purchase process, negotiations and/or the condition of the subject property at the time of purchase.

In further support of the transaction, the appellant submitted a copy of the Multiple Listing Service sheet which depicted an original asking price of \$345,000 and a listing date of September 14, 2009 and a subsequent price reduction to \$310,000 prior to its sale. The appellant also submitted the first page of the Settlement Statement which reiterated the date of sale and contractual sales price.

Based on this evidence and applicable case law, the appellant requested a reduction in the subject's assessment to reflect the purchase price.

The board of review submitted its "Board of Review - Notes on Appeal" wherein the subject's total assessment of \$125,443 was disclosed. The subject's assessment reflects a market value of \$376,028 or \$121.30 per square foot of living area, including land, when applying the 2010 three year average median level of assessment for Kane County of 33.36% as determined by the Illinois Department of Revenue. (86 Ill.Admin.Code §1910.50(c)(1)).

The board of review representative Michael Madziarek contended the case law provides that a sales contract may be a "good sale" that should be looked at as market value, but where there is only a sales contract the terms of the transaction should also be examined along with any further evidence that would also support "a market value." Such that a contract alone is not necessarily market value, but it could be market value.

In support of the subject's estimated market value as reflected by its assessment, the board of review submitted a grid analysis with information on four comparable sales located in the same neighborhood code assigned by the assessor as the subject property and from .42 to 1.5-miles from the subject. The

comparables are improved with two-story dwellings of frame exterior construction. Dwelling sizes are either 3,100 or 3,240 square feet of living area. The dwellings were built between 1994 and 2000. Each comparable has a full or partial basement, one of which includes finished area and one of which is a walkout-style. Each comparable has central air conditioning, a fireplace and a garage of either 630 or 704 square feet of building area. These four properties sold from November 2007 to December 2010 for prices ranging from \$345,000 to \$410,000 or from \$108.02 to \$132.26 per square foot of living area, including land. As part of the grid analysis, the board of review also reported the subject's sale on November 1, 2009 for \$280,000 or \$90.32 per square foot of living area, including land. Similarly, the property record card reflects the sale date and price with a transfer via Warranty Deed.

Also attached to the board of review's submission was a spreadsheet of 24 two-story dwellings, including the subject. The data indicates these homes were built between 1994 and 2001. They range in size from 3,100 to 3,264 square feet of living area. Garages range in size from 630 to 768 square feet of building area. The properties sold between February 2007 and December 2010 for prices ranging from \$275,000 to \$415,000.

At hearing, the board of review called Bonnie Wilcox, Chief Deputy Assessor in Dundee Township, for testimony. She noted based on the spreadsheet that "the subject's sale was the second lowest of all of these sales" at \$283,000. In addition, she noted that comparables #1, #2 and #4 in the grid analysis were the same "Ultima" model as the subject.²

The board of review did not specifically address nor challenge the subject's sale price.

Based on this evidence, the board of review requested confirmation of the subject's estimated market value as reflected by its assessment.³

² In the grid, the subject is denoted as an Ultima-A while comparables #1, #2 and #4 are denoted as Ultima-D, Ultima-B and Ultima-A, respectively.

³ Prior to the hearing, the board of review proposed a reduction in the subject's assessment to \$116,655 which would reflect a market value of approximately \$349,965 which had been rejected by the appellant and thus this hearing proceeded. Given the duty of assessing officials to comply with the requirements of the Property Tax Code and assess properties at 1/3 of fair cash value, the Board finds the proposal by the board of review prior to the hearing is tantamount to an admission that the 2010 assessment of the subject property was in error.

On cross examination, Wilcox acknowledged the differences in the various model identifications and described those as "different elevations" which usually involve differences in brick frontage/architectural features or sometimes the number of bathrooms.

After hearing the testimony and considering 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 warranted.

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. Except in counties with more than 200,000 inhabitants that classify property, property is to be valued at 33 1/3% of fair cash value. (35 ILCS 200/9-145(a)). Fair cash value is defined in the Property Tax Code as "[t]he 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). The Supreme Court of Illinois has construed "fair cash value" to mean what the property would bring at a voluntary sale where the owner is ready, willing, and able to sell but not compelled to do so, and the buyer is ready, willing, and able to buy but not forced to do so to do. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970). A contemporaneous sale between two parties dealing at arm's length is not only relevant to the question of fair cash value but practically conclusive on the issue on whether the assessment is reflective of market value. Korzen v. Belt Railway Co. of Chicago, 37 Ill.2d 158 (1967). 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); 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. (86 Ill.Admin.Code §1910.65(c)). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

The Property Tax Appeal Board finds the best evidence of market value to be the purchase of the subject property on December 15, 2009 for a price of \$280,000. The appellant provided evidence demonstrating the sale had the elements of an arm's-length transaction. The subject was advertised for sale and the buyer and seller were not related parties.

As argued by the board of review, the Illinois courts have stated that the sale price of property does not necessarily establish its value without further information on the relationship of the buyer and seller and other circumstances. Ellsworth Grain Co. v. Illinois Property Tax Appeal Board, 172 Ill.App.3d 552 (4th Dist. 1988). As set forth in this record, the board of review failed to adequately rebut the apparent arm's-length nature of the sale transaction in that the only evidence of record is that the buyer and seller were not related, the property was open and exposed on the market for a period of time and sold for \$280,000 shortly before the assessment date at issue of January 1, 2010.

Additionally, the Board finds the purchase price of \$280,000 is below the market value reflected by the assessment of \$376,028. Moreover, the original listing price of \$345,000 for the subject property at the time of marketing in September 2009 was also less than the estimated market value as reflected by its 2010 assessment. Furthermore, the Property Tax Appeal Board finds the board of review did not present any substantive evidence to challenge the arm's-length nature of the transaction or to refute the contention that the purchase price was reflective of market value. The Board gave less weight to the comparables submitted by the board of review finding that they do not refute the arm's-length sale price evidence presented by the appellant.

Based on this record, the Board finds the appellant demonstrated by a preponderance of the evidence that the subject property was overvalued. The best evidence in the record is that the subject property had a market value of \$280,000 as of January 1, 2010. Since market value has been determined the 2010 three year average median level of assessment for Kane County of 33.36% shall apply. (86 Ill.Admin.Code §1910.50(c)(1)).

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.



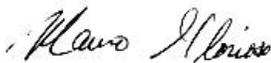
Chairman



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: January 24, 2014



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.