FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Allan Treml
DOCKET NO.: 10-02530.001-R-1
PARCEL NO.: 18-25-202-005

The parties of record before the Property Tax Appeal Board are Allan Treml, the appellant, by attorney Joanne Elliott of Elliott & Associates, P.C., in Des Plaines, 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:	$80,867
IMPR.:	$96,833
TOTAL:	$177,700

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel which backs up to a private golf course is improved with a one-story single-family dwelling of frame and brick exterior construction that is 11 years old. The dwelling contains approximately 3,448 square feet of living area. The dwelling features a full finished walkout-style basement with a full bath, two fireplaces, central air conditioning, a screen porch and an attached three-car garage. The property also has a deck and patio. The subject is located in Lake in the Hills, Grafton Township, McHenry County.

In support of the overvaluation complaint, the appellants filed an appraisal with the Property Tax Appeal Board. The appraisal prepared by Vito Bellantuono of Elle Appraisal Services states that it was prepared for a purchase transaction of the subject property[1] and appraised the fee simple rights. The appraisal

[1] Despite the purpose of the appraisal, the appraiser did not report analyzing the contract for sale for the subject purchase transaction or report why the analysis was not performed (see page 1 of Uniform Residential Appraisal Report). The appraiser also reported that the subject property had not been offered for sale in the twelve months prior to the date of the appraisal.

provides an estimated market value of $435,000 as of March 11, 2011.

As to the market area, the appraiser noted the subject is located in Boulder Ridge Subdivision, a private and gated golf course community and the dwelling "has been maintained in above average condition for this neighborhood." As part of an addendum, the appraiser outlined data related to sales in the subdivision for the prior four years and concluded that property values had declined in the area at a rate of approximately 5% per year.

Using the sales comparison approach, the appraiser analyzed four sales, two listings and two properties "under contract" which were located from across the street to 2.93-miles from the subject property. The comparables consist of four, two-story and four, one-story dwellings that are from 8 to 23 years old. The comparables range in size from 2,232 to 3,630 square feet of living area. Each has a full basement, two of which are walkout-style and five of which include finished basement area. The homes have central air conditioning, one or two fireplaces and a two-car or a three-car garage.

Four comparables sold between March 2010 and February 2011 for prices ranging from $367,500 to $415,000 or from $101.93 to $164.65 per square foot of living area, including land. Comparable listings #5 and #8 had asking prices of $475,000 and $344,900, respectively, or $192.39 and $142.82 per square foot of living area, including land. Comparables #6 and #7 were "under contract" for prices of $415,000 and $410,000 or for $123.99 and $120.09 per square foot of living area, including land, respectively. Comparables #7 and #8 were further noted as "short sale" properties.

As part of the appraisal report, the appraiser made adjustments to the comparables for differences when compared to the subject for date of sale/time, lot size, view, quality of construction, age, condition, room count, dwelling size, basement style, basement finish, number of garage stalls and/or number of fireplaces. The adjustments were discussed in the report further including an explanation that comparable #1, which was nearly 3-miles from the subject, was included to help bracket the subject's view. The adjustments resulted in adjusted sales prices for the comparables ranging from $385,875 to $502,925 or from $114.93 to $203.70 per square foot of living area land included. From this process, the appraiser estimated a value for the subject of $435,000 or $126.16 per square foot of living area including land.[2]

Based on this evidence, the appellant requested a reduction in the subject's total assessment to $144,985 which would

[2] The appellant's appraiser reported a dwelling size of 3,418 square feet, but this calculation is based upon the record evidence of the subject's dwelling size.

approximately reflect the appraised value at the statutory level of assessment of 33.33%.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of $198,965 was disclosed. The final assessment of the subject property reflects a market value of approximately $617,712 or $179.15 per square foot of living area including land using the 2010 three-year median level of assessments for McHenry County of 32.21% as determined by the Illinois Department of Revenue. (86 Ill.Admin.Code §1910.50(c)(1)).

The board of review contends that based on data gathered by the township assessor, sales more proximate to the assessment date of January 1, 2010 support the subject's estimated market value as reflected by its assessment. The assessor presented two sales located on the subject's street and on the golf course. The properties are improved with one-story brick dwellings that were 7 and 9 years old, respectively. Each comparable has a full basement along with central air conditioning, one or two fireplaces and a garage. The dwellings contain 3,496 and 2,533 square feet of living area, respectively. The comparables sold in June 2009 and August 2009 for prices of $420,000 and $665,000 or for $165.81 and $190.22 per square foot of living area, including land.

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

In written rebuttal, counsel for the appellant contends that the effective date of the appraisal is not the only basis for the value opinion as sales from 2010 were included in the report "with proper adjustments made by a certified appraiser" for the lien date.

As to the two sales presented by the board of review, the appellant contends that there is no "documentary evidence (sales contracts, closing statements, transfer tax declarations, MLS listing sheets, etc.) that would confirm these sales" so as to determine if the data is correct or relevant. Additionally, these sales have not been adjusted for "market conditions, location, age, size, property condition or for any other relevant matters." Therefore, the appellant contends these sales should be disregarded in the Board's analysis.

After reviewing the record and considering the evidence submitted by the parties, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

The appellant argued that the subject's assessment was not reflective of 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). After analyzing the entire record, the Property Tax Appeal Board finds this burden of proof has been met and a reduction in the subject's assessment is warranted.

The Board finds the appellant submitted an appraisal of the subject property with a final value conclusion of $435,000 as of March 11, 2011, slightly more than one year after the assessment date at issue of January 1, 2010. In addition, the appraiser made substantial time adjustments to sales in the report which occurred in 2010 (see comparables #1 and #2) in order to adjust the values to the effective date of the report. These adjustments, however, do not appear consistent as comparable #4 closed in March 2010 and has no time/date of sale adjustment. Furthermore, upon examining the comparables utilized in the report along with the adjustments, the Board finds that due to consideration of "active listings" and properties "under contract" the appraiser made several extraordinary adjustments such for comparables #5, #6, #7 and #8. The appraiser also made inconsistent adjustments for age as shown by comparables #1 and #3 where each home was 23 years old and an adjustment was made to one comparable and not to the other without further satisfactory explanation other than "condition" which is another line in the appraisal report. The questionable nature of these adjustments is further displayed when examining the total adjustments that range from $3,500 to $67,150. In light of these considerations, the Board finds the appraiser's value conclusion is not proximate to the assessment date and furthermore is not well-supported by the comparable sales. Therefore, the Property Tax Appeal Board will examine the raw sales data presented in the appraisal as compared to the sales presented by the board of review.

The Board finds the most similar comparables to the subject in the appellant's appraisal report, despite their two-story designs, were #2 and #4 based on date of sale, location, size, age and other features. Comparable #2 sold in November 2010 for $415,000 or $120.64 per square foot of living area, including land, and comparable #4 sold in March 2010 for $370,000 or $101.93 per square foot of living area, including land.

The board of review submitted two suggested sales in support of the subject's assessment. While both comparables are similar to the subject in design, each is superior in being all-brick exterior construction and comparable #2 is substantially smaller than the subject in living area square footage. These two sales occurred in June 2009 and August 2009 for prices of $420,000 and $665,000 or for $165.81 and $190.22 per square foot of living area, including land.

The final assessment of the subject property reflects a market value of approximately $617,712 or $179.15 per square foot of living area, including land, which is at the higher end of the

range of the most similar and most recent comparable sales on this record. The highest value is attributed to board of review comparable #1 which is newer, slightly larger and all-brick when compared to the subject dwelling. The subject has a superior walkout-style basement as compared to this comparable, but its assessment appears not to reflect its estimated market value in light of these comparable sales. After considering the most comparable sales discussed above, the Board finds the appellant did demonstrate the subject property's assessment is excessive in relation to its market value and a reduction in the subject's assessment 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.

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 24, 2013

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.