FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Rich Yunker
DOCKET NO.: 10-03062.001-R-1
PARCEL NO.: 18-01-128-008

The parties of record before the Property Tax Appeal Board are Rich Yunker, the appellant, 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:	$11,844
IMPR.:	$47,745
TOTAL:	$59,589

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 7,057 square feet of land area is improved with a 1.5-story frame exterior constructed single-family dwelling built in 2005. The dwelling contains 1,332 square feet of living area with an English-style basement that is partially finished with a small swimming pool along with a full bath. Additional features include a fireplace, a three-car garage and a deck. The subject property is located in Crystal Lake, Grafton Township, McHenry County.

The appellant filed an appeal with the Property Tax Appeal Board contending the sole basis of the appeal in Section 2d of the Residential Appeal petition was that the market value of the subject property is not accurately reflected in its assessed valuation. In support of this overvaluation argument, the appellant submitted an appraisal prepared by real estate appraiser Frank Caba of Advanced Appraisal Partners, LLC, estimating the subject property had a market value of $185,000 as of January 1, 2010. The rights appraised were fee simple and the purpose of the appraisal was "market value for tax purposes."

In the addendum, in discussing the property, the appraiser noted the property had a security system, underground sprinklers, central vacuum, heated garage, two-story ceiling in the foyer and family room, and a recreation room in the basement among other features.

The appraiser utilized both the cost and the sales comparison or market value approaches in arriving at an opinion of value for the subject property. In the cost approach, the appraiser estimated functional obsolescence for the basement pool super-adequacy and lack of accommodation due to a radiant heating system for adding central air conditioning which is a common feature in the market area. Under the cost approach, the appraiser estimated a market value of $185,600 for the subject.

For the sales comparison approach, the appraiser analyzed six sales of comparable properties which were located between 0.18 and 0.60 of a mile from the subject property. The comparables consist of a one-story, two, split-level and three, two-story dwellings which were from 10 to 33 years old. The comparables range in size from 1,015 to 1,820 square feet of living area. Five of the comparable properties have a basement, two of which are English-style and four of which have finished area with two of those including a bathroom. Each home has central air conditioning and a two-car garage. Two of the comparables have a fireplace. The comparables sold in 2009 for prices ranging from $167,500 to $218,000.

In comparing the comparable properties to the subject, the appraiser made adjustments for date of sale/time and/or differences such as location, land area, view, design, age, room count, gross living area, basement amenity, basement style, basement finish, air conditioning, garage size and/or other amenities. The appraiser also made an adjustment to all of the comparables for "items to cure" which were explained in the report as cracked tiles in the kitchen and master bathroom along with no casing or baseboards in the entire interior of the home around windows or doors. The adjustments were further discussed in an addendum also noting the subject had a superior garage to all of the comparables which was considered a super-adequacy for the area. This adjustment analysis resulted in adjusted sales prices for the comparables ranging from $182,500 to $192,900. From this process, the appraiser estimated a value for the subject by the sales comparison approach of $185,000.

The appellant also submitted a letter contending that "homes used as comparables are assessed well below their own sale prices." [1]

[1] As part of this appeal submission, the appellant included data submitted by the Grafton Township Assessor to the McHenry County Board of Review for purposes of the appellant's initial appeal of the 2010 assessment of the subject property. The law is clear that proceedings before the Property Tax Appeal Board are de novo "meaning the Board will only consider the evidence, exhibits and briefs submitted to it, and will not give any weight or consideration to any prior actions by a local board of review . . . ." (86 Ill.Admin.Code §1910.50(a)). In this regard, only the evidence submitted by

As such, the appellant contends that sales prices do not equal assessed values. While for purposes of this appeal, the appellant submitted an appraisal he further wrote that his home was not standard to the neighborhood. Three of the sales in the appraisal report are in the township. The appellant stated that the reduced assessment in this appeal is based upon the three sales from the appraisal within the township "by applying the 'net adjustments' of each comp and then taking the average." Therefore, based on this evidence and argument, the appellant requested a reduction in the subject's total assessment to $56,447.43 which would reflect a market value of approximately $169,672.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of $66,660 was disclosed. The subject's total assessment reflects a market value of $206,954 or $155.37 per square foot of living area, including land, using the 2010 three-year median level of assessments for McHenry County of 32.21%.

In response to the appeal, the board of review proposed to reduce the subject's assessment to $61,660 which would reflect the appraised value of the subject property of $185,000. In addition, the board of review submitted a letter from the Grafton Township Assessor's Office. In the letter, the assessor disputes the appellant's assertion that a small sample of comparable sales warrants a reduction "based on this sampling's sale ratio with further adjustments based on the appraisal."

In further support of the subject's assessment, the assessor provided five comparable sales from the subject's area.[2] The comparables are admittedly older homes than the subject, most are smaller than the subject, and only one comparable has a basement according to the assessor. The comparables consist of a split-level and four, one-story frame or frame and brick dwellings that were 10 to 60 years old. The homes range in size from 888 to 1,844 square feet of living area and one comparable has a basement. Each home has central air conditioning and a garage ranging in size from 364 to 575 square feet of building area. Two comparables have one or two fireplaces, respectively. These properties sold between July and November 2009 for prices ranging from $148,400 to $305,000.

Based on the foregoing evidence, the board of review suggested a reduction in the subject's assessment to $61,660 so as to reflect the appellant's appraiser's estimated market value of the subject property.

The appellant was informed by the Property Tax Appeal Board of the board of review's proposed assessment reduction and given 30

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the board of review to the Property Tax Appeal Board in response to this appeal will be examined.

[2] The assessor's sales #2 and #3 were the same properties reported as the appellant's appraiser's sales #3 and #4, respectively.

days to advise if the proposed assessment was acceptable. The appellant responded to the Property Tax Appeal Board within the time allotted and advised that the proposed reduction was not acceptable. Furthermore, the appellant contended in this rebuttal submission that the subject property was inequitably assessed and "should be compared to the assessed values of the comparables in the appraisal."

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

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). The Board finds this burden of proof has been met and a reduction in the subject's assessment is warranted.

The appellant submitted an appraisal of the subject property with a final value conclusion of $185,000. The board of review proposed to reduce the subject's assessment to reflect the appraised value, but this proposal was not acceptable to the appellant on grounds of lack of uniformity in assessments.

As argued by the appellant as part of this appeal, the appellant contends there is a disparity between the subject property and three comparable recently sold properties with regard to the ratio of market value based upon the assessment(s) and recent sales data. For purposes of this appeal, the appellant submitted an appraisal of the subject property to establish the subject's estimated market value. The basis of the appeal was not lack of assessment uniformity. Assuming arguendo that the Property Tax Appeal Board could consider an inequity argument on this record, the appellant failed to provide the assessments of the properties set forth in the appraisal report so as to make the argument that properties are not properly assessed in relationship to their recent sale prices.

Except in counties with more than 200,000 inhabitants which 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 Illinois Supreme Court has defined fair cash value as 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. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill. 2d 428 (1970).

The Illinois property tax scheme is grounded in article IX, section 4, of the Illinois Constitution of 1970, which provides in pertinent part that real estate taxes "shall be levied uniformly by valuation as ascertained as the General Assembly shall provide by law." Ill.Const.1970, art IX, §4(a). The Illinois Supreme Court stated that "[u]niformity in taxation, as required by the constitution, implies equality in the burden of taxation." Apex Motor Fuel v. Barrett, 20 Ill. 2d 395, 401 (1960). The Court in Apex Motor Fuel further stated:

> The rule of uniformity ... prohibits the taxation of one kind of property within the taxing district at one value while the same kind of property in the same district for taxation purposes is valued at either a grossly less value or a grossly higher value. [citation omitted.]
>
> Within this constitutional limitation, however, the General Assembly has the power to determine the method by which property may be valued for tax purposes. [citation omitted.] The constitutional provision for uniformity . . . does [not] call for a mathematical equality. The requirement is satisfied if the intent is evident to adjust the burden with a reasonable degree of uniformity and if such is the effect of the statute in its general operation. A practical uniformity, rather than an absolute one, is the test. [citation omitted.]

Apex Motor Fuel, 20 Ill. 2d at 401.

In this context, the Supreme Court stated in Kankakee County that the cornerstone of uniform assessments is the fair cash value of the property in question. According to the Court, uniformity is achieved only when all property with similar fair cash value is assessed at a consistent level. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d 1, 21 (1989).

In this appeal, the appellant submitted sales information. The appellant failed to provide any assessment data of any comparable properties so as to demonstrate that the subject property was being assessed at a greater percentage of market value than nearby similar properties. Therefore, the appellant's argument fails due to the lack of any assessment evidence to support the appellant's proposition made in this appeal that area assessments fail to reflect market values.

Having considered the evidence in the record and the board of review's proposed assessment reduction to reflect the appraiser's opinion of value, the Property Tax Appeal Board finds that the appraisal submitted by the appellant estimating the subject's

market value as $185,000 is the best evidence of the subject's market value in the record. Moreover, the appraisal's opinion of value is well-supported by the board of review's comparables #2 and #3 which were also presented by the appraiser in the appraisal report.

Based upon the market value as stated above, the Property Tax Appeal Board finds that a reduction is warranted. Since market value has been established, the three-year median level of assessments for McHenry County for 2010 of 32.21% shall be applied. (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: 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.