



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

APPELLANT: Patricia Janko
DOCKET NO.: 11-00092.001-R-1
PARCEL NO.: 11-04-23-231-007-0000

The parties of record before the Property Tax Appeal Board are Patricia Janko, the appellant, by attorney Mitchell L. Klein of Schiller Klein, PC, in Chicago, 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: \$14,151
IMPR.: \$16,089
TOTAL: \$30,240

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a one-story single-family dwelling of frame construction that contains 1,008 square feet of living area. The dwelling was constructed in 1923. Features of the home include a full basement, of which 30% was finished as a recreation room, central air conditioning,¹ and a two-car garage of 528 square feet of building area. The property has a 7,625 square foot site and is located in Lockport, Lockport Township, Will County.

The appellant's appeal is based on overvaluation. In support of this argument, the appellant submitted an appraisal estimating the subject property had a market value of \$75,000 as of January 1, 2011. The appraisal was prepared by Audrey Clamage, a State

¹ The assessing officials reported the basement was unfinished and that the home lacks central air conditioning, but the appellant's appraiser reported both a partially finished basement and the feature of central air conditioning for the subject dwelling.

of Illinois certified real estate appraiser. In estimating the market value of the subject property the appraiser developed both the cost and the sales comparison approaches to value.

As to the subject dwelling, the appraiser reported from the inspection that occurred on August 23, 2011 that the home was vacant and has a dripping pipe in the basement along with an odor "that appeared to be from water. In addition, the home featured original plaster walls, floors and hardware on doors, thus, the property appeared dated and "not well maintained."

Under the cost approach, the appraiser estimated the subject had a site value of \$20,000. The appraiser estimated the replacement cost new of the improvements using the Marshall and Swift Cost Manual to be \$112,980. The appraiser estimated depreciation to be \$25,999 using the age/life method resulting in a depreciated improvement value of \$86,981. Adding the various components, the appraiser estimated the subject property had an estimated market value of \$107,000 under the cost approach to value.

Using the sales comparison approach, the appraiser provided information on three comparable sales that were located from .19 to .61 of a mile from the subject property. As set forth in the report, the comparables were on the market for 5 to 226 days. The comparables are described as a one-story and two, two-story dwellings of frame construction that range in size from 960 to 1,584 square feet of living area. The dwellings range in age from 93 to 118 years old. Comparable #2 has a full basement with a recreation room. Two of the comparables have central air conditioning and each comparable has a one-car or a two-car garage. The comparables have sites ranging in size from 5,227 to 14,285 square feet of land area. The appraiser also noted that the comparables were sold in "as-is" condition and were reported to be in need of updating. The appraiser also noted that while the designs differ, that was typical of area homes and comparable sales of two-bedroom properties were sought. These three comparables sold from January 2010 to November 2010 for prices ranging from \$80,000 to \$103,900 or from \$54.49 to \$83.33 per square foot of living area, including land. After making adjustments to the comparables for differences from the subject, the appraiser estimated the comparables had adjusted prices ranging from \$71,720 to \$101,260 or from \$45.97 to \$63.93 per square foot of living area, including land.

In reconciling the two approaches to value the appraiser gave most weight to the sales comparison approach to value and

estimated the subject property had a market value of \$75,000 as of January 1, 2011.

Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the appraised value.

The board of review submitted its "Board of Review - Notes on Appeal" wherein the subject's total assessment of \$49,622 was disclosed. The subject's assessment reflects a market value as of January 1, 2011 of \$149,419 or \$148.23 per square foot of living area, including land, when applying the 2011 three year average median level of assessment for Will County of 33.21% as determined by the Illinois Department of Revenue. (86 Ill.Admin.Code §1910.50(c)(1)).

The board of review submitted a letter from the Lockport Township Assessor's Office which noted that the comparable sales in the appraisal submitted by the appellant are "Sheriff Sales and are invalid in our sales ratio study."

In support of the subject's assessment, the board of review submitted information on nine comparable sales located in "Lockport Proper" which was also identified as the location of the subject dwelling. The comparables are improved with 1.5-story or one-story dwellings of frame, stucco or brick construction that range in size from 984 to 1,368 square feet of living area. The dwellings were constructed from 1900 to 1948. Eight of the comparables have a full or partial basement. Three of the comparables have central air conditioning and each has a garage ranging in size from 216 to 676 square feet of building area. Six of the comparables also have porches. These nine comparables sold from May 2008 to June 2010 for prices ranging from \$144,900 to \$216,000 or from \$118.67 to \$211.84 per square foot of living area, including land. As part of the submission, the township assessor argued that the sales from 2008, 2009 and 2010 present a "medium level of sales [prices of] \$165,333" and the subject's estimated market value based on its assessment is below that figure.

Also attached to the submission was a copy of the Illinois Real Estate Transfer Declaration (PTAX-203) concerning the sale of the subject property in November 2011 for \$85,000 and the Warranty Deed for the transaction depicting that the appellant sold the subject property to Paul R. Schnoes and Cynthia R. Schnoes. The PTAX-203 document indicates that the property was not advertised for sale prior to the transaction.

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

In written rebuttal, counsel for the appellant noted that the subject property sold in November 2011 for \$85,000 "just slightly above the appraised value." To support this contention, counsel submitted a copy of the property record card from the Will County Supervisor of Assessments' website which depicted the sale date of November 1, 2011 and a sale price of \$85,000. The appellant provided no further information to address whether this was an arm's length sale transaction which was open and exposed on the market prior to its sale and sold between unrelated parties.

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 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. 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 based on the preponderance of evidence in the record that the subject property is overvalued. The appraiser found the subject property in August 2011 was vacant and had a dripping pipe in the basement with a smell of water. The board of review did not refute this condition or the other notations of the appraiser that the subject property was in need of updating.

The Property Tax Appeal Board cannot rely upon the reported November 2011 sale price as the best evidence of the market value of the subject property in the absence of evidence that the subject property was advertised on the open market and sold between unrelated parties.

The board of review contends the subject property had an estimated fair market value of approximately \$149,419 or \$148.23 per square foot of living area, including land, based upon its assessment. To support this estimated market value, the board of review presented a total of nine sales, five of which occurred in 2008, two of which occurred in 2009 and two of which occurred in 2010. The Property Tax Appeal Board has given no weight to the sales that occurred in 2008 and 2009 as these sales are least proximate in time to the assessment date of January 1, 2011.

As to the assessor's criticisms of the sales presented in the appraisal report, it is noted that as of July 16, 2010, the Property Tax Code mandates that the Property Tax Appeal Board shall consider compulsory sales of comparable properties for the purpose of revising and correcting assessments, including those compulsory sales of comparable properties submitted by the taxpayer. (35 ILCS 200/16-183) The Property Tax Code defines a compulsory sale in part as "the first sale of real estate owned by a financial institution as a result of a judgment of foreclosure, transfer pursuant to a deed in lieu of foreclosure, or consent judgment, occurring after the foreclosure proceeding is complete." (35 ILCS 200/1-23) Based on the foregoing statutory provision for assessments as of January 1, 2011 and thereafter, the Board has given little weight to the criticism by the assessor that the comparable sales presented by the appraiser were "Sheriff Sales."

The Board finds that the estimated market value conclusion set forth in the appraisal presented by the appellant is not a reliable or credible indicator of value in light of the analysis in the report of two, two-story dwellings and only one-story dwelling where the subject is a one-story home and the appraiser made no adjustment for the design difference in the report. Thus, having discounted the value conclusion of the appraisal, the Board will examine the raw sales in the report along with the two sales presented by the board of review that occurred in 2010.

The Board has given reduced weight to appraisal comparables #1 and #3 due to their two-story design as compared to the subject one-story dwelling. The Board finds that appraisal comparable #2 along with board of review comparables #8 and #9 sold most proximate to the assessment date and were most similar to the subject dwelling in age, size, exterior construction, design and/or features. These three properties sold between May and November 2010 for prices ranging from \$80,000 to \$159,000 or

from \$83.33 to \$139.47 per square foot of living area, including land.

In light of the subject's condition as described in the appraisal report and not refuted by the board of review along with the evidence of the subsequent sale of the subject property, the Board finds that the subject property was overvalued 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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Tracy A. Huff

Member

Mario 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: January 24, 2014

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.