



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

APPELLANT: Walter & Wanda Chowanski
DOCKET NO.: 11-01432.001-R-1
PARCEL NO.: 22-03.0-402-018

The parties of record before the Property Tax Appeal Board are Walter & Wanda Chowanski, the appellants, by attorney Randall W. Segatto of Barber, Segatto, Hoffee, Wilke & Cate, in Springfield, and the Sangamon 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 **Sangamon** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$568
IMPR: \$5,115
TOTAL: \$5,683

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a one-story single-family dwelling of frame exterior construction containing 884 square feet of living area. The dwelling was constructed in 1920. Features of the home include a full basement with finished area, central air conditioning and a detached two-car garage. The property has a 6,300 square foot site and is located in Springfield, Capital Township, Sangamon County.

The appellants appeared before the Property Tax Appeal Board through counsel contending that the subject property was overvalued based on its assessment. In support of this market value argument, the appellant Walter Chowanski appeared and testified with regard to the evidence which was submitted concerning the purchase of the subject property on March 21,

2011¹ for \$17,000. At the hearing, Mr. Chowanski confirmed the factual assertions contained within the appeal petition concerning the sale transaction.

As part of the appeal, the appellants completed Section IV - Recent Sale Data of the appeal petition disclosing the parties to the transaction were not related, the property was sold using a Realtor firm of Do Realty with agent Stephanie Do, and that the property had been advertised on the open market through the Multiple Listing Service for 14 months prior to its sale. The seller of the property was HSBC Mortgage Services, Inc. Chowanski testified that neither he nor his wife have any interest in HSBC. The witness further testified that agent Do is not the realtor utilized by the appellants. The appellants engaged a realtor by the name of Randy Jones.

In further support of the transaction the appellants submitted a copy of the Multiple Listing Service sheet for the subject property which was marked at hearing as Exhibit 1. The listing depicted an original asking price of \$19,900 for the property with a listing date of December 21, 2010. The appellants also submitted a copy of the Settlement Statement for the subject transaction which was marked at hearing as Exhibit 2. This document depicted the contract sales price of \$17,000 and the settlement date of March 21, 2011.

The witness additionally testified that since the purchase of the subject property the home has had some painting and carpet cleaning. The witness also acknowledged that the property is used a rental real estate. Mr. Chowanski asserted familiarity with the market area of the subject property and contended that the market conditions have not changed since the subject property was purchased. The witness concluded by opining that he and his wife paid what was fair market value for the subject property at the time of the transaction.

Based on the foregoing evidence and testimony, the appellants requested a reduction in the subject's assessment to reflect the recent purchase price.

On cross examination, Mr. Chowanski testified that based on the neighborhood he determined that the subject property was worth \$17,000.

¹ A typographical error in the appeal petition was corrected at the time of hearing.

The board of review submitted its "Board of Review - Notes on Appeal" wherein the subject's total assessment of \$17,078 was disclosed. The subject's assessment reflects a market value of \$51,086 or \$57.79 per square foot of living area, including land, when applying the 2011 three year average median level of assessment for Sangamon County of 33.43% as determined by the Illinois Department of Revenue.

In support of the assessment, the board of review submitted a memorandum and data prepared by the Capital Township Assessor's Office. In the township assessor's memorandum, it was noted that the subject property is a "non-owner" occupied property. The board of review's documentation also included a printout reporting that the subject property sold on March 21, 2011 for \$17,000 via Special Warranty deed and the document includes "comment - foreclosure sale."

At hearing, the board of review called Chip Smith, Deputy Assessor with Capital Township, for testimony. Smith testified that the sales documentation presented in this appeal reflects all of the sales for 2011 in the assessor's neighborhood code of 2025. As set forth in the memorandum, the assessor concluded based on comparable sales, the subject's assessment "is in-line with the assessment range of other like-style homes in the subject neighborhood and other competing neighborhoods."

In the two-page computer print-out spreadsheet, the assessor presented limited data concerning 11 comparable sales which comparables are improved with dwellings that range in size from 604 to 1,299 square feet of living area. The dwellings were constructed from 1905 to 1976. The data is arrayed by neighborhood codes of A-2025-C to A-2025-G with the subject property having neighborhood code A-2025-D as assigned by the township assessor. Nine of the comparables have a basement, one of which includes finished area. Nine of the comparables also have a garage ranging in size from 240 to 528 square feet of building area. No other features or amenities of the comparables were provided in the submission. These properties sold from February to December 2011 for prices ranging from \$5,000 to \$57,900 or from \$4.23 to \$52.08 per square foot of living area, including land.

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

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 appellants contend 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 appellants 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 March 21, 2011 for a price of \$17,000, which was a date three months after the assessment date of January 1, 2011. The appellants 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. The board of review failed to rebut the apparent arm's length nature of the transaction. The board of review did not specifically address nor challenge the subject's sale price.

The Illinois Supreme Court has held that a contemporaneous sale of the subject property between parties dealing at arm's length is relevant to the question of fair market value. People ex

rel. Korzen v. Belt Ry. Co. of Chicago, 37 Ill. 2d 158, 161, 226 N.E.2d 265, 267 (1967). A contemporaneous sale of property between parties dealing at arm's-length is a relevant factor in determining the correctness of an assessment and may be practically conclusive on the issue of whether an assessment is reflective of market value. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill.App.3d 369 (1st Dist. 1983), People ex rel. Munson v. Morningside Heights, Inc., 45 Ill. 2d 338 (1970), People ex rel. Korzen v. Belt Railway Co. of Chicago, 37 Ill. 2d 158 (1967), and People ex rel. Rhodes v. Turk, 391 Ill. 424 (1945).

Additionally, the Board finds the purchase price of \$17,000 is below the market value reflected by the assessment of \$51,086. The 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 the comparable sales data lacks details of the properties and these other sales do not refute the arm's-length sale price evidence presented by the appellants.

Based on this record, the Board finds the appellants 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 \$17,000 as of January 1, 2011. Since market value has been determined the 2011 three year average median level of assessment for Sangamon County of 33.43% 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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Tracy 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: February 21, 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.