



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

APPELLANT: Robert B. & Heather Buelow
DOCKET NO.: 12-03323.001-R-1
PARCEL NO.: 19-06-303-007

The parties of record before the Property Tax Appeal Board are Robert B. & Heather Buelow, the appellants, and the McHenry County Board of Review.

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change 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: \$21,750
IMPR.: \$34,334
TOTAL: \$56,084

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellants timely filed the appeal from a decision of the McHenry County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2012 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject property consists of a one-story dwelling of frame construction with 1,280 square feet of living area. The dwelling is 57 years old. Features of the home include central air conditioning and both a 252 square foot garage and a second detached garage of 720 square feet of building area. The

property has a .307-acre site and is located in Crystal Lake, Algonquin Township, McHenry County.

The appellant Robert Buelow appeared before the Property Tax Appeal Board on behalf of the appellants contending overvaluation as the basis of the appeal and arguing at hearing that the subject property could not be sold for the estimated market value as reflected by its assessment.

In support of the overvaluation argument, the appellants submitted a grid analysis in Section V of the Residential Appeal petition with information on four comparable sales located from ¼ mile to 2.5-miles from the subject. The comparables consist of one-story dwellings of frame or brick and frame exterior construction that were 21 to 85 years old. The dwellings range in size from 1,371 to 2,151 square feet of living area. One comparable has a partial finished basement. Two of the comparables have central air conditioning, two of the comparables have a fireplace and each comparable has a garage described as either two-car or ranging in size from 245 to 616 square feet of building area. The parcels range in size from 6,850 to 17,788 square feet of land area. The properties sold between April 2011 and August 2012 for prices ranging from \$100,000 to \$175,000 or from \$70.22 to \$99.10 per square foot of living area, including land.

The appellant also cited the grid analysis presented to the appellants at the time of the McHenry County Board of Review hearing which was attached to the appeal petition. At hearing, Buelow noted that the value conclusion by the township assessor as depicted on that grid for the subject property was \$146,200.

As part of the presentation, the appellant acknowledged that there is a mortgage on the subject property that is "way beyond 100% loan value" due to his relationship with the bank, not due to the value of the subject property.

Based on this evidence and argument, the appellants requested a total assessment of \$46,200 which would reflect a market value of approximately \$138,600 or \$108.28 per square foot of living area, including land.

On cross-examination, the appellant was asked about the rental of the property in 2012. The appellant testified the property was not rented in 2012, but rather was empty. In 2011 the subject dwelling was a summer home, but was also not rented in 2011. Upon further inquiry, the appellant acknowledged that the

property was rented in 2013 with a lease that began in December 2012.

The appellant was asked about the similarity in neighborhood and/or location of his comparable #2 which is 2 ½ miles from the subject dwelling. The appellant acknowledged that there were few comparable smaller homes in the subject's immediate neighborhood which has many larger homes.

In the course of questioning the appellant regarding his sale #4, the board of review's representative noted the dwelling was 68% larger than the subject, but also found from his witness at the hearing that there were no condition issues with regard to this sale that was noted as an Executor's sale.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$56,084. The subject's assessment reflects a market value of \$172,354 or \$134.65 per square foot of living area, land included, when using the 2012 three year average median level of assessment for McHenry County of 32.54% as determined by the Illinois Department of Revenue. Appearing at the hearing on behalf of the board of review was Mark Ruda, chairman of the board of review.

The board of review called Tonya Vitous of the Algonquin Township Assessor's Office to discuss the evidence submitted in support of the correct assessment and the neighborhood characteristics of the neighborhoods utilized by the appellants in their evidence. She testified that Crystal in the Park (appellants' comparable #2) consists of a tract subdivision of all model homes; appellants' comparable #1 is in a similar, unique, one-of-a-kind homes area with no model-type homes; appellants' comparable #3 is similar in location being ¼ mile away and similar in styles, quality and characteristics; and appellants' comparable #4 was also very similar to the subject in location, characteristics and neighborhood.

The board of review through the township assessor's office submitted information on five comparable sales where comparable #4 reflected a subsequent sale of the appellants' comparable sale #1. These five comparables were located from within the same subdivision to 1 ½ miles from the subject property. The dwellings were one-story frame, brick or frame and brick dwellings that were 33 to 56 years old. The homes range in size from 1,092 to 1,564 square feet of living area. Three of the comparables have full basements with finished areas and three of

the comparables have a fireplace. Each comparable has a garage ranging in size from 308 to 616 square feet of building area. The properties sold between August 2011 and June 2012 for prices ranging from \$138,000 to \$222,500 or from \$117.35 to \$143.08 per square foot of living area, including land. Vitous also testified that she had no information as to what rehabilitation work may have been done to the property listed as board of review comparable #4 prior to its resale. At hearing, Vitous opined that board of review comparable #1 was the most similar property to the subject.

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

On cross-examination, the appellant questioned the upward adjustment presented in the board of review's grid analysis to each of the comparable properties of \$32,400 for the subject's second detached 720 square foot garage. Vitous further noted that a detached garage is a slightly more expensive amenity than an attached garage which features a common wall. Buelow also noted that board of review comparable #1 has a lot that is twice the size of the subject parcel to which the assessing officials noted that an upward adjustment of \$12,000 was made for this difference.

Upon questioning by the Administrative Law Judge, Vitous agreed that the full basements with finished areas for board of review comparables #2, #3 and #5 add a substantial amount of value to those properties. The Administrative Law Judge also inquired of Vitous, with regard to board of review comparable #3, whether a sale between "related parties" as noted in the submission would qualify as an arm's length sale transaction. Vitous acknowledged this sale would not be considered to be an arm's length transaction.

In rebuttal, the appellant argued that the second sale of appellant's comparable #1 should not be considered as presented by the board of review. Buelow argued that the sale price he reported from February 2012 for \$100,000 should be considered rather than the sale in June 2012 for \$180,000 as reported by the board of review as their comparable #4. Buelow argued that apparently the original purchaser expended monies to improve the property for resale purposes. Finally, Buelow opined that the assessor's adjustment of \$32,400 for the subject's 720 square foot garage seemed to be a large adjustment.

Conclusion of Law

The appellants contend 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. 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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

With regard to the board of review's responsive evidence at the time of the local board of review hearing, the Property Tax Appeal Board finds that in accordance with Section 16-180 of the Property Tax Code (35 ILCS 200/16-180), appeals before the Property Tax Appeal Board are considered de novo. Thus, the previous responsive evidence and/or value conclusion of the township assessor is not relevant to this pending appeal. The board of review made a determination of the correct assessment of the subject property for 2012 as set forth in the Notice of Final Decision which the appellants have timely appealed and which issue shall now be determined by the Property Tax Appeal Board in accordance with the evidence presented before the Board.

The parties submitted sales data on a total of eight properties located from nearby to 2 ½ miles from the subject property where one of the properties sold twice. The Board has given reduced weight to appellants comparables #2 and #3 due to differences in foundation and age, respectively, when compared to the subject dwelling that lacks a basement and is approximately 57 years old. The Board has also given reduced weight to board of review comparables #2, #3 and #5 as each of these dwellings likewise have basements with finished areas which are superior amenities to the subject dwelling that lacks a basement. Moreover, the evidence establishes that board of review comparable #3 was a sale between related parties and thus would not qualify as an arm's length transaction reflective of market value.

After hearing the testimony and considering the evidence, the Property Tax Appeal Board finds the best evidence of market value to be appellants' comparable sales #1 and #4 along with board of review comparable sales #1 and #4 where sale #4 reflects a second sale of appellants' comparable #1. These three most similar properties sold between August 2011 and August 2012 for prices ranging from \$100,000 to \$222,500 or from

\$70.22 to \$142.26 per square foot of living area, including land. The subject's assessment reflects a market value of \$172,354 or \$134.65 per square foot of living area, including land, which is within the range established by the best comparable sales in this record and appears to be justified given the subject's smaller dwelling size and second detached garage. As to the subject's smaller dwelling size, accepted real estate valuation theory provides that all factors being equal, as the size of the property increases, the per unit value decreases. In contrast, as the size of a property decreases, the per unit value increases, thus meaning, all other things being equal, the subject's value would tend be higher than these otherwise most similar comparables on a per-square-foot basis.

Based on this evidence and after considering adjustments and differences in the comparables presented by both parties, the Board finds a reduction in the subject's assessment is not justified.

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. Crit

Chairman

K. L. Fan

Member

Richard A. Huff

Member

Mario M. Lino

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: November 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.