



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

APPELLANT: Terry Hansen
DOCKET NO.: 07-05054.001-R-2
PARCEL NO.: 04-180-027-11

The parties of record before the Property Tax Appeal Board are Terry Hansen, the appellant; and the Jersey 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 Jersey County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$25,710
IMPR: \$254,830
TOTAL: \$280,540

Subject only to the State multiplier as applicable.

ANALYSIS

The subject 1.51-acre parcel has been improved with a three-year-old one and one-half story masonry single-family dwelling containing 5,745 square feet of living area.¹ Features include a full basement of 4,623 square feet, a fireplace, four and one-half bathrooms, central air conditioning, an in-ground swimming pool, an attached 540 square foot two-car garage along with a one-car carport, and a second two-car 624 square foot garage. The property is located in Jerseyville, Jersey Township, Jersey County, Illinois.

The appellant appeared before the Property Tax Appeal Board arguing that the fair market value of the subject was not accurately reflected in its assessed value. In support of that argument, an appraisal was presented. The appraisal was prepared by Joseph P. Pope of Pope Appraisal Services Co. in Alton, Illinois, for *ad valorem* tax purposes. Pope also appeared for

¹ The board of review reports the subject size as 5,718 square feet of living area.

testimony and cross-examination indicating that he was a Certified State Residential Real Estate Appraiser in Illinois with 22 years of experience. Pope did not offer direct testimony in support of the appraisal, but rather, stood on the appraisal as submitted.

The appraisal report was prepared in conformance with reporting requirements set forth under the Uniform Standards of Professional Appraisal Practice for a summary appraisal report and utilized two of the three traditional approaches to value. The report estimated a market value of \$560,000 for the subject property as of May 15, 2007.

In the cost approach to value, the appraiser estimated the subject's site value as \$75,000 utilizing recent site sales in the subject's defined market area and/or the allocation method when comparable sales do not exist. Pope concluded the subject lot had an estimated value of \$75,000. He further determined the improvements to have an estimated cost new of \$516,621 based on the Marshall Swift Residential Cost Handbook as well as information obtained from local builders and contractors, plus Pope's own analysis of new home sales, which figures have been modified with local multipliers. Physical depreciation of 3% or \$16,442 was estimated based on physical observations and using the age/life method. In addition, \$20,000 was attributed to the "as is" value of site improvements. Thus, the appraiser estimated a value under the cost approach of \$595,200, rounded.

Under the sales comparison approach, the appraisal sets forth five comparable properties said to be located from 1 to 15 miles from the subject property. Three of the comparables were described as either tri-level or one and one-half story dwellings and two were described in the same manner as the subject as "custom-conventional." The comparables ranged in age from 3 to 20 years old and were of either masonry or frame exterior construction. The dwellings ranged in size from 2,200 to 3,793 square feet of living area and featured full basements, three of which were 50% finished. Each comparable had central air-conditioning, one or two fireplaces, and a two or three-car garage. One comparable also had a pool house and an in-ground swimming pool. The comparables sold from May 2004 to April 2007 for prices ranging from \$315,000 to \$440,000 or from \$88.63 to \$145.45 per square foot of living area, including land.

In the appraisal report, the comparables were adjusted for parcel size, quality of construction, effective age, bathrooms, living area square footage, basement finish, garages, decks, built-in extras, and yard improvements. Pope testified he made living area square footage adjustments of \$20 per square foot along with a \$75,000 adjustment to account for the subject's quality of construction when compared to the comparables. Garages were adjusted at \$2,500 per parking cover or enclosed parking area. The adjustment analysis resulted in adjusted sales prices for the comparables ranging from \$548,300 to \$568,500 or from \$149.88 to \$256.09 per square foot of living area, including land. The

appraiser next estimated the subject had a market value under the sales comparison approach of \$560,000, including land, or \$97.48 per square foot of living area, including land.

In reconciling the two approaches to value, the appraiser noted the sales comparison approach was the better indicator of value and was also supported by the cost approach. The appraiser then estimated a value of \$560,000 for the subject property as of May 15, 2007. Based on this evidence, the appellant requested a reduction in the subject's assessment.

On cross-examination, Pope was unable to explain how he arrived at his replacement cost new base figure from the cost manual because he did not have his work file with him. He was also questioned about the local cost factor and there was disagreement about the appropriate figure between the board of review representative and the witness. On further examination, Pope agreed that gross adjustment guidelines exist suggesting that more similar comparables should be sought out; the guideline does not mean that adjustments exceeding those percentages cannot be made. On further examination, Pope acknowledged an error in the "improvements" section on page 1 of his report in that the basement was not 33% finished as set forth on that page. Pope testified that he used \$72.50 per square foot as the base cost. During questioning, Pope testified that he added \$20,000 for interior extras. The board of review representative disagreed on this amount, and argued that it did not account for typical flooring found in a "good quality" home or for additional fixtures, fireplaces and other features. Pope also testified that the in-ground pool and covered patio only added \$20,000 to his cost approach analysis under the "as-is" site improvements.

The Board of review presented its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$280,540 was disclosed. The assessed value of the subject property reflects an estimated market value of \$845,000 or \$147.08 per square foot of living area based on the 2007 three-year average median level of assessments for Jersey County of 33.20%.

In support of the subject's assessment, the board of review submitted a sales grid analysis of four comparables, three of which were noted to be located outside of Jersey County and from 12 to 30 miles from the subject property; two comparables were located in Godfrey and two were in Edwardsville, Illinois. The comparable lots ranged in size from 0.54 to 1.22-acres and have been improved with one-story, two-story or two and one-half-story masonry constructed single-family dwellings. The comparables were built from 1998 to 2006 and ranged in size from 3,745 to 5,559 square feet of living area. Each comparable had a basement ranging in size from 1,800 to 4,487 square feet of building area and each basement had finished area ranging in size from 1,050 to 1,810 square feet. Additional features included central air-conditioning, one or three fireplaces, and two or three-car garages. Two comparables had decks and two had an open porch/patio. None of the comparables had an in-ground pool like

the subject. These comparables sold between July 2005 and October 2008 for prices ranging from \$635,000 to \$930,000 or from \$141.52 to \$200.27 per square foot of living area, including land. Based on its submission, the board of review requested confirmation of the subject's 2007 assessment.

After hearing the testimony and reviewing the record, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Property Tax Appeal Board further finds a reduction in the subject property's assessment is not 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). The Board finds this burden of proof has not been met and a reduction in the subject's assessment is not warranted.

The Board finds the appellant submitted an appraisal of the subject property with a final value conclusion of \$560,000 as of May 15, 2007. The board of review submitted four comparable sales. The Board finds only one sale is truly similar to the subject property, the board of review's comparable #1. This comparable is located in Godfrey, Illinois, and was given greater weight in the Board's analysis. The Board finds both parties used this locale and considered it to be a similar market area as that of the subject. This is evidenced by the appraiser making no adjustment for three of his sales located in Godfrey. The board of review's comparable #1 sold in October 2008 for \$930,000 or for \$167.30 per square foot of living area, including land.

The Property Tax Appeal Board finds the opinion of value; adjustments made to the comparables and cost analysis presented by the appraiser, Joseph Pope were not credible. Pope testified that the appraisal was prepared for *ad valorem* tax purposes. However, when questioned about the tax lien date, he was unable to state that it was January 1 of each year. Even though his appraisal was for *ad valorem* tax purposes, his date of valuation for the subject was May 15, 2007. Further, the scope of the appraisal depicts the appraisal was prepared for a mortgage financial transaction. The Board further questions various adjustments, or lack thereof, contained within the appraisal report. The Board questions the lack of an adjustment for a tri-level home compared to the subject's custom conventional home and further questions the lack of time adjustment for sales occurring in 2004 and 2005. The Board finds the adjustments were not well supported with other documentary evidence and/or testimony. During his examination, Pope testified that he considered the subject to be "good quality" while utilizing the Marshal & Swift Cost Manual; however, he could not explain why the additional extras did not exceed \$20,000. The board of review representative pointed out that typical flooring alone in a "good

quality" home would range from \$25,000 to \$30,000 utilizing Marshall & Swift. The board of review argued that this does not account for additional amenities such as additional fixtures, fireplaces and porches. Pope testified that these additional amenities were lumped together because of limitations on the Marshall & Swift form. Pope was also unable to explain how he came up with \$72.50 a square foot for the subject when Marshall & Swift used \$69.67 as a base cost for a 4,000 square foot home. Pope was unable to offer support for how he arrived at his base cost because he did not have his work file with him. For these reasons the Board finds the appraisal analysis less credible, and therefore, the final opinion of value and methodologies used were given less weight in the Board's analysis. The Board next examined the comparable sales used by both parties.

Utilizing the raw sales data presented by both parties, the Board finds only two homes are slightly similar to the subject in size. The board of review's comparables #1 and #4 were most similar to the subject in size, age, site area, design and various other features. Both of these comparables were located in Godfrey, Illinois which both parties considered to be the same market area as the subject. The Board finds all of the other comparables were dissimilar to the subject in size, design, location and/or the date of sale was too remote from the assessment date at issue to aid the Property Tax Appeal Board in a determination of the subject's market value on January 1, 2007. The two most similar sales sold for \$930,000 and \$737,900 or for \$167.30 and \$157.20 per square foot of living area, respectively, including land. The subject's assessment reflects an estimated market value of \$845,000 or \$147.08 per square foot of living, including land. The Board finds the subjects estimated market value as reflected by its assessment is supported by the best comparables in this record. After considering the adjustments and differences in both parties' comparables, the Board finds the subject's assessment is justified.

In conclusion, the Board finds the appellant has not shown by a preponderance of evidence in this record that the subject is overvalued and no 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.

Donald R. Cuit

Chairman

K. L. Fern

Member

Frank 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: November 30, 2012

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.