



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

APPELLANT: Paul Hanko
DOCKET NO.: 14-01145.001-R-1
PARCEL NO.: 14-12-17-314-001-0000

The parties of record before the Property Tax Appeal Board are Paul Hanko, the appellant, by attorney William I. Sandrick, of Sandrick Law Firm LLC, in South Holland, and the Will County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **No Change** 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: \$15,350
IMPR.: \$56,000
TOTAL: \$71,350

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Will County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2014 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 two-story single-family dwelling of frame construction with approximately 3,765 square feet of living area. The dwelling was constructed in 2005. Features of the home include a full unfinished basement, central air conditioning and an attached 403 square foot garage. The property has a .28-acre site and is located in Manhattan, Manhattan Township, Will County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$170,000 as of January 1, 2013. On page one of the appraisal report, the appraiser indicated the appraisal was prepared for "estimation of value for tax assessment purposes"; on page two of the Addendum, the purpose of the appraisal was to "assist with an estimation of value for estate

purposes" although page three of the Addendum reiterates the originally stated purpose of the report.

Under the cost approach the appraiser estimated the subject had a site value of \$25,000. The appraiser estimated the reproduction cost new of the improvements to be \$485,113. The appraiser estimated physical depreciation based upon the estimated effective age and external depreciation to be \$343,507 resulting in a depreciated improvement value of \$141,606. The appraiser also estimated the site improvements had a value of \$10,000. Adding the various components, the appraiser estimated the subject property had an estimated market value of \$176,600 under the cost approach to value.

Under the sales comparison approach the appraiser analyzed three comparable sales located within .48 of a mile from the subject. The comparable parcels range in size from 8,400 to 20,252 square feet of land area and are improved with two-story frame dwellings that are 7 or 9 years old. The homes range in size from 2,988 to 3,747 square feet of living area and feature full unfinished basements, central air conditioning and a two-car garage. Two comparables each have a fireplace. The properties sold between January 2012 and January 2013 for prices ranging from \$170,000 to \$177,500 or from \$46.04 to \$56.89 per square foot of living area, including land.

The appraiser made adjustments to the comparables for sales concessions, land size, dwelling size, fireplace, other amenities and/or "amenity/upgrade" differences. From this process, the appraiser arrived at adjusted sale prices ranging from \$168,500 to \$176,000.

In reconciliation, the appraiser gave greater weight to the sales comparison approach with support from the cost approach. The appraiser opined a value for the subject of \$170,000 as of January 1, 2013. Based on this evidence, the appellant requested a 2014 assessment reflective of the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$71,350. The subject's assessment reflects a market value of \$214,716 or \$57.03 per square foot of living area, land included, when using the 2014 three year average median level of assessment for Will County of 33.23% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review submitted a memorandum and data prepared by the Manhattan Township Assessor's Office. The assessor contends the appraisal presented by the appellant is over a year old; none of the sales in the appraisal report are considered to be "market value" by IDOR and are kept out of the sales ratio study; and two of the sales occurred in 2012. For each of the appraisal comparables, the assessor included a copy of the PTAX-203 Illinois Real Estate Transfer Declaration related to the transaction; sales #1 and #2 were "sale in lieu of foreclosure" and sale #3 was "buyer is exercising an option to purchase," but in each instance the document indicated the property was advertised prior to the sale transaction.

In support of its contention of the correct assessment the board of review through the township assessor submitted information on four comparable sales located in the subject's subdivision. The comparables consist of a part two-story and part one-story and three, two-story dwellings of

frame construction that were 9 or 11 years old. The homes range in size from 2,690 to 3,445 square feet of living area. Each comparable has a basement, central air conditioning and a garage. One of the comparables has a fireplace. The properties sold between September 2013 and June 2014 for prices ranging from \$230,000 to \$268,700 or from \$67.47 to \$92.94 per square foot of living area, including land.

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

Conclusion of Law

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

The Board has given reduced weight to the value conclusion of the appellant's appraisal report as comparable sale #3 in the appraisal was shown to not be a qualified arm's length sale transaction as the buyer was exercising an option to purchase. Moreover, the effective date of the appraisal is one year prior to the subject's January 1, 2014 assessment date. As such, the Board will examine the seven comparable sales presented by both parties.

The Board has given reduced weight to appraisal sale #3 for the reasons set forth above. In addition, comparables #2 and #3 sold in 2012, making these sales less reliable indicators of market value as of the January 1, 2014 assessment date. The Board has also given reduced weight to board of review comparable sales #3 and #4 as these dwellings are both substantially smaller than the subject dwelling.

The Property Tax Appeal Board finds the best evidence of market value to be the appraisal sale #1 submitted by the appellant and board of review comparable sales #1, #2 and #3. These four comparables have varying degrees of similarity to the subject property and sold between January 2013 and June 2014 for prices ranging from \$172,500 to \$268,700 or from \$46.04 to \$84.28 per square foot of living area, including land. The subject's assessment reflects a market value of \$214,716 or \$57.03 per square foot of living area, including land, which is within and at the low end of the range established by the best comparable sales in the record. After considering adjustments and the differences in both parties' suggested comparables when compared to the subject property, the Board finds the subject's assessment is supported by the most comparable properties contained in the record and 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.



Chairman



Member

Member



Member

Member

DISSENTING: _____

CERTIFICATION

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: June 24, 2016



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.