



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

APPELLANT: Crestwell Investments
DOCKET NO.: 14-02496.001-C-1
PARCEL NO.: 18-14-411-003

The parties of record before the Property Tax Appeal Board are Crestwell Investments, the appellant, by attorney Robert Rosenfeld, of Robert H. Rosenfeld and Associates, LLC in Chicago, and the McHenry County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **A Reduction** 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: \$100,080
IMPR.: \$0
TOTAL: \$100,080

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant 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 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 vacant parcel containing approximately 2.5-acres or 108,956 square feet of land area. The property is located in Lake in the Hills, Grafton Township, McHenry County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal prepared by Richard I. Knitter, State Certified Appraiser, and Sherman T. Baker, State Associate Appraiser, from the firm of Great Realty Advisors. The appraisal report estimates the subject property had a market value of \$300,000 as of April 30, 2014.

The appraisers report the subject site has an underlying base zoning classification of B-2 (Neighborhood Convenience Business District) and is part of the Planned Development (PD).

Two adjacent sites were designated for Commercial development. Two interior sites, including the subject, were not designated for Commercial development; the other interior site has been developed with a pre-school. Subject site is bound by an Annexation Agreement, portions of which were set forth in the appraisal. The appraisers made inquiries about development uses of the site and allowable zoning changes which could be requested. The appraisers asserted that the subject is located on a minor side street and is not one of the well-developed commercial thoroughfares in the area; area retail strip centers have significant vacancies "and a tenant mix that does suggest below-average retail rents" with almost half of the spaces at one of the two strip centers being vacant.

Utilizing the sales comparison approach to value, the appraisers set forth six sales, one property "under contract" and one listing. The properties, outlined on page 12 of the appraisal report, were located in Lake in the Hills, Huntley, Crystal Lake, Hampshire and Algonquin. The parcels range in size from 5,530 to 492,228 square feet of land area. The sales occurred between May 2011 and November 2013 for prices ranging from \$2.56 to \$3.75 per square foot of land area. The property "under contract" reflected a sale price of "under \$3.75 per square foot of land area" and the listing had an asking price of \$3.74 per square foot of land area.

As part of the report, the appraisers also set forth limited information on two properties that had sales contracts for \$3.11 and \$3.00 per square foot of land area, but in each instance, the "deal fell apart and did not close."

Based on adjustments to the comparable land sales, other land sales, listings and "a discussion with a local broker," the appraisers concluded the fair market value of the subject parcel to be \$2.75 per square foot of land area or \$299,629 which the appraisers rounded to \$300,000.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$108,956. The subject's assessment reflects a market value of \$326,607 or \$3.00 per square foot of land area, when using the 2014 three year average median level of assessment for McHenry County of 33.36% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review stated, "Both arguments appear to have flaws; BOR reconciled to \$3.00 per square foot." In further response to the appeal, the board of review submitted a memorandum from Alan Zielinski, Grafton Township Assessor along with a copy of the subject's property record card identifying the vacant parcel as containing 108,956 square feet of land area.

In the memorandum, Zielinski argued that appraiser "Shennan" T. Baker [sic] set forth an appraisal license that was canceled at the time of the report. There was no documentation from the appraisal licensing regulatory agency to support this assertion in the form of a print-out of the purported expired license information. The memorandum also noted that the effective date of the report was not January 1, 2014 as "required by the McHenry County Board of Review rules." The assessor further argued that the current assessment falls within the range of the raw sales data contained within the appraisal report. The assessor also argued that the appraisal report lacked data for verification such as broker names, parcel numbers or recording numbers; as such, the assessor opined the sales in the appraisal "cannot be considered qualified and therefore lack

credibility." As a last argument, the assessor contended he was unable to verify appraisal comparable sale #2 in the assessor's database; no documentation as to this property was submitted by the assessor.

Based on the foregoing arguments, the board of review requested confirmation of the subject's assessment reflecting a market value of \$3.00 per square foot of land area.

Conclusion of Law

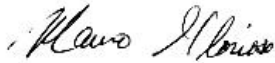
The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist 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 met this burden of proof and a reduction in the subject's assessment is warranted.

The Property Tax Appeal Board has given little merit to the criticisms raised by the assessing officials concerning the appellant's appraisal report. The appraisal was prepared by two appraisers; the assessor did not raise any objections to the licensing status of Knitter and the assessor failed to support the contention regarding the licensing status of Baker. As to the date of valuation, the Board finds there is no "rule" as to the date of an appraisal in the procedural rules of the Property Tax Appeal Board where this matter is pending; the procedural requirements before the McHenry County Board of Review are irrelevant to the status of this appeal before the Board.

In examining the sales/listing data on page 12 of the appraisal report, the Board finds that each property either has a street address or an intersection of two roads. As such, the Board finds that a resourceful assessing official could ascertain the parcel numbers associated with these properties for further research. Moreover, the assessor acknowledged engaging in that research with regard to appraisal sale #2. Also, and most importantly, the assessing officials did not propose alternative sales data to support the assessment of the subject property, but rather relied upon the very sales data in the appraisal report as support for the board of review's estimated market value of the subject of \$3.00 per square foot of land area.

On this record and in the absence of other market value evidence, the Board finds the best evidence of market value to be the appraisal submitted by the appellant. The Board finds that the criticisms raised by the assessing officials do not overcome the content and analysis of sales data set forth in the appraisal report. The subject's assessment reflects a market value of \$326,607 or \$3.00 per square foot of land area, which is above the appraised value of \$300,000 or \$2.75 per square foot of land area in the record. The Board finds the subject property had a market value of \$300,000 as of the assessment date at issue. Since market value has been established the 2014 three year average median level of assessments for McHenry County of 33.36% as determined by the Illinois Department of Revenue 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.



Chairman



Member



Member



Member



Acting 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: February 24, 2017



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.