



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

APPELLANT: Michael & Michelle Groch
DOCKET NO.: 14-03917.001-R-1
PARCEL NO.: 06-25-176-050

The parties of record before the Property Tax Appeal Board are Michael & Michelle Groch, the appellants, by Jessica Hill-Magiera, Attorney at Law, in Lake Zurich, and the Kane 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 **Kane** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$8,837
IMPR.: \$28,508
TOTAL: \$37,345

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellants timely filed the appeal from a 2013 decision of the Property Tax Appeal Board pursuant to section 16-185 of the Property Tax Code (35 ILCS 200/16-185) in order to challenge 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 one-story dwelling of frame construction with 1,008 square feet of living area. The dwelling was constructed in 1950. Features of the home include a partial basement, a fireplace and an attached 340 square foot garage. The property is located in South Elgin, Elgin Township, Kane County.

The appellants contend overvaluation as the basis of the appeal. In support of this argument the appellants submitted evidence concerning a recent purchase price of the subject property along with submission of information on six comparable sales.

As to the purchase of the subject, the appellants submitted limited evidence disclosing the subject property was purchased on June 6, 2012 for a price of \$40,000. The appellants partially 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 and the property had been advertised on the open market with the Multiple Listing Service. In further support of the transaction the appellants submitted a copy of the Settlement Statement reiterating the purchase price and date; a copy of the Multiple Listing Service data sheet depicting that the property was a short sale with cash financing which had been on the market for 91 days; and a copy of the Listing & Property History Report depicting a listing date of January 13, 2012 with an asking price of \$69,900 with four asking price reductions to a final asking price of \$45,900 as of April 11, 2012 before being sold. In Section IV, the appellants did not report whether renovations were made before the subject dwelling was occupied and did not report the expenditure amount or the date the dwelling was occupied.

As to the comparable sales data, the appellants' grid analysis depicts data on the proximity, design, year of construction, dwelling size, basement size and type, number of fireplaces, air conditioning amenity and garage size along with sale date, sales price and price per square foot of living area of six suggested comparable properties. The comparables consist of one-story dwellings, one of which is located in the same subdivision as the subject property and were located from .08 to .96 of a mile from the subject property. The homes were built between 1951 and 1959 and range in size from 814 to 1,057 square feet of living area. Each comparable has a full or partial basement. Three of the comparables have central air conditioning and each comparable has a garage ranging in size from 240 to 484 square feet of building area. The properties sold between April 2013 and October 2013 for prices ranging from \$35,000 to \$99,000 or from \$41.27 to \$93.66 per square foot of living area, including land. The analysis included a section entitled Property Equalization Values which appears to depict adjustments to the comparables for sale date, land, age, size, basement area, baths, fireplaces, air conditioning and/or garage size. The bottom of the analysis depicted a reduction in the subject's assessment of \$24,013 to arrive at an assessment reflective of the subject's June 2012 purchase price of \$40,000. At the end of the analysis, data sources were listed as Assessor, County, MLS, Realtor and Marshall & Swift. No evidence or explanation pertaining to the calculation of the adjustment amounts was submitted.

Based on this evidence, the appellants requested a reduction in the subject's assessment to reflect the 2012 purchase price.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$37,345. The subject's assessment reflects a market value of \$112,181 or \$111.29 per square foot of living area, land included, when using the 2014 three year average median level of assessment for Kane County of 33.29% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review submitted a memorandum from the township assessor along with additional data. The assessor noted that the subject property when purchased in 2012 was sold as needing repairs. Since the time of sale and based on a drive-by inspection, the home is "now being (rented) occupied." As such, the assessor opines that repairs have been made and the condition of the property is at least of average condition.

In support of its contention of the correct assessment the board of review through the township assessor submitted a grid analysis with information on three comparable sales. The information

includes the design, exterior construction, year of construction, dwelling size, basement size and whether finished, air conditioning feature, fireplace amenity, garage size and "location" along with sale date, sales price and price per square foot of living area, rounded. The comparables consist of one-story frame or frame with brick dwellings, two of which are located "close to river" like the subject and one of which is located "close to large apartments." The homes were built in 1956 or 1972. The homes contain either 980 or 1,008 square feet of living area. Two of the comparables have full basements, one of which has finished area. One home has central air conditioning and one home has a woodburning stove. Each of the comparables has a garage ranging in size from 264 to 576 square feet of building area. The properties sold between May 2012 and March 2013 for prices ranging from \$121,000 to \$148,000 or from \$120 to \$147 per square foot of living area, including land, rounded.

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

In written rebuttal, counsel for the appellants noted that the assessor contends that improvements have been made to the subject dwelling, but failed to provide any proof and, moreover, argued that Section 10-20 of the Property Tax Code (35 ILCS 200/10-20) provides that repairs and maintenance shall not increase the value of property.¹ As such, counsel argues "any improvements made should be considered repairs and maintenance, and result in no added value." As to the comparable sales submitted by the board of review, counsel contends sales #1 and #2 are too remote in time to be valid indicators of market value for the subject and comparable #3 is over 1.5-miles from the subject and 22 years newer than the subject make this comparable dissimilar to the subject.

Counsel next argued that all, except for appellants' comparable #4, were the best comparables in the record. Considering all of these "best" comparable sales, counsel argued that a reduction in the subject's assessment is warranted and further argued that an analysis of raw sales prices per square foot "does not taken into account the fundamental concept of using a median sale price/SF to determine market value." Appellants further argued that using a median sale price per square foot "is more accurate and should be standard practice for determining fair market value."

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

¹ The provision states:

Repairs and maintenance of residential property. Maintenance and repairs to residential property owned and used exclusively for a residential purpose shall not increase the assessed valuation of the property. For purposes of this Section, work shall be deemed repair and maintenance when it (1) does not increase the square footage of improvements **and does not materially alter the existing character and condition of the structure** but is limited to work performed to prolong the life of the existing improvements or to keep the existing improvements in a well maintained condition; and (2) employs materials, such as those used for roofing or siding, whose value is not greater than the replacement value of the materials being replaced. Maintenance and repairs, as those terms are used in this Section, to property that enhance the overall exterior and interior appearance and quality of a residence by restoring it from a state of disrepair to a standard state of repair do not "materially alter the existing character and condition" of the residence. [Emphasis added.]

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.

As an initial matter, the Property Tax Appeal Board gave no weight to the appellants' argument that the Board should adopt a standard practice of using the median sale price per square foot of living area, including land, of those comparables deemed best in determining fair market value because it is "more accurate." Contrary to this argument, the decision of the Property Tax Appeal Board must be based upon equity and the weight of evidence, not upon a simplistic statistical formula of using the median sale price per square foot of living area, including land, of those comparables determined to be most similar to the subject. (35 ILCS 200/16-185; Chrysler Corp. v. Property Tax Appeal Board, 69 Ill.App.3d 207 (2nd Dist. 1979); Mead v. Board of Review, 143 Ill.App.3d 1088 (2nd Dist. 1986); Ellsworth Grain Co. v. Property Tax Appeal Board, 172 Ill.App.3d 552 (4th Dist. 1988); Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill.App.3d 9 (5th Dist. 1989)). Based upon the foregoing legal principles and contrary to the assertion of the appellants' counsel in the rebuttal brief, there is no indication that a "median sale price per square foot" is the fundamental or primary means to determine market value.

As to the market value contention in this matter, the parties submitted the June 2012 sale of the subject property along with nine suggested comparable sales for consideration by the Property Tax Appeal Board. The Board has given reduced weight to the sale of the subject the property and board of review comparables #1 and #2, each of which sold in 2012, a date more remote in time and thus less indicative of the subject's estimated market value as of January 1, 2014.

As to the contention that the subject property was rehabilitated after the purchase, the appellants' rebuttal did not specifically address this assertion by the board of review. Given this record, the Property Tax Appeal Board finds the best evidence of market value in the record to be appellants' comparable sales along with board of review comparable sale #3. These seven comparables have varying degrees of similarity to the subject dwelling in age, size and/or features. These comparables sold between March 2013 and October 2013 for prices ranging from \$35,000 to \$148,000 or from \$41.27 to \$146.83 per square foot of living area, including land. The appellants' sales appear to set the low end of the range. In contrast, the sale identified by the township assessor sets the upper end of the range. The subject's assessment reflects a market value of \$112,181 or \$111.29 per square foot of living area, including land, which falls well within the range of sales prices and appears to be justified when giving due consideration to the best comparable sales in the record along with subsequent unknown/unspecified changes in the subject property.

Based on this evidence and analysis, 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.



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.