



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

APPELLANT: Gary & Lisa Larson
DOCKET NO.: 14-03933.001-R-1
PARCEL NO.: 06-12-252-006

The parties of record before the Property Tax Appeal Board are Gary & Lisa Larson, 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: \$9,464
IMPR.: \$29,288
TOTAL: \$38,752

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellants timely filed the appeal from a 2013 Final Administrative 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 brick dwelling with a finished attic that contains 1,307 square feet of living area. The dwelling was constructed in 1950. Features of the home include a partial basement with finished area, central air conditioning and an attached one-car garage. The property has a .20-acre site and is located in 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 2012 purchase price of the subject property along with submission of information on four comparable sales.

As to the purchase of the subject, the appellants disclosed the subject property was purchased in March, 2012 for a price of \$62,150. 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 which also depicted the distribution of brokers' fees to two entities; a copy of the Multiple Listing Service data sheet depicting that the property was sold "as-is" and was a pre-foreclosure for cash financing with the property having been on the market for 113 days; and a copy of the Listing & Property History Report depicting the property was listed on October 27, 2011 with an asking price of \$72,000 followed by two asking price reductions to a final asking price of \$57,600. There was no information provided in response to the Section IV question, "If renovated, amount spent before occupying" which sought a dollar amount and date of occupancy.

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, fireplace amenity, air conditioning amenity and garage size along with sale date, sales price and price per square foot of living area of the properties. The comparables consist of a one-story with finished attic dwellings, located within .55 of a mile of the subject property. The homes were built between 1925 and 1954 and range in size from 1,024 to 1,461 square feet of living area. Each comparable has a basement, central air conditioning and three of the comparables have a garage ranging in size from 264 to 484 square feet of building area. The properties sold between October 2013 and October 2014 for prices ranging from \$43,450 to \$75,100 or from \$42.43 to \$64.02 per square foot of living area, including land. The analysis included a section entitled Property Equalization Values which appears to depict adjustments to the comparable properties for date of sale, land, age, size, basement area, baths, fireplace, air conditioning and/or garage size. The bottom of the analysis depicted a reduction in the subject's assessment of \$18,037 to arrive at an assessment reflective of the subject's March 2012 purchase price of approximately \$62,150. At the end of the analysis, data sources were listed as Assessor, County, MLS, Realist and Marshall & Swift. No evidence or explanation pertaining to the calculation of the adjustment amounts was submitted.

Based on this evidence, the appellants requested an assessment reflective of the subject's 2012 purchase price as of the assessment date of January 1, 2014.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$38,752. The subject's assessment reflects a market value of \$116,407 or \$89.06 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 support of its contention of the correct assessment the board of review asserted "the property condition has changed since its purchase" and submitted a memorandum prepared by the Elgin Township Assessor's Office along with information on six comparable sales. The assessor argued that at the time of the 2012 sale, the subject was in "need of repairs such as wall, kitchen, flooring, and bath repairs." Since the time of sale, the assessor asserted that the subject property has been completely remodeled and has resold in August 2015 for \$169,000. A copy of the applicable Multiple Listing Service data sheet was provided. The listing indicated that the home was updated, has maple kitchen cabinets, granite counters, bamboo hardwood flooring and stainless steel appliances along with a new picture window, newer windows, hot water heater,

circuit breakers, roof and paver patio. No data was provided to specify when the remodeling/rehabilitation of the home occurred. The property was listed in April 2015 and contracted for in June 2015. The assessor further reported the subject was originally listed in August 2014 for \$179,900. The assessor next asserted:

This most recent sale now provides evidence that the subject's 2012 sale price is no longer reflective of the subject's 2014 market value.

As such, the assessor opined that the prior 2013 decision may have been appropriate at the time of sale due to its condition, "this same value that the appellant is requesting to rollover for 2014 is no longer accurate or equitable due to the subject's recent 2015 sales and its significant change in condition."

In further support of the assessment, the assessor provided data on six comparable sales located within .8 of a mile of the subject property. The comparables consist of three, one-story with finished attic and three, 1.5-story dwellings of frame construction that were built between 1898 and 1928. The homes range in size from 992 to 1,437 square feet of living area and feature basements, two of which have finished area. Three comparables have central air conditioning and one comparable has a fireplace. Each comparable has a garage ranging in size from 252 to 616 square feet of building area. The comparables sold from August 2013 to October 2014 for prices ranging from \$110,000 to \$163,000 or from \$81.21 to \$131.24 per square foot of living area, including land, rounded.

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

In written rebuttal, counsel for the appellants noted the lack of any response to the appellants' comparable sales data.

As to the improvements to the subject property after purchase, counsel argued that in accordance with Section 10-20 of the Property Tax Code (35 ILCS 200/10-20)¹ maintenance and repairs to a structure shall not increase the assessed valuation unless the change increases the square footage. Since no square footage was added, counsel argues the improvements should not add value to the property as it was merely repairs and maintenance.

¹ "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."

As to the resale of the subject property, counsel argued that this sale occurred over 1.5 years after the assessment date at issue of January 1, 2014 and should be deemed too remote in time to be indicative of the subject's market value as of the assessment date.

As to the six comparables presented by the board of review, counsel for the appellant argued that sales #1, #4 and #6 differed in design from the subject and sales #2, #3 and #5 were older than the subject. In the rebuttal brief, given these differences, appellants contended that none of the board of review comparables should be given weight in the Board's analysis. However, in a grid analysis submitted in rebuttal, counsel contended that appellants' comparables #1, #3 and #4 were the "best" comparable sales in the record along with "questionable" board of review sales #2 and #3. Counsel also argued that an analysis of raw sales prices per square foot "does not take 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 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.

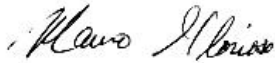
As an initial matter, the Property Tax Appeal Board gave no weight to the appellants' argument that the Board should adopt a standard practice of using the median sale price per square foot of living area, including land, of those comparables deemed best in determining fair market value because it is "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 March 2012 sale of the subject property, the August 2015 sale of the subject and 10 suggested comparable sales for consideration by the Property Tax Appeal Board. The Board has given reduced weight to the two sales of the subject the property which sold in 2012 and 2015, dates both more remote in time and thus less likely to be indicative of the subject's estimated market value as of January 1, 2014. The Property Tax Appeal Board has also given reduced weight to appellants' comparable #4 along with board of review comparables #3, #4 and #5 as these dwellings differ most greatly from the subject in location, age and/or dwelling size.

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. Alternatively, the board of review failed to establish when the renovations occurred in the subject dwelling. Given this record, the Property Tax Appeal Board finds the best evidence of market value in the record to be appellants' comparable sales #1 through #3 along with board of review comparable sales #1, #2 and #6. These comparables sold between October 2013 and June 2014 for prices ranging from \$60,900 to \$163,000 or from \$47.91 to \$131.24 per square foot of living area, including land. These sales provided by the parties had varying degrees of similarity to the subject property. The appellants' sales appear to set the low end of the range. In contrast, the sales identified by the township assessor set the upper end of the range. The subject's assessment reflects a market value of \$116,407 or \$89.06 per square foot of living area, including land, which falls within the range of the best comparable sales in the record and appears to be justified given subsequent unknown/unspecified changes in the 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.