



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

APPELLANT: Stephen & Nate Grindeland
DOCKET NO.: 15-04721.001-R-1
PARCEL NO.: 18-05-176-003

The parties of record before the Property Tax Appeal Board are Stephen and Nate Grindeland, the appellants; 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: \$8,434
IMPR.: \$64,232
TOTAL: \$72,666

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellants 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 2015 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 is improved with a one-story dwelling of frame and brick construction with 2,422 square feet of living area. The dwelling was constructed in 1968. Features of the home include a partial unfinished basement, central air conditioning, one fireplace and a two-car attached garage with 568 square feet of building area. The property has a 52,272 square foot or 1.2-acre site and is located in Huntley, Grafton Township, McHenry County.

The appellants contend overvaluation as the basis of the appeal. In support of this argument the appellants submitted an appraisal estimating the subject property had a market value of \$218,000 as of January 1, 2015. The appraisal was prepared by Byron Peterson, a certified residential real estate appraiser. In estimating the market value of the subject property the appraiser developed the cost approach to value and the sales comparison approach to value.

The appraiser described the subject dwelling as being well maintained. He noted the bathrooms have been updated and are in good condition, the kitchen has oak cabinets with ceramic tile counter tops, and the exterior siding and roof are in average condition.

Under the cost approach to value the appraiser estimated the subject had a site value of \$25,000 using comparable sales or allocation. Using the Marshall & Swift Cost Manual and local builders the appraiser estimated the replacement cost new of the improvements to be \$248,288. Using the age-life method the appraiser estimated the subject dwelling had physical depreciation of \$54,623. Deducting physical depreciation from the replacement cost new resulted in a depreciated cost of the improvements of \$193,665. Adding the land value to the depreciated cost of the improvements and the estimated value of the site improvements of \$15,000 resulted in an indicated value under the cost approach of \$233,700.

Under the sales comparison approach to value the appraiser used five comparable sales described as being improved with two, 1-story dwellings, a 1.5-story dwelling and two 2-story dwellings that range in size from 1,502 to 2,369 square feet of living area. The dwellings range in age from 7 to 45 years old. Each comparable has a basement with one being finished, each comparable has central air conditioning, four of the comparables each have one fireplace, and each comparable has a two-car garage. The comparables have sites ranging in size from .5-acre to 2.56-acres and are located from .10 of a mile to 4.25 miles from the subject property. The comparables sold from June 2014 to April 2015 for prices ranging from \$171,000 to \$260,000 or from \$92.12 to \$113.85 per square foot of living area, including land. The appraiser made adjustments to the comparables for differences from the subject property to arrive at adjusted prices ranging from \$214,600 to \$223,000. The appraiser arrived at an estimated value under the sales comparison approach of \$218,000.

In reconciling the two approaches to value the appraiser gave most weight to the sales comparison approach to value to arrive at an estimated market value of \$218,000 as of January 1, 2015.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$81,937. The subject's assessment reflects a market value of \$246,131 or \$101.62 per square foot of living area, land included, when using the 2015 three-year average median level of assessment for McHenry 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 submitted information on four comparable sales identified by the township assessor that were described as being improved with one Cape-Cod style dwelling and three one-story style dwellings that range in size from 2,505 to 2,685 square feet of living area. The dwellings were constructed from 1977 to 1999. Each comparable has an unfinished basement, central air conditioning, one or two fireplaces and a garage ranging in size from 600 to 844 square feet of building area. Each comparable has the same assessment neighborhood code as the subject property and a site that ranges in size from .9 of an acre to 1.33 acres. The sales occurred from June 2015 to August 2016 for prices ranging from \$272,000 to \$371,000 or from \$105.55 to \$147.31 per square foot of living area, including land. The analysis provided by the board of review indicated that comparable #3 was a sale between relatives.

In rebuttal the township assessor noted that appellants' appraisal comparable sales #2 and #4 were two-story homes; comparable sale #5 was a foreclosure; and sales #1 and #3 were both smaller than the subject property.

In rebuttal the appellants submitted a review of the sales submitted by the board of review that was prepared by real estate appraiser Byron Peterson. The appraiser contends that board of review sale #1 was not consider comparable to the subject property as it has superior construction quality, a superior design and appeal. The appraiser further noted that comparable #1 has garage access from the basement and a good quality enclosed porch and an open front porch. Peterson also asserted that sales #1 and #2 are newer homes with superior modernization and lower effective ages. Comparable #3 was described as having a superior walkout style basement which includes a game room, bedroom and a bath. The appraiser also indicated that comparable #4 had a superior location along a lake, had superior construction quality, was in superior condition, and has a superior walkout style basement. The appraiser also contends that since the sales submitted by the board of review occurred after the effective date of the assessment they should not be utilized in establishing market value. Nevertheless, the appraiser was of the opinion sales #2 and #3 are most similar to the subject in construction, appeal and in condition.

The appellants' appraiser did prepare a grid analysis of the sales used by the board of review and made adjustment to the sales for time and differences from the subject property. The appraiser indicated the board of review sales had adjusted sales prices ranging from \$211,100 to \$229,500.

The board of review provided additional rebuttal comments from the township assessor in response to the appellants' appraiser's statements. The assessor also provided the summary statistics for the 20 sales used in the regression model for the subject's neighborhood's 2015 assessment.

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 met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the best evidence of market value to be the appraisal submitted by the appellants. The appellants' appraiser developed both the cost approach to value and the sales comparison approach to value in arriving an estimate of market value of \$218,000 as of January 1, 2018. The appraisal contained information on five comparables that had varying degrees of similarity to the subject property. The appraiser made logical adjustments to the comparables to account for differences from the subject property. The board of review provided information on four comparable sales identified by the township assessor that had varying degrees of similarity to the subject property. Each of the comparable sales identified by the assessor occurred following the assessment date at issue with three selling in 2016. Additionally, each of the

comparables identified by the assessor was from approximately 11 years to 31 years newer than the subject property. The assessor did not make any adjustments to comparable sales for date of sale or for differences from the subject property. In rebuttal the appellants' appraiser made logical adjustments to the sales identified by the township assessor for time and differences from the subject to arrive at adjusted prices ranging from \$211,100 to \$229,500. The appraiser asserted that board of review sales #2 and #3 were most similar to the subject in construction, appeal and condition. These two properties had adjusted prices of \$220,100 and \$211,100, respectively, which are supportive of the appellants' appraiser's conclusion of value. The appraised value presented by the appellants is less than the market value reflected by the subject's assessment. Based on this evidence the Board finds a reduction in the subject's assessment is 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. Pursuant to Section 1910.50(b) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(b)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



Chairman



Acting 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: November 21, 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 or years of the same general assessment period, as provided in Sections 9-125 through 9-225, 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 such subsequent year or years 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 OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

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.

PARTIES OF RECORD

AGENCY

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