



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

APPELLANT: Scott Smith
DOCKET NO.: 16-05044.001-R-1
PARCEL NO.: 09-13-408-001

The parties of record before the Property Tax Appeal Board are Scott Smith, the appellant, by attorney Ronald Kingsley, of Lake County Real Estate Tax Appeal, LLC in Lake Forest; and the McHenry 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 **McHenry** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$21,861
IMPR.: \$64,101
TOTAL: \$85,962

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 2016 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 and brick exterior construction with 2,100 square feet of living area. The dwelling was constructed in 1968. Features of the home include a full unfinished basement, central air conditioning, one fireplace and a two-car garage. The subject has a 27,800 square foot waterfront site and is located in McHenry Township, McHenry County.

The appellant submitted evidence before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellant submitted information pertaining to the sale of the subject property. The appellant's counsel submitted a brief that stated the subject was purchased as a foreclosure between unrelated parties after being listed on the Multiple Listing Service (MLS) for 274 days. Copies of the MLS sheet and HUD-1 settlement statement were submitted as supporting documentation. The MLS sheet and

settlement statement disclosed that the subject was a Bank REO property that sold for \$170,000 on March 19, 2015. The appellant also noted that after the purchase interior improvements were made to the subject property to bring it to livable condition because it was unlivable at the time of sale. The appellant did not complete Section IV of the residential appeal petition. Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect its sale price.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$85,962. The subject's assessment reflects a market value of \$258,222 or \$122.96 per square foot of living area, land included, when using the 2016 three year average median level of assessment for McHenry County of 33.29% as determined by the Illinois Department of Revenue.

In response to the appellant's evidence, the board of review submitted a memo from the township assessor. The assessor stated that the subject's assessment was reduced at the board of review level in 2015 based on the purchase price of \$170,000 on March 19, 2015 in a foreclosure transaction. In April 2015, a permit was taken out for alterations. In 2016 assessment was changed to reflect the improved condition since the purchase. The board of review also submitted a copy of the subject's property record that shows a permit was issued on April 13, 2015 for alterations.

In support of the subject's assessment, the board of review submitted information on three comparable sales. The evidence was prepared by the township assessor. The comparables consist of one-story dwellings of frame and brick exterior construction that were built from 1951 to 1976. One comparable has a basement. Each comparable has central air conditioning, one or two fireplaces and a two-car or a three-car garage. The dwellings range in size from 2,191 to 2,916 square feet of living area and are situated on waterfront sites that contain from 15,037 to 23,850 square feet of land area. The comparables sold from June 2015 to January 2016 for prices ranging from \$269,000 to \$315,000 or from \$92.25 to \$143.77 per square foot of living area, including land. Based on this evidence, 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 finds the evidence disclosed that the appellant purchased the subject property for \$170,000 on March 19, 2015 as a foreclosure. The appellant provided evidence demonstrating the sale had the elements of an arm's length transaction. The appellant disclosed the parties to the transaction were not related, the property was sold using a Realtor, the property had been advertised on the open market with the Multiple Listing Service and it had been on the market for 274 days. In further support of the transaction the appellant submitted a copy of the

settlement statement. The Board finds, however, the fact the seller of the subject property was a Bank REO calls into question whether the purchase price is reflective of fair cash value. Furthermore, a permit for alterations for the subject property was issued after the sale of the subject because it was unlivable when purchased. The Board finds the board of review comparables #1 and #3 are most similar to the subject property in location, style, age and features with the exception that both comparables lack basements. These properties sold more proximate in time to the January 1, 2016 assessment date for prices of \$312,500 and \$315,000 or for \$130.92 and \$143.77 per square foot of living area, including land. The Board finds these sales demonstrate the subject's purchase price of \$170,000 or \$80.95 per square foot of living area, land included, is not representative of fair cash value. The Board finds that the subject's assessment reflecting market value of \$258,222 or \$122.96 per square foot of living area, including land, is well supported by the two board of review comparables 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. Pursuant to Section 1910.50(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) 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



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: February 18, 2020



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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