



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

APPELLANT: Virginia Lawson
DOCKET NO.: 17-04901.001-R-1
PARCEL NO.: 19-32-177-019

The parties of record before the Property Tax Appeal Board are Virginia Lawson, the appellant; 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: \$16,762
IMPR.: \$38,232
TOTAL: \$54,994

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 2017 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 two-story colonial style dwelling of frame exterior construction with 1,876 square feet of living area. The dwelling was constructed in 1996. Features of the home include an unfinished partial basement, central air conditioning, a fireplace and a two-car garage containing approximately 400 square feet of building area.¹ The property has a 10,800 square foot site and is located in Algonquin, Algonquin Township, McHenry County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$165,000 as of December 31, 2016. The appraisal was prepared by Gerald Mason, a State of Illinois Certified Residential Real Estate Appraiser. The property rights appraised were fee simple and

¹ The parties differ slightly as to the size of the subject garage. The Board finds the small discrepancy will not impact the Board's decision in this appeal.

the appraisal was performed to establish current market value as of the effective date. In estimating the market value of the subject property, the appraiser developed the sales comparison approach and cost approach to value.

The appraiser described the subject property as, “needed repairs were evident at the time of the inspection and have direct affect (sic) on the livability of the subject. Condition is poor considering subject age and original design. The home had several renovations started with none completed. The home would not be sellable and qualify for a traditional mortgage in this state. The “estimated cost to cure” is for the incompleteness of the kitchen counters and cabinets, baths, trim work, plumbing, electrical, patio, sump pump discharge pit and rear roof down spout repairs needed. The home is not marketable to the traditional buyer and would attract rehabbers and/or buyers with the skillset to complete the unfinished work. Most components to complete are on the premises. The \$45,000 estimate for labor, material and the entrepreneurial incentive and is applied unilaterally as homes in this exact condition were not available on the MLS in the past 12 months.” The appraiser included interior photos of the subject dwelling depicting the interior condition at the time of the inspection.

Under the sales comparison approach to value the appraiser analyzed five comparable sales located from .05 to .53 of a mile from the subject property. The comparables have sites ranging in size from 10,000 to 13,239 square feet of land area. The comparables are described as colonial style dwellings that range in size from 1,822 to 2,570 square feet of living area and in age from 20 to 24 years old. Each comparable has a full or partial basement with three having finished area, central air conditioning and a two-car garage. Two comparables have either one or two fireplaces. The properties sold from March to October 2016 for prices ranging from \$200,500 to \$241,500 or from \$88.21 to \$128.73 per square foot of living area, including land. The appraiser adjusted for differences to the subject in quality construction, baths, gross living area, basement finish, garages and other features, along with the \$45,000 cost-to-cure incompleteness and repairs of the subject dwelling. After applying adjustments to the comparables for differences from the subject, the appraiser estimated the comparables had adjusted sale prices ranging from \$162,500 to \$187,000. Based on these sales comparables, the appraiser concluded the subject had a market value of \$165,000.

Using the cost approach, the appraiser estimated the subject property had a site value of \$40,000. The appraiser estimated the building improvements had a replacement cost new of \$229,500. Using a total economic life of 75 years, the appraiser calculated physical depreciation to be \$61,200 resulting in a depreciated cost of the improvements of \$168,300. Adding the land value, the “as is” site improvements and the depreciated improvement value then subtracting the \$45,000 cost-to-cure repairs, the appraiser arrived at an estimated value under the cost approach of \$168,300.

In reconciliation of the two approaches to value, the appraiser estimated the subject had an estimated market value of \$165,000 as of December 31, 2016. Based on this evidence, the appellant requested a reduction in the subject’s assessment to \$54,994 to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$69,438. The subject's assessment reflects a market value of

\$209,088 or \$111.45 per square foot of living area, land included, when using the 2017 three-year average median level of assessment for McHenry County of 33.21% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review provided a memorandum from the Algonquin Township Assessor. The assessor stated the subject's assessment was reduced by the board of review in 2015 to reflect a partial assessment which remained in 2016 but was brought to full in 2017. The assessor asserted that per the Village of Algonquin, J. Porter, on February 12, 2016 the only permits issued for the subject from 2013 to present were for windows/maintenance. The assessor also noted "inspection July 24, 2017 house appears to be occupied, two cars in driveway. Per rep for 2015 appeal, expects repairs will be completed by end of 2016." The assessor provided a copy of the subject's property record card highlighting the subject property's permit information in 1995 and 2003.

In support of its contention of the correct assessment of the subject property, the board of review through the township assessor provided information on four comparable sales located from .05 to .21 of a mile from the subject property. Board of review comparables #1 and #2 are the same properties utilized by the appellant's appraiser as comparables #3 and #5 in the appraisal report. The comparables have sites ranging in size from 10,050 to 12,699 square feet of land area. The comparables are improved with colonial style dwellings each containing 1,876 square feet of living area that were constructed in either 1996 or 1997. The comparables each have an unfinished basement, central air conditioning and a garage that ranges in size from 426 to 654 square feet of building area. The properties sold from March 2016 to March 2018 for prices ranging from \$225,000 to \$264,000 or from \$119.94 to \$140.72 per square foot of living area, including land. The assessor applied adjustments to the comparables for differences in age, basement size, garage size and porches to arrive at adjusted sale prices ranging from \$218,710 to \$265,100. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In written rebuttal, the appellant argued that the validity of the submitted evidence by the board of review is flawed and, therefore, without merit due to the numerous inaccuracies in the documents submitted by the board of review. Additionally, the appellant argued board of review comparable #4 should be completely eliminated from consideration because the sale took place on March 24, 2018, the time frame of which is entirely out of the scope of this property tax appeal. The appellant reiterated that the opinion of the appraiser is that the value of the subject property is \$165,000 based on the various phrases taken from the bottom of the first page of the appraisal report regarding the subject's condition. The appraiser adjusted each comparable by \$45,000 as "Inc. renovation" to adjust for the completion of the subject property. The appellant critiqued the comparables submitted by the board of review. The appellant asserted that each comparable was superior in condition to the subject due to their functioning kitchens and bathrooms unlike the subject's non-functioning kitchen and three non-functioning bathrooms. The appellant provided Redfin Corporation listing information for each comparable chosen by the board of review. Finally, the appellant argued that the photos and written explanation in the appraisal clearly demonstrate that the property is in unlivable condition, while the evidence from the board of review lists the condition as "average", which is clearly inaccurate.

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 record contains an appraisal of the subject property submitted by the appellant and four comparable sales submitted by the board of review to support their respective positions before the Property Tax Appeal Board. As to the appellant's appraisal, the appraiser developed the sales comparison approach and cost approach to value in concluding the subject property had a market value of \$165,000 as of December 31, 2016. The Board finds the approaches to value in the report were credible and resulted in a value estimate that was reliable. The appraiser was of the opinion that the subject property was in poor condition and attributed \$45,000 for the cost to cure the incompleteness and repairs to the subject dwelling, which appeared reasonable. The subject's assessment reflects a market value of \$209,088 or \$111.45 per square foot of living area, land included, which is greater than the appraised value. The Board finds the board of review had no criticisms of the appraisal. Furthermore, the board of review failed to provide substantive evidence to refute the appraiser's claim that the subject dwelling was in poor condition.

As to the to the four comparable sales submitted by the board of review, the Board finds that although these comparables have varying degrees of similarity when compared to the subject, the board of review did not seem to consider the subject's condition relative to the lack of a functioning kitchen and bathrooms so as to make adjustments to the comparables for their possible superior condition relative to the subject property.

In conclusion, after considering the evidence provided by the parties, the Property Tax Appeal Board finds a reduction in the subject's assessment commensurate with the appellant's request 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(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:

November 17, 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

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