



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

APPELLANT: Kate Freeman
DOCKET NO.: 20-05694.001-R-1
PARCEL NO.: 22-100-179-00

The parties of record before the Property Tax Appeal Board are Kate Freeman, the appellant; and the Jo Daviess 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 **Jo Daviess County Board of Review** is warranted. The correct assessed valuation of the property is:

LAND: \$2,100
IMPR.: \$26,733
TOTAL: \$28,833

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Jo Daviess County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2020 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 part 2-story and part 2.5-story dwelling¹ of brick exterior construction with 3,557 square feet of living area. The dwelling was constructed in 1900.² Features of the home include a crawl space foundation and five fireplaces. The property has a 0.07 of an acre site and is located in Galena, West Galena Township, Jo Daviess County.

The appellant contends assessment inequity regarding the improvement assessment as the basis of the appeal. In support of this argument the appellant submitted information on three equity

¹ The Board finds the best evidence of the subject's design is found in the property record card presented by the board of review which contains a sketch of the subject home and depicts 2-story and 2.5-story living areas of the subject home.

² The parties differ regarding the subject's age. The appellant contends the subject home was built in 1842 as described in a publication regarding historic homes in Galena. The subject's property record card presented by the board of review describing a year built of 1900. The Board finds the best evidence of the subject's age is the subject's property record card.

comparables located on the same street as the subject and within 0.03 of a mile from the subject. The parcels range in size from 0.03 to 0.07 of an acre of land area and are improved with 2.5-story homes of brick exterior construction ranging in size from 1,512 to 2,385 square feet of living area. The dwellings range in age from 120 to 170 years old. Each home has a basement. Comparable #3 has central air conditioning and a 300 square foot garage. Comparable #1 has a 2-story deck. The comparables have improvement assessments ranging from \$24,352 to \$39,519 or from \$14.23 to \$16.57 per square foot of living area.

The appellant disclosed that the subject property sold in April 2019 for a price of \$76,000 or \$21.37 per square foot of living area, including land.

The appellant submitted a brief contending that the subject property is not in good condition and is not habitable. The appellant argued the comparables are close in proximity to the subject, are in average condition, and are habitable.

The appellant also presented a letter addressed to the board of review arguing that the subject has not been 52% rehabbed as stated in the subject's property record card. The appellant asserted that renovations are ongoing and that the gutting of many areas is not complete. The appellant stated new walls, trim, flooring, and roofing need to be installed after gutting is complete, together with new plumbing, electrical, and HVAC systems, new windows, and tuck pointing.

Based on this evidence the appellant requested a reduction in the subject's improvement assessment to \$28,833 or \$7.52 per square foot of living area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$56,156. The subject property has an improvement assessment of \$54,056 or \$15.20 per square foot of living area.

In support of its contention of the correct assessment the board of review submitted information on six equity comparables, three of which are located on the same street as the subject. The comparables are improved with 2-story or 3-story homes of brick or frame exterior construction ranging in size from 1,767 to 2,640 square feet of living area. The dwellings were built from 1850 to 1930 with comparables #1, #2, #4, #5, and #6 having reported effective ages ranging from 1960 to 2012. One home has a basement; five homes each have central air conditioning; four homes each have one fireplace; and four comparables each have a garage ranging in size from 396 to 528 square feet of building area. Comparable #6 has a 200 square foot carport and finished attic area. The comparables have improvement assessments ranging from \$50,242 to \$82,788 or from \$21.92 to \$46.85 per square foot of living area. The board of review reported the total assessments for these comparables reflect market values ranging from \$157,026 to \$254,664 or \$68.18 to \$144.12 per square foot of living area, including land. The board of review reported comparables #4, #5, and #6 sold from March 2017 to December 2019 for prices ranging from \$179,500 to \$255,000 or from \$72.79 to \$144.31 per square foot of living area, including land.

The board of review reported in its grid analysis that the subject's total assessment before reduction is \$105,064, based on the subject property being in good condition and habitable, and which would reflect a market value of \$315,192 or \$88.61 per square foot of living area,

including land. The board of review also reported that the subject assessment as reduced reflects a market value of \$168,468 or \$47.36 per square foot of living area, including land.

The board of review submitted a brief explaining that the subject is located in Galena's Historical District next to the historic Galena Library. The board of review acknowledged that the subject sold in 2019, but asserted this REO sale was not considered to be a "valid sale or used in the sales ratio study." In support of this argument, the board of review presented a Real Estate Transfer Declaration for this sale, disclosing that the property was advertised for sale and was a "Bank REO" sale.

The board of review explained that 2020 was a general assessment year and the market value of the subject property was determined based on a review of arm's length sales of similar properties during the past three years. The board of review further explained that a partial assessment was placed on the subject's improvement in accordance with a determination that construction was 52.5% complete by the township assessor, taking into account all of the construction work being performed, including excavation, footings, foundation, floor joists, framing, roofing, brick work, and windows, and not just interior remodeling. The board of review agreed that the subject property was being remodeled, was in poor condition, and was not habitable.

The board of review also argued that the appellant's comparables are smaller and older homes than the subject dwelling, lack fireplaces, and have not been remodeled, whereas the board of review's comparables are located in the subject's neighborhood and three of these comparables have recently been remodeled.

The board of review submitted a new construction checklist for the subject property, which indicates that the township assessor inspected the subject and found the excavation, footings, floor joists, basement floor, framing, sheathing, roof shingles, chimneys/fireplaces, masonry, insulation, and windows to be complete and the subfloor to be 70% complete. Based on the foregoing checklist which assigns a percentage to each item, it was concluded that construction was 52.5% complete.

Based on this evidence the board of review requested the subject's assessment be sustained.

In written rebuttal, the appellant disagreed with the method for calculating the subject's assessment and contended that the Property Tax Appeal Board determined the subject's market value for the 2019 tax year was \$76,000.³

The appellant also disagreed with the subject's age as portrayed in its property record card and instead presented page 41 from a publication entitled "The Building of Galena" which describes the subject as built circa 1842.

The appellant further disagreed with the conclusion that construction is 52.5% complete and the findings of the township assessor regarding the progress of the construction. The appellant contended that additional excavation work was needed to install water lines, plumbing pipes, electrical cables, and heating pipes; footings needed to be reinforced and added; the existing

³ Property Tax Appeal Board Docket No. 2019-00377.001-R-1.

foundation was not compliant with building codes; floor joists needed additional reinforcement; the existing basement floor was a crawl space with a dirt floor; the walls are brick so no framing or sheathing was needed; roofing work was ongoing and dependent on replacement of walls and rafters to support a new roof; tin roof covered had not been replaced; no chimney work had been completed; most tuck pointing was not completed; insulation was non-existent in some area and had not yet been gutted in other areas; windows were painted shut and many were cracked; and no storm windows had been replaced. The appellant presented an estimate for additional tuck pointing work for \$49,000 and a letter of David Seagraves, construction manager of Seagraves Sculpture, asserting that only 20% of the construction work was complete as of January 1, 2020 as gutting had just begun and unforeseen problems continued to be discovered.

The appellant asserted that the board of review's comparable #6 was not proximate in location to the subject and contended that the board of review's comparable #3 had been renovated as this property was advertised for sale as having two new bathrooms and a new kitchen before it sold on July 28, 2021 for \$315,000.⁴

Conclusion of Law

The appellant contends assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

As an initial matter, the Board finds that it is undisputed that the subject property was being remodeled, was in poor condition, and was not habitable as of the January 1, 2020 assessment date.

The record contains a total of nine equity comparables for the Board's consideration. The Board gives less weight to the appellant's comparable #1 and the board of review's comparables #2 and #6, which are from 47% to 57% smaller homes than the subject dwelling.

The Board finds the best evidence of assessment equity to be the appellant's comparables #2 and #3 and the board of review's comparables #1, #3, #4, and #5, which are more similar to the subject in dwelling size although these homes are from 26% to 38% smaller than the subject dwelling and have varying degrees of similarity to the subject in age, location, and other features. None of these comparables were reported to be uninhabitable, under construction, or in poor condition like the subject. These most similar comparables have improvement assessments that range from \$31,425 to \$70,714 or from \$14.23 to \$26.79 per square foot of living area. The subject's improvement assessment before reduction is \$102,964 or \$28.95 per square foot of living area, which falls above the range established by the best comparables in this record and the subject's assessment after reduction is \$54,056 or \$15.20 per square foot of living area,

⁴ The Board notes that the appellant did not present any evidence of when this renovation was completed.

which falls within the range established by the best comparables in this record. Given that none of these comparables were reported to be uninhabitable or in poor condition like the subject, the subject's assessment, even as reduced, appears to be excessive.

Furthermore, the April 2019 sale of the subject for a price of \$76,000 provides additional probative evidence that the subject is not equitably assessed. The subject's assessment as reduced reflects a market value of \$168,468 or \$47.36 per square foot of living area, including land, which is significantly above the April 2019 sale price despite the subject home remaining uninhabitable and in poor condition. Although the board of review argued that the April 2019 sale was not valid as an REO sale, it presented no authority for this contention. To the contrary, Section 16-183 of the Property Tax Code requires the Board to consider even evidence of compulsory sales, such as foreclosure sales, for the purpose of reviewing and correcting assessments. (35 ILCS 200/16-183).

Based on this record the Board finds the appellant demonstrated with clear and convincing evidence that the subject's improvement was inequitably assessed and 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

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 21, 2023



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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