

Attorney Number 48993

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
CHANCERY DIVISION

Barbara Andersen)
Plaintiff)
v.)
Zillow, Inc.)
Defendant)

2017CH06110
CALENDAR/ROOM 02
TIME 00:00
Injunction

VERIFIED COMPLAINT FOR INJUNCTION

Barbara Andersen hereby complains for injunction against Zillow, Inc. as follows:

1. Barbara Andersen owns property at 2862 Commons Drive, Glenview, IL 60026. Barbara Andersen bought this property in 2009 for approximately \$630,000 from the developer. At the time, the properties across the street from her home were approximately \$100,000 more in price and approximately 1,000 more square footage. Andersen's home is immediately adjacent to the Glen Town Center and a nationally renowned golf course. Andersen's home has views of the golf course and was considered the model home of the Toll Brother development. At the time that Andersen bought the property, these units were in high demand given its proximity to the Glen Town Center and their quality construction.

2. Barbara Andersen is an Illinois resident residing in Cook County, IL. Barbara Andersen is also a real estate litigation attorney practicing since 1998.

3. Upon information and belief, Zillow is a Washington corporation doing business in Cook County, Illinois. Upon information and belief, Zillow has a registered agent at 208 S. LaSalle St., Suite 814, Chicago, IL 60604. Upon information and belief, Zillow conducts business in Illinois generally and Cook County specifically.

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4. Here, given that Zillow's actions relate to Illinois property and have tortuously impacted the market value of Andersen's property, this Court has jurisdiction pursuant to 735 ILCS 5/2-209(a)(1) and (2).

5. Because Zillow is a foreign corporation, venue is proper in any County within Illinois pursuant to 735 ILCS 5/2-101. However, regardless of same, Andersen is filing in Cook County given (a) this is the County of where her home is located as well as the locale of the tortious act and (b) this is the locale of the registered agent for Zillow.

6. After the recession concluded, Glenview allowed new construction. Those homes have approximately the same square footage as Andersen. However, they are located in a less desirable (more condensed homes, busy streets, by Willow Creek Church, by a cemetery and less desirable golf course) and further removed area of the Glen Town Center. The only similarity of these homes is that they gave themselves the label of being located within the Glen.

7. Upon information and belief, Zillow is not a licensed Illinois appraiser. Further, upon information and belief, Zillow had never appraised Andersen's home. Moreover, Andersen has never requested or authorized Zillow to conduct an appraisal of Andersen's home.

8. Illinois law prohibits the preparation of appraisals without a license:

Sec. 5-5. Necessity of license; use of title; exemptions.

(a) It is unlawful for a person to (i) act, offer services, or advertise services as a State certified general real estate appraiser, State certified residential real estate appraiser, or associate real estate trainee appraiser, (ii) develop a real estate appraisal, (iii) practice as a real estate appraiser, or (iv) advertise or hold himself or herself out to be a real estate appraiser without a license issued under this Act. A person who violates this subsection is guilty of a Class A misdemeanor for a first offense and a Class 4 felony for any subsequent offense.

(a-5) It is unlawful for a person, unless registered as an appraisal management company, to solicit clients or enter into an appraisal engagement with clients without either a certified residential real estate appraiser license or a certified general real estate appraiser license issued under this Act. A person who violates this subsection is guilty of a Class A misdemeanor for a first offense and a Class 4 felony for any subsequent offense.

(b) It is unlawful for a person, other than a person who holds a valid license issued pursuant to this Act as a State certified general real estate appraiser, a State certified residential real estate appraiser, or an associate real estate trainee appraiser to use these titles or any other title, designation, or abbreviation likely to create the impression that the person is licensed as a real estate appraiser pursuant to this Act. A person who violates this subsection is guilty of a Class A misdemeanor for a first offense and a Class 4 felony for any subsequent offense.

225 ILSC 458/5-5

9. Illinois law defines an appraisal as follows:

“Appraisal” means (noun) the act or process of developing an opinion of value; an opinion of value (adjective) of or pertaining to appraising and related functions, such as appraisal practice or appraisal services.

225 ILCS 458/1-10.

10. Upon information and belief, Zillow controls (and indeed appears to monopolize) the listings for public access for homes in Illinois. Upon information and belief, Zillow is a publicly traded company that makes its money from brokers who pay fees to solicit customers such as Andersen and/or to bring buyers’ brokers to persons such as Andersen. In other words, Zillow caters to brokers who pay Zillow fees.

11. Zillow appears to cater to its broker customers by giving same phone contact and e-mail access. Conversely, home owners such as Andersen have no direct customer service number or e-mail access. Rather, homeowners such as Andersen are given access only to generic telephone/e-mail addresses staffed with unsophisticated employees.

12. In describing its “zestimate”, Zillow denies that it is an “appraisal”. A copy of their webpage description is attached hereto as Exhibit A. However, Zillow concedes that it is (a) an estimate as to market value and (b) is promoted as a tool for potential buyers to use in assessing market value of a given property. As such, despite their disclaimer, Zillow’s zestimate meets the

definition of an appraisal under Illinois law. As such, Zillow should not be engaging in this business practice without a valid appraisal license and, further, the consent of the homeowner.

13. Since the recession, Andersen has been attempting to sell her home on different occasions. However, a tremendous roadblock to same has been the fact that Zillow posts a “zestimate” of person’s homes without their permission, consent and/or any license to do so. A zestimate is effectively a sloppy computer-driven appraisal of the home.

14. To illustrate the sloppy nature of Zillow’s zestimate, one section of Zillow’s site incorrectly reflects that Andersen’s home sold for \$685,000 in the fall of 2016. A copy of the page was cut and pasted by Andersen to a word file attached hereto as Exhibit B. Yet on another and current listing, Zillow reflects the most recent zestimate as \$562,000 (down almost \$90,000 in a matter of a few months). A copy of the other page is cut and pasted from Zillow’s site onto a word page and is attached hereto Exhibit C. A copy of the sharp one month decline in the last month alone (as reflected on Zillow’s web page) is attached on a word page as Exhibit D and is incorporated by reference herein.

15. While Andersen continues to try to sell her home for \$626,000 (i.e. approximately what she paid for the home), upon information and belief the homes directly across from her still continue to sell in excess of \$100,000 of her current asking price. So, in other words, Zillow is clearly comparing apples to oranges in their comps.

16. In Andersen’s recent attempt to sell her home, she advised Zillow through e-mail that she considered the zestimate practice as illegal and improper in light of the fact that Zillow is not a licensed appraisal and had/has no business opining as to the monetary value of any Illinois resident’s home, including but not limited to Andersen’s home. Andersen requested either the removal of the zestimate or a reflection of the true value of her home. At the time, Andersen had

a broker. At this time, the zestimate was reflecting a number substantially lower than Andersen's purchase price. Upon information and belief, Zillow was using the cheap new construction as "comps" in their computer-generated zestimate.

17. At first, Zillow's customer service over-rode the low zestimate and replaced it with an amended zestimate of \$650,000.

18. However, in the last months, Andersen decided to lower her asking price and terminate her broker (in order to reduce closing expenses). At approximately that point in time, the zestimate suddenly started to plummet. Now the zestimate is effectively that of the new construction homes described above... i.e. with no reflection of the superior locale, etc. as noted above.

19. Andersen again reached out to Zillow and made several complaints via phone, e-mails, and voicemail. Indeed, Andersen even wrote to the legal department of Zillow to demand either the removal or amendment of the zestimate and to question the legality of their acting as appraisers without a license/qualification. These communications were largely ignored. Andersen finally advised them via e-mail a few days prior to the filing of this complaint that she would file a complaint in court for an injunction. Andersen now files this suit with still no response by Zillow.

20. Upon information and belief, Zillow is not communicating with Andersen because she no longer has a broker and, thus, is not a source of direct income to it.

21. It is unconscionable and improper for Zillow to offer opinions as to real property without a license and/or permissions of the home owner.

22. Upon information and belief, Zillow's improper business practice has deterred potential buyers from Andersen. In other words, Zillow's negligence and unauthorized/improper

use of the zestimate is tortiously interfering with Andersen's market value and marketability of her home.

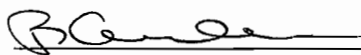
23. The monetary loss associated with Zillow's improper business practice is yet unclear given that Andersen is attempting to file this complaint prior to selling her home in an effort to undo or mitigate the damage caused by Zillow to her home's marketability.

24. Andersen has no other recourse except in equity. Given Andersen's request relates to real property, Andersen seeks injunctive relief as the first and proper remedy in order to avoid monetary loss to herself and her home.

25. There will be no harm to Zillow if ordered to remove or modify its Zestimate relative to Andersen's property. Conversely, Andersen will continue to suffer irreparable injury with the current zestimate placed by Zillow relative to her home.

Wherefore, Andersen respectfully requests this Court issue an injunction against Zillow and either require them to (a) immediately remove the zestimate from her home's listing on their website or (b) amend it to an agreeable market value to Andersen. Andersen also requests that this Court order Zillow to reimburse Andersen her costs associated with the filing of this litigation and such other relief as this Court deems just and equitable.

Barbara Andersen



Petitioner

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