



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

APPELLANT: James Yeh
DOCKET NO.: 11-05883.001-R-3
PARCEL NO.: 09-12-409-045

The parties of record before the Property Tax Appeal Board are James Yeh, the appellant, by attorneys Joanne Elliott and Patty Fortsas of Elliott & Associates, P.C. in Des Plaines; and the DuPage County Board of Review.

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds a reduction in the assessment of the property as established by the DuPage County Board of Review is warranted. The correct assessed valuation of the property is:

**LAND: \$460,010
IMPR: \$1,396,390
TOTAL: \$1,856,400**

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the DuPage County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2011 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.¹

Findings of Fact

The subject property is improved with a part two-story and part one-story owner occupied single family dwelling of masonry/stone construction with 10,564 square feet of living area. The dwelling was constructed in 2004. Features of the property

¹ A consolidated hearing was conducted with Property Tax Appeal Board Docket No. 12-03340.001-R-3. A summary of the evidence and testimony is included in the decision for each tax year.

include a full finished basement, central air conditioning, four fireplaces, an attached three-car garage, a detached one-car garage and an in-ground swimming pool. The property has approximately 54,608 square feet of land area and is located in Hinsdale, Downers Grove Township, DuPage County.

Appearing before the Property Tax Appeal Board on behalf of the appellant was attorney Patty Fortas arguing overvaluation as the basis of the appeal.² In support of this argument the appellant had submitted an appraisal estimating the subject property had a market value of \$4,800,000 as of January 1, 2011 and January 1, 2012. The appraisal was prepared by Michele Mayers, a Certified Residential Real Estate Appraiser, of Real Valuation Group, LLC.

Mayers was called as a witness on behalf of the appellant and identified Appellant's Exhibit #1 as an appraisal of the subject property with a valuation date of January 1, 2011. The appraiser also identified Appellant's Exhibit #2 as an appraisal she prepared of the subject property with a valuation date of January 1, 2012.

Mayers described the subject's neighborhood as being a suburban area comprised with higher-end single-family homes. She inspected the subject property on October 29, 2012. The witness testified the subject dwelling had thirteen rooms above grade, six bedrooms above grade, and six full and two half bathrooms above grade. The basement was finished with a recreation room, a media room, one bedroom and one bathroom. The dwelling also had a lap pool in the basement but it was not functioning; to her knowledge the plumbing was not set up for the lap pool. She also testified the subject property had an in-ground pool and a slate patio in the back yard. The appraiser testified she counted four fireplaces and explained the subject has a three-car attached garage and a one-car detached garage. The witness described the subject property as being in good condition.

In estimating the market value of the subject property as of January 1, 2011 and as of January 1, 2012, the appraiser developed the sales comparison approach to value and the cost approach to value.

² Ms. Fortsas requested the Property Tax Appeal Board take notice of the decisions issued for the 2009 and 2010 tax years involving the subject property under Docket Numbers 09-03166.001-R-3 and 10-04992.001-R-3. For the 2009 tax year the Property Tax Appeal Board issued a decision following a hearing reducing the subject's assessment to \$1,995,600. For the 2010 tax year the Property Tax Appeal Board issued as decision establishing a total assessment of the subject property of \$1,880,000 based on a stipulation of the parties. (See 86 Ill.Admin.Code 1910.90(i)).

Under the cost approach to value the appraiser first estimated the value of the subject's land to be \$1,500,000 or \$27.47 per square foot of land area. She testified that land sales from 2008 to 2010 that ranged from \$5.27 to \$99.81 per square foot of land area. The appraiser estimated the cost new of the improvements to be \$3,685,400. Depreciation was estimated to be \$393,109 using an age of 8 years and an economic life of 75 years. The appraiser also estimated the "as-is" value of the site improvements to be \$25,000. Deducting depreciation, adding the site improvements and adding the land value resulted in an estimated value under the cost approach of \$4,817,300. Mayers testified she used the same methodology and arrived at the same value in the 2012 appraisal.

In developing the sales comparison approach the appraiser used four comparable sales located in Hinsdale that were improved with three-story dwellings of stone or stone and stucco exterior construction that ranged in size from 5,910 to 8,210 square feet of living area. The dwellings ranged in age from three to eight years old. Each comparable had a finished basement, central air conditioning, five to nine fireplaces and a three-car garage. The comparables had sites ranging in size from 17,000 to 31,663 square feet of land area. The sales occurred from March 2008 to December 2010 for prices ranging from \$3,800,000 to \$4,650,000 or from \$544.88 to \$702.20 per square foot of living area, including land. Mayers made adjustments to the sales to account for differences from the subject property for land area and features. The appraisers land adjustments ranged from \$20,000 to \$40,000 or from approximately \$.87 to \$1.06 per square foot of land area. Other adjustments were made for such items as room count, number of bathrooms, gross living area, number of garage stalls, patio area, number of fireplaces and for the in-ground swimming pool. The appraiser arrived at adjusted prices ranging from \$4,318,800 to \$4,969,301. The appraiser testified she placed a little more weight on comparable sale #2 because it was a little closer to the subject dwelling in size. Based on these sales and analysis the appraiser estimated the subject property had an indicated value under the sales comparison approach of \$4,800,000.

The appraiser testified she did not find any comparable sales the size of the subject dwelling. She further testified the sales she selected were in fairly close proximity to the subject property. The witness further explained the information for the comparables was pulled from the Multiple Listing Service (MLS) and she confirmed the lot square footage and the building square

footage through the assessor's website or property record card. With respect to the land adjustment the witness indicated it was based on the contributory value of the land. Mayers testified the adjustment for differences in square footage of living area was based on a contributory value of \$125.00 per square foot. She testified the adjustment for a full bath was \$10,000 and the adjustment for a half bathroom was \$5,000 was based on her experience in the market and the contributory value of bathrooms. The appraiser indicated that garage area was adjusted at \$15,000 per space and the fireplace adjustment of \$10,000 per fireplace was based on the market and paired sales analysis. The appraiser indicated she made a \$50,000 adjustment for the lack of an in-ground swimming pool explaining there is a small contribution for an in-ground pool in the Midwest due to the short swimming season and the cost to maintain the pool. No time adjustments were made for the sales due to the limited sales data available. The witness testified she drove by the comparable sales but had not been inside the homes.

The witness explained these were the same comparable sales used in the 2012 appraisal and the adjustments were the same in the 2012 appraisal as in the 2011 report. She also testified that her opinion of value under the sales comparison approach of \$4,800,000 was the same as in the 2012 appraisal.

In reconciling the two approaches to value the appraiser gave most credence to the sales comparison approach. Her reconciled value was \$4,800,000 as of January 1, 2011 and January 1, 2012.

Under cross-examination the appraiser testified that she made no adjustments for the subject's slate roof and thermopane windows. She also testified that she did not list the land sales in the cost approach section. The witness also testified under the cost approach the dwelling was valued at \$250 per square foot and the basement at \$150 per square foot based on the Marshall & Swift cost manual. She also explained that the garage area was calculated at \$50 per square foot under the cost approach. She also testified that the \$125 per square foot adjustment to the comparable sales for different living area square footage was based on the contributory value of the space, which differed from the cost new of \$250.

The appraiser also agreed that the 2011 and 2012 appraisal reports were practically identical. The reports were signed the same day by Mayers and were done at the same time.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$2,119,860. The subject's assessment reflects a market value of \$6,394,751 or \$605.33 per square foot of living area, land included, when using the 2011 three year average median level of assessment for DuPage County of 33.15% as determined by the Illinois Department of Revenue. The subject property had a land assessment of \$460,010 and an improvement assessment of \$1,659,850.

Appearing before the Property Tax Appeal Board on behalf of the board of review were Charles Van Slyke, board member, and Joni Gaddis, Chief Deputy Assessor of Downers Grove Township. Gaddis was called as a witness and explained that due to discrepancies in the subject's description found during a field inspection on September 25, 2013, she requested the 2011 improvement assessment be adjusted to \$1,581,380 resulting in a total revised assessment for 2011 of \$2,041,390.

Gaddis also testified there were errors in the narratives she had prepared in connection with the appeals. She noted that paragraph 3 of the 2011 narrative incorrectly describes the subject dwelling as having 7,082 square feet when it actually has 10,564 square feet of living area.³ The witness further explained the narratives incorrectly stated the appraisal indicated the subject property has a lot value of \$1,500,000 or \$2.71 per square when that should be \$27.16 per square foot of land area. Gaddis testified her records indicate the subject's land square footage is 55,227 as compared to the appellant's appraisal which has the land square foot of 54,608.

In the narratives prepared by Gaddis she described the comparables contained in the appellant's appraisal. The assessor agreed with the size of each dwelling as reported by the appraiser but disagreed with some of the features such as number of bathrooms and fireplaces.

As support for the 2011 assessment Gaddis identified six comparable sales. Sales #1 through #4 were improved sales while sales #5 and #6 were submitted as land sales. Comparables #1 through #4 were improved with part 2-story, part 3-story and part 1-story dwellings that ranged in size from 7,111 to 8,210 square feet of living area. The dwellings were constructed from 2003 to 2011 and each property was located in Hinsdale. Each comparable had a full or partial basement that was finished, central air conditioning, five to ten fireplaces and garage

³ Gaddis correctly described the subject's living area in the 2012 narrative.

space ranging from 842 to 1,268 square feet of building area. The comparables had sites ranging in size from 23,817 to 30,500 square feet of land area. The sales occurred from February 2009 to February 2011 for prices ranging from \$4,750,000 to \$5,350,000 or from \$566.38 to \$708.52 per square foot of living area, including land. Gaddis testified that comparable #1 had an elevator but no pool. The deputy assessor also testified that sale #2 was the same property as appellant's appraiser's sale #2. Gaddis was also of the opinion sale #4 was a lesser quality home than the subject property and not a good representation of the subject property. She noted that the property record cards for these properties disclosed they have significantly smaller patios than the subject property and none have a swimming pool.

Sales #5 was a 30,170 square foot vacant site that sold in March 2010 for a price of \$1,820,000 or \$60.32 per square foot of land area. Sale #6 was described as being a 27,219 square foot site improved at the time of sale in January 2011 but the house was razed in November 2011. The property sold for a price of \$2,100,000 or \$77.15 per square foot of land area.

Gaddis testified that slate patios are assessed differently than concrete patios because slate costs more. With respect to a slate roof verses composition shingles, Gaddis explained that feature is considered in the quality construction class.

Under cross-examination Gaddis testified the evidence sales used for 2012 were the same as in 2011 with the exception of improved sale #4, which was omitted in the 2012 submission.

Gaddis testified she is not a licensed appraiser and did not make any adjustments to the sales she used. She also explained the property record cards contain a document number associated with each sale recorded with the DuPage County Recorder of Deeds. The witness also agreed that the quality grade assigned to a property is subjective.

Gaddis agreed that the assessment for the subject property in 2010 was \$2,190,550 and the final 2011 assessment was \$2,119,860, which suggests a decline in property values. She also agreed the 2012 assessment was \$1,990,550, lower than in 2011, indicating a decline in value. Gaddis also agreed that a certificate of error was issued in 2012 reducing the assessed value to \$1,916,870.

Gaddis further agreed that she found no sales around 10,500 square feet and testified the subject dwelling is the fourth largest home in the neighborhood. She also agreed sale #2 was most comparable to the subject with the exception of the lack of amenities such as a pool, slate patio, additional garage and size. She also agreed her sale #1 was new at the time of sale.

Gaddis further agreed that for the 2012 appeal, comparable sale #5 was the same land sale as sale #6 in the 2011 appeal and the unit price was \$77.15 per square foot of land area.

Gaddis also agreed 2011 and 2012 were within the same general assessment period, the subject property was owner occupied and a township equalization factor of .9390 was applied in 2012.⁴

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 Board finds the best evidence of market value to be the sales comparison approach to value contained in the appellant's appraisal but for the land adjustment made by the appraiser to account for the difference between the subject and the comparables in land size. The appraisal indicated the subject property had a land value of \$1,500,000 or approximately \$27.47 per square foot of land area. The appraiser testified this estimated land value was based on land sales from 2008 to 2010 that ranged from \$5.27 to \$99.81 per square foot of land area. Unfortunately, the land sales used by the appraiser were not included in the report. Furthermore, the board of review evidence included two land sales that had unit prices of \$60.32 and \$77.15 per square foot of land area. In the sales comparison approach to value the appraiser adjusted the

⁴ At the end of the hearing the Property Tax Appeal Board (PTAB) accepted Appellant's Exhibit A, a copy of the PTAB's decision issued in Docket No. 09-03166.001-R-3; Appellant's Exhibit B, a copy of the PTAB's decision issued in Docket No. 10-04992.001-R-3; and Appellant's Exhibit C, property information from the DuPage County website showing the subject's assessment for 2009 through 2013.

comparables for differences in land size from \$.87 to \$1.06 per square foot of land area to account for the contributory value of the subject's additional land. The Board finds this aspect of the appellant's appraisal is not particularly credible considering the value assigned to the subject's land and the land sales provided by the board of review. The Board finds a more appropriate adjustment to the comparable sales in the appraisal to account for differences in land size to be \$27.00 per square foot of land area, which is similar to the unit land value estimated by the appraiser for the subject site but below the unit prices of the two land sales provided by the board of review. Using this adjustment the comparables sales contained in the appellant's appraisal would have the following adjusted prices: comparable sale #1, \$5,200,800; comparable sale #2, \$5,568,801; comparable sale #3, \$5,771,801; and comparable sale #4, \$5,740,902. Using this analysis and giving slightly more weight to appraisal sale #2, which was also submitted by the board of review, the Board finds the subject property had a market value of \$5,600,000 as of January 1, 2011. Since market value has been determined the 2011 three year average median level of assessment for DuPage County of 33.15% as determined by the Illinois Department of Revenue shall apply. (86 Ill.Admin.Code §1910.50(c)(1)).

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.

Ronald R. Crit

Chairman

K. L. Fan

Member

Richard A. Huff

Member

Mario M. Lino

Member

J. R.

Member

DISSENTING:

C E R T I F I C A T I O N

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: March 20, 2015

A. Portol

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 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 the subsequent year 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.

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.