

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Eliot Dellongo
DOCKET NO.: 05-00584.001-R-1
PARCEL NO.: 09-13-300-042

The parties of record before the Property Tax Appeal Board are Eliot Dellongo, the appellant, by attorney Joanne P. Elliott of Elliott & Associates in Des Plaines, Illinois; and the Kane County Board of Review.

The subject property consists of a 4.39-acre site improved with a two-story style stone dwelling that was built in 2003 and contains 6,247 square feet of living area. Features of the home include a 1,621 square foot coach house, central air-conditioning, three fireplaces, a three-stop elevator, a three-car garage and a full unfinished basement.

The appellant, through counsel, appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal of the subject property with an effective date of February 27, 2006. The appraiser used the cost and sales comparison approaches in estimating a value for the subject of \$1,800,000.

In the cost approach, the appraiser determined a land value of \$350,000 using a paired sales analysis of vacant land sales in the subject's neighborhood. The appraiser consulted the Marshall & Swift Cost Manual in estimating a reproduction cost new of the improvements of \$1,441,710. The appraiser used the age/life method to calculate depreciation of \$59,254 which was subtracted from the replacement cost new, leaving a depreciated value of the improvements of \$1,382,456, to which site improvements of \$100,000 were added. Incorporating the land value resulted in an indicated value by the cost approach of \$1,832,456.

In the sales comparison approach, the appraiser examined three comparable properties located in close proximity to the subject. The comparables are situated on sites ranging in size from 4.31 to 4.54 acres and are improved with one and one-half story or two-story style brick, masonry or brick and cedar dwellings that were built between 1998 and 2000 and range in size from 4,336 to 6,324 square feet of living area. Features of the comparables

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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 Kane County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	\$	91,208
IMPR.:	\$	509,812
TOTAL:	\$	601,020

Subject only to the State multiplier as applicable.

include central air-conditioning, at least three-car garages and full finished basements. One of the comparables has a 4-stall barn. The comparables sold from May to December 2005 for prices ranging from \$1,205,000 to \$1,800,000 or from \$251.03 to \$320.00 per square foot of living area including land. The appraiser adjusted the comparables for differences when compared to the subject for such items as quality of construction, room count, living area, basement finish and amenities. After making these adjustments, the comparables had adjusted sales prices ranging from \$1,531,300 to \$1,800,000 or from \$242.14 to \$375.09 per square foot of living area including land. Based on this analysis, the appraiser concluded a value for the subject by the sales comparison approach of \$1,800,000 as of February 27, 2006.

In his final reconciliation, the appraiser placed most weight on the sales comparison approach because "it reflects the attitudes of buyers and sellers in the marketplace." Based on this evidence, the appellant requested a reduction in the subject's assessment.

During direct examination the appraiser, Thomas Primeau, a state certified appraiser, testified that he did not consider the coach house as being part of the subject's main living area because it was not accessible from the main house through a heated area; was not finished in the same quality as the main house; and had a separate heating system from the main house. Therefore, he treated the coach house as a separate amenity with a market of value of \$100,000.

Primeau further testified that he personally measured the subject property using a tape-wheel to measure the exterior of the first floor and a tape-measure to measure the interior of the second floor. In his opinion the subject contained 5,893 square feet of living area, not including the approximately 1,400 square foot coach house.

Sara Chambers, was next called a witness. She is the owner of the appraisal firm which employs Primeau. She testified that she is a state certified appraiser and reviewed the appraisal with Primeau during its preparation. She agreed that the coach house should be treated as a separate amenity from the main house and only added incremental value to the subject.

During cross examination, Primeau testified that the appraisal report did not mention the subject's elevator because the elevator did not add value to the subject. In addition, the subject's fireplaces were not mentioned in the appraisal. Primeau further testified that no adjustments were made to the comparables for these amenities. His adjustments to the comparables included \$200 per square foot of main living area, if the difference was 300 square feet or more; \$50 per square foot of finished basement area; and \$75 per square foot of building area for the coach house. Primeau further testified that no time adjustment was made in the appraisal report for date of value,

even though for assessment purposes, property is valued on January 1 of each year.

Chambers further testified on cross examination that the elevator generally did not add value to the subject because a specific buyer may or may not see value in such an amenity. Some buyers may feel the elevator detracts from the subject's value, similar to a swimming pool.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$677,045 was disclosed. The subject has an estimated market value of approximately \$2,027,688 or \$324.59 per square foot of living area including land and amenities, as reflected by its assessment and Kane County's 2005 three-year median level of assessments of 33.39%.

In support of the subject's estimated market value, the board of review submitted property record cards and a grid analysis of six comparable properties. The comparables consist of stone or brick dwellings that were built between 1998 and 2005 and range in size from 5,625 to 8,384 square feet of living area. The comparables are situated on sites ranging from 3.62 to 4.80 acres. Features of the comparables include central air-conditioning, at least two fireplaces and garages ranging from 988 to 1,893 square feet of building area. Five of the comparables have a full basement and one has a partial basement. Two of the comparables have some finished basement area. One comparable has a barn and one has a pool. Three of the comparables sold between June 2004 and May 2005 for prices ranging from \$1,501,880 to \$2,350,000 or from \$254.13 to \$320.00 per square foot of living area including land. Based on this evidence the board of review requested the subject's total assessment be confirmed.

During cross examination, Colleen Lang, Deputy Township Assessor, testified that no adjustments were made to the board of review's grid analysis. Lang further testified that the coach house was included in the subject's living area because it contained living quarters, bedrooms, a kitchen and a separate garage area. The subject and coach house were measured during the initial construction stages using exterior measurements normally employed by the township and were found to contain 6,247 and 1,621 square feet of living area, respectively.

After reviewing the record and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Board further finds a reduction in the subject property's assessment is warranted. When market value is the basis of the appeal, the value must be proved by a preponderance of the evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179, 183, 728 N.E.2nd 1256 (2nd Dist. 2000). The Board finds the appellant has overcome this burden.

The Board finds the appellant submitted an appraisal of the subject property in which the subject's market value was estimated to be \$1,800,000 as of February 27, 2006. The board of review submitted three comparable sales that sold for prices ranging from \$254.13 to \$320.00 per square foot of living area including land. The subject's assessment reflects a market value of approximately \$324.59 per square foot of living area including land and amenities, as reflected by its assessment and Kane County's 2005 three-year median level of assessments of 33.39%.

The board of review argued the coach house should be included as part of the subject's main living area, while the appellant argued that the coach house should be treated as a separate amenity only adding incremental value to the subject, similar to a barn or other out-building. The Board finds the appraiser used a logical and proper approach to account for the coach house as not being included as part of the subject's main living area.

Further, the Board finds the appraiser used a logical and proper adjustment process to account for differences of the three comparables in the appraisal when compared to the subject. The board of review employed no such adjustment process in regards to its comparables. While the Board agrees the appraisal lacked detail as to the coach house and elevator, the testimony provided by both of the appellant's witnesses agreed this did not impact the subject's estimated market value.

The Board finds the best evidence of the subject's size was presented by the board of review. Colleen Lang testified that the subject was measured in the field by at least two inspectors using exterior measurements and methods normally employed by the township to determine a subject's square footage. Therefore, for purposes of this decision, the Board finds the subject contains 6,247 square feet of living area with the coach house containing 1,621 square feet of building area.

The appellant's comparable #1 and the board of review's comparable #3 were the same property. This comparable sold for \$1,800,000 in May 2005. Both parties testified and/or submitted documentation indicating this was the most similar comparable to the subject.

The Board finds the best evidence of the subject's market value is found in the version of the subject's appraisal with an effective date of February 27, 2006 as submitted by the appellant. The Board notes the effective date of the appraisal is February 27, 2006, even though the assessment date in question is January 1, 2005. However, neither party offered testimony or other evidence to refute or adjust this estimated value of the subject as not being the subject's actual value on January 1, 2005. Therefore, the Board finds the subject's market value as of the subject's assessment date of January 1, 2005 is \$1,800,000.

In conclusion, the Board finds the appellant has demonstrated the subject property was overvalued by a preponderance of the evidence. Therefore, the Board finds the subject property's assessment as established by the board of review is incorrect and a reduction is warranted. Since fair market value has been established, the 2005 three-year median level of assessments for Kane County of 33.39% shall apply.

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.



Chairman



Member



Member



Member



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: October 31, 2008



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.