



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

APPELLANT: Ronald & Jacqueline Kirsch
DOCKET NO.: 06-00332.001-R-1
PARCEL NO.: 19-09-25-207-002-0000

The parties of record before the Property Tax Appeal Board are Ronald & Jacqueline Kirsch, the appellants, and the Will 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 Will County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$36,144
IMPR.: \$147,061
TOTAL: \$183,205

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 31,050 square feet of land area has been improved with a two-story single-family dwelling of frame and masonry construction which was built in 1988. The dwelling consists of 4,196 square feet of living area and features a full finished basement, central air conditioning, two fireplaces, and an attached three-car garage of 1,092 square feet of building area. The property also features an 816 square foot brick patio and is located in Frankfort, Frankfort Township, Will County.

By correspondence filed in April 2007, the appellants agreed to have a decision in this matter rendered on the evidence submitted in the record without the need for a hearing. Therefore, the decision of the Property Tax Appeal Board contained herein shall be based upon the evidence contained in and made a part of this record.

In support of this overvaluation complaint, the appellants filed two appraisals of the subject property with the Property Tax Appeal Board. One appraisal performed for refinancing had a

valuation date of April 3, 2006 and estimated the market value for the subject at \$550,000; the second appraisal performed for tax appeal purposes had a valuation date of January 30, 2007 and estimated the market value for the subject at \$580,000. In addition, the appellants submitted a copy of an October 2006 contractor's bid to remove existing cedar shake shingles and replace with architectural grade shingles with associated work for \$23,900.

The first appraisal was performed by Erick Johnson of MP Real Estate Valuations and describes the subject parcel as 30,268 square feet of land and the dwelling as having been built in 1980 with 4,127 square feet of living area. As to the subject property, the appraiser noted that there were no repairs required at the time of inspection. Under the sales comparison approach the value, the appraiser analyzed three comparable sales located within 0.95 miles of the subject property. The comparables were described as parcels ranging in size from 27,654 to 41,520 square feet of land area which were improved with two, two-story and one, one-story dwellings of brick or frame and brick exterior construction and which were 14 to 29 years old. Features of the comparables included full basements, each of which was partially or fully finished, central air conditioning, and two-car or three-car garages. No mention was made regarding fireplaces. The comparable dwellings ranged in size from 3,712 to 4,258 square feet of living area. The properties sold between April and August 2005 for prices ranging from \$549,000 to \$551,000 or from \$128.93 to \$148.17 per square foot of living area including land.

In an addendum, the appraiser wrote that due to a lack of sales of two-story dwellings in the prior twelve months, comparable #2 was a one-story dwelling. The appraiser made adjustments to the sales comparables for differences in room count, dwelling size, basement finish, garage size, and upgrades to comparable #2. The appraiser then arrived at adjusted sales prices for the comparables ranging from \$548,069 to \$566,890 or from \$128.72 to \$149.83 per square foot of living area including land. Based on this analysis, the appraisal provides an estimated market value of \$550,000 or \$133.27 per square foot of living area including land given a size of 4,127 square feet for the subject property as of April 3, 2006; given the subject's actual size of 4,196 square feet of living area as recorded on the property record card, the appraised value would be \$131.08 per square foot of living area including land.

The second appraisal was performed by Cynthia Gansel of Midwest Appraisal who described the subject parcel as 30,268 square feet of land area and the dwelling as having 4,127 square feet of living area. As to the subject property, special features listed were three skylights, vaulted ceilings, stone fireplaces, a whirlpool tub, and crown moldings. As to needed repairs and/or deterioration, the appraiser noted some water damage on the ceiling in the master bedroom with a notation that the owner contends the roof needs to be replaced. In the addendum, the

appraiser noted a basement fireplace was not in working order and was not included in the fireplace count. The appraiser further wrote that the roof condition was addressed in the subject's effective age which was noted as 19 years old.

Under the sales comparison approach the value, the appraiser analyzed three comparable sales located within 0.82 miles of the subject property. The comparables were described as parcels ranging in size from 25,000 to 33,000 square feet of land area which were improved with two-story dwellings of brick, brick and stone, or brick and frame exterior construction and which were 27 to 31 years old. Features of the comparables included full basements, two of which were finished and two of which were walkout style, central air conditioning, two or three fireplaces, and two-car or three-car garages. One comparable also has a tennis court. The comparable dwellings ranged in size from 3,232 to 4,045 square feet of living area. The properties sold between May 2006 and January 2007 for prices ranging from \$475,000 to \$715,000 or from \$133.28 to \$176.76 per square foot of living area including land. In an addendum, the appraiser noted adjustments to the sales comparables were made for location (bordering open space such as a golf course like the subject), condition/age, room/bathroom count, dwelling size, basement (design and/or finish), and upgrading or modernization differences. The appraiser then arrived at adjusted sales prices for the comparables ranging from \$551,000 to \$580,000 or from \$143.39 to \$176.05 per square foot of living area including land. Based on this analysis under the sales comparison approach, the appraisal estimated the subject's market value at \$570,000 or \$138.11 per square foot of living area including land given a size of 4,127 square feet for the subject property; given the subject's actual size of 4,196 square feet of living area as recorded on the property record card, the appraised value would be \$135.84 per square foot of living area including land.

The appraiser also performed a cost approach to value where the land value was estimated from comparable land sales estimating a price of \$6.50 per square foot of land or about \$195,000 for the land. The appraiser determined the replacement cost new of the improvements using the Marshall & Swift Cost Manual along with data from local builders for a total of \$512,215; physical depreciation based on the age/life method was estimated at 21.4% or \$109,768. The "as is" value of site improvements at 31% of the total value was opined to be \$25,000 for an indicated value under the cost approach of \$622,447.

In reconciling the two approaches to value, the appraiser placed most weight on the sales comparison approach as it best reflected the actions of buyers and sellers in the marketplace. The appraiser then concluded an estimate of fair market value of \$580,000 as of January 30, 2007 for the subject property.

On the Residential Appeal form, appellants requested a total assessment for the subject property of \$183,333 which would reflect a market value of approximately \$550,000.

The board of review submitted its "Board of Review Notes on Appeal" as required by the Property Tax Appeal Board wherein the subject's final assessment of \$198,770 was disclosed. The final assessment of the subject property reflects a market value of approximately \$596,728 or \$142.21 per square foot of living area including land using the 2006 three-year median level of assessments for Will County of 33.31% as determined by the Illinois Department of Revenue.

In support of the subject's assessment, the board of review submitted a letter from the Frankfort Township Assessor with criticisms of both appraisals submitted by the appellants and a grid analysis of five sales comparables.

In the township assessor's letter, the errors in both appraisals regarding the subject dwelling size were noted with each appraiser understating the dwelling by 69 square feet. Both appraisers had erroneous land size data for the subject and each of the comparables were said to have erroneous land sizes (property record cards for the comparables were submitted to support the stated corrections). The first appraiser also had overstated dwelling sizes for each of the sales comparables. Moreover, the township assessor disputed the amount of adjustments made by each of the appraisers in their respective reports. Finally, as to the second appraisal, the township assessor contended that given the valuation date of January 1, 2007, the second appraisal report should not be considered given that it provides a value 13 months after the valuation date at issue.

The five sales comparables were located within the subject's subdivision; three of the comparables presented by the board of review were reported by the appellants' appraisers in their respective reports. The two new comparables presented by the board of review were described as 24,324 and 32,365 square foot parcels, respectively, which were improved with two-story brick and frame dwellings that were built in 1967 and 1978, respectively. Features included full or partial basements, each of which was finished, central air conditioning, a fireplace, and a garage of 780 and 986 square feet of building area, respectively. These two comparables sold in October 2004 and June 2005 for \$667,000 and \$770,000 or \$159.11 and \$162.89 per square foot of living area including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal, appellants noted that the Will County Board of Review reduced the subject's 2007 assessment to \$190,000 or an estimated market value of \$570,000 based on the submission of the second appraisal estimating value as of January 30, 2007.

After reviewing the record and considering the evidence submitted by the parties, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this

appeal. The Board further finds that a reduction in the subject's assessment is warranted.

The appellants argued that the subject's assessment was not reflective of market value. When market value is the basis of the appeal, the value of the property must be proved by a preponderance of the evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill. App. 3d 179, 728 N.E.2d 1256 (2nd Dist. 2000); National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill. App. 3d 1038 (3rd Dist. 2002). The Board finds this burden of proof has been met and a reduction in the subject's assessment is warranted.

The Board finds the appellants submitted two appraisals of the subject property with final value conclusions of \$550,000 and \$580,000,¹ respectively, while the board of review submitted five comparable sales, only two of which were not set forth in the appellants' appraisals. Each of the comparable sales presented by the board of review was significantly older than the subject property. The subject's assessment reflects an estimated market value of \$596,728 or \$142.21 per square foot of living area including land using the 2006 three-year median level of assessments for Will County of 33.31%. The Property Tax Appeal Board finds that, despite some of the stark differences between the subject property and the comparables utilized by the appraisers, the appraisers adjusted the comparables for differences such as age, size and other amenities in order to arrive at their respective value conclusions. The appraisal submitted by the appellants estimating the subject's market value as of April 3, 2006 of \$550,000 is the best evidence of the subject's market value in the record. This reduced value conclusion is further supported by the subsequent 2007 assessment reduction issued by the Will County Board of Review. In 400 Condominium Association v Tully, 79 Ill.App.3d 686 (1st Dist. 79), the court found that a substantial reduction in the tax bill is indicative of the invalidity of the prior tax year's assessment. (See also Hoyne Savings & Loan Association v. Hare, 60 Ill.2d 84, 90, 322 N.E.2d 833, 836 (1974)). The Board finds a substantial reduction in the subject's assessment for the subsequent year without any credible explanation is indicative of the invalidity of the prior year's assessment.

Based upon the market value as stated above, the Property Tax Appeal Board finds that a reduction is warranted. Since market value has been established, the three-year median level of assessments for Will County for 2006 of 33.31% shall be applied.

¹ It is noted that appraiser Gansel had a sales comparison approach value conclusion of \$570,000, but in the final reconciliation, she opined an estimate of market value \$10,000 higher at \$580,000 as of January 30, 2007.

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. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario M. Louie

Member

Shawn R. Lerbis

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: January 26, 2010

Allen Castrovillari

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.