



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

APPELLANT: James K. VanDrunen
DOCKET NO.: 07-00496.001-R-1
PARCEL NO.: 23-15-12-301-027-0000

The parties of record before the Property Tax Appeal Board are James K. VanDrunen, the appellant, by attorney Russell T. Paarlberg, of Lanting, Paarlberg & Associates, Ltd. in Schererville, Indiana, 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: \$32,860
IMPR.: \$155,360
TOTAL: \$188,220

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property of 1.42-acres has been improved with a two-story¹ frame and stone single-family dwelling containing 5,990 square feet of living area. The dwelling was constructed in 2007 and did not have an occupancy permit issued as of November 2007. The dwelling features a full unfinished basement, central air conditioning, two fireplaces, and an attached 1,168 square foot garage. There is also an elevator to all levels of the dwelling and two stairways leading to the second floor and to the basement. The property is located in Crete, Crete Township, Will County.

The appellant through counsel contends both lack of uniformity and overvaluation of the subject property. In support of the inequity argument, the appellant presented a grid analysis of six

¹ While the appellant described the dwelling as a one and one-half-story design, both the appellant's appraiser and the township assessor described it was a two-story dwelling.

suggested comparables; in support of the overvaluation argument, the appellant presented an appraisal and recent construction information.

In the inequity argument, the appellant presented a grid analysis of six suggested comparable properties located from 600 feet to 2-miles from the subject property. The comparables had parcels ranging from .95 to 13.024-acres with land assessments ranging from \$11,107 to \$57,437 or from \$2,390 to \$14,797 per acre. The subject has a land assessment of \$32,860 or \$23,141 per acre.

Each of these six comparables was improved with a one and one-half, two or three-story dwelling of brick or brick and frame exterior construction. The comparable dwellings ranged in age from 4 to 85 years old and ranged in size from 3,832 to 6,054 square feet of living area. Five of the comparables had basements and one of those was reported to have 1,661 square feet of finished area. Five comparables had central air conditioning and each had a fireplace and a garage. Four comparables were reported to have in-ground swimming pools and one of those also had a pool house. One comparable also had a 2,040 square foot storage/hobby building. These comparable properties had improvement assessments ranging from \$158,476 to \$254,588 or from \$30.31 to \$45.86 per square foot of living area. The subject had an improvement assessment of \$259,327 or \$43.29 per square foot of living area.

In support of the overvaluation argument, the appellant checked as a basis of the appeal "Recent Construction," but then failed to complete Section VI of the appeal form and did not supply any of the necessary construction costs, including but not limited to the price paid for the land, building or other related labor for the construction.

In further support of the overvaluation argument, the appellant submitted an appraisal report prepared by Sheryl Metz-Lesniewski with the supervision of Sharon Metz-Gohla, both of whom work for William H. Metz & Associates, Inc. The appraisal report states that it was prepared to develop an opinion of market value and has a valuation date of January 1, 2007. The appraisal further notes the property was under construction as of January 1, 2007 and thus the "prospective future" market value stated in the appraisal report was subject to completion of the improvement per plans and specifications provided. The property was inspected by the appraiser on March 12, 2008 and the appraiser reported the estimated date of completion was March 2008.

The appraiser described that the subject site would have bushes, plantings and flagstone accents and that the dwelling was to have a 60% finished basement. In the report, the appraiser developed both the cost and sales comparison approaches to value.

In the cost approach, the appraiser estimated the subject's land value at \$110,000. Using the Marshall Swift Residential Cost Manual and/or contractor's statements when available, the

appraiser determined a reproduction cost new for the subject dwelling of \$539,100, for the basement of \$61,740, and for the garage of \$17,520. No physical, functional, or external depreciation were calculated resulting in a value of the improvements of \$618,360. A total value for site improvements of \$20,000 was provided. Then the appraiser added the land value resulting in a total value by the cost approach of \$748,400, rounded.

In the sales comparison approach, the appraiser set forth three suggested comparables² which were from .01 to 2.02-miles from the subject. The comparables had parcels ranging from 1 to 2.2-acres of land, two of which were not wooded like the subject. The dwellings were each two-story brick or brick and frame construction ranging in age from 2 to 15 years old. The dwellings ranged in size from 3,911 to 5,371 square feet of living area and featured full basements, one of which was a walkout style and two of which were finished; each dwelling had central air conditioning, one, two or three fireplaces and a three-car garage. Two comparables had in-ground swimming pools. The comparables sold from June 2004 to August 2006 for prices ranging from \$624,900 to \$775,000 or from \$144.29 to \$159.78 per square foot of living area including land. The appraiser made adjustments to the comparable sales for date of sale, acreage, quality of construction, age, condition, room count, living area square footage, basement finish, functional utility, and differences in other amenities from the subject. After adjustments, the appraiser concluded adjusted sale prices for the comparables ranging from \$729,500 to \$740,900 or from \$135.82 to \$189.44 per square foot of living area including land. The appraiser then concluded an estimated fair market value of the subject of \$720,000 or \$120.20 per square foot of living area including land under the sales comparison approach.

In reconciling the two approaches to value, the appraiser acknowledged that the cost approach reflects a higher market value, but opined that the sales comparison approach should be given the greatest consideration as it reflects the actions of typical buyers and sellers in the open market.

Based on the foregoing evidence, the appellant requested a reduction in the subject's land assessment to \$19,918 and a reduction in the improvement assessment to \$215,221. The appellant's total reduced assessment request would reflect an estimated market value of \$705,417.

The Board of review presented its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$292,187 was disclosed. Based on the assessment, the subject property has an estimated market value of \$874,811 or \$146.05 per square foot of

² The map depicting the comparables references five comparable sales, but the appraisal report presented in this matter contains only three sales comparables.

living area, land included, based on the 2007 three-year median level of assessments in Will County of 33.40%.

In response to the appeal, the board of review presented a letter from the Crete Township Assessor who noted that the subject 2007 assessment appeal involved a partial assessment of the property since a certificate of occupancy was not yet issued. The assessor further reported a building permit was taken out in September 2005 with a renewal permit taken out in October 2006. The assessor included photographs of the subject taken in both 2006 and 2007 to show the level of construction in each year.

The township assessor further reported that the dwelling was assessed as being 75% finished in 2007 based upon an improvement value of \$324,513. After application of a 1.0655 multiplier, the improvement assessment was increased to \$259,327 before board of review action. The board of review at its level made no change to the assessment in response to the appellant's appeal.

Based on its evidence, the board of review requested confirmation of the subject's partial assessment as calculated by the township assessor.

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 based on the evidence presented that a reduction in the subject's assessment is warranted.

Appellant 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 on this basis.

The appellant submitted an appraisal of the subject property with a valuation date of January 1, 2007 opining a market value for the subject of \$720,000 if completed as planned; the dwelling was not yet complete as of January 1, 2007. The board of review provided a minimal explanation as to its determination of the 75% partial assessment of the subject as reflected in its assessment and submitted no comparables sales or other market data to support the subject's assessment and simply requested confirmation of the assessment. The subject has an estimated market value based on its assessment of \$874,811 or \$146.05 per square foot of living area including land, which is significantly higher than the value opinion contained in the appraisal.

Section 9-160 of the Property Tax Code states in relevant part:

Valuation in years other than general assessment years. On or before June 1 in each year other than the general assessment year, in all counties with less than 3,000,000 inhabitants, . . . , the assessor shall list and assess all property which becomes taxable and which is not upon the general assessment, and also make and return a list of all new or added buildings, structures or other improvements of any kind, the value of which had not been previously added to or included in the valuation of the property on which such improvements have been made, specifying the property on which each of the improvements has been made, the kind of improvement and the value which, in his or her opinion, has been added to the property by the improvements. . . .
(35 ILCS 200/9-160).

The Board finds that Section 9-160 of the Property Tax Code addresses the valuation of new but incomplete improvements as of the assessment date. In this matter, the Property Tax Appeal Board finds that, despite any questions that can be raised regarding the appraisal, the estimated market value submitted by the appellant through the appraisal is still the best and only evidence of the subject's full market value in the record. Since the subject improvement was deemed to be 75% complete as of January 1, 2007, the improvement assessment should reflect 75% of the estimated market value of the improvement.

Based upon the market value as stated above, the Property Tax Appeal Board finds that a reduction is warranted.

The appellant also contended unequal treatment in the subject's assessment as a basis of the appeal. Taxpayers who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d 1 (1989). After an analysis of the assessment data and considering the reduction in assessment for overvaluation, the Board finds that the subject property is equitably assessed and no further reduction in the subject's assessment is warranted.

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. Guit

Chairman

Member

Mario M. Louie

Member

Member

William 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: September 24, 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.