



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

APPELLANT: Vincent Vece
DOCKET NO.: 07-04375.001-R-1
PARCEL NO.: 09-26-306-007

The parties of record before the Property Tax Appeal Board are Vincent Vece, the appellant; 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: \$52,060
IMPR.: \$87,632
TOTAL: \$139,692

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 21,600 square foot parcel improved with a one-story style brick dwelling that was built in 1991 and contains 2,803 square feet of living area. Features of the home include central air-conditioning, one fireplace and a two-car garage.

The appellant 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 April 16, 2008. The appraiser used the cost and sales comparison approaches in estimating a value for the subject of \$417,000.

In the cost approach, the appraiser determined a land value of \$200,000 by the extraction method, whereby a land value is extracted from the total value by a percentage. The appraiser consulted the Marshall & Swift Cost Manual in estimating a reproduction cost new of the improvements using a dwelling size of 2,700 square feet plus a garage for the subject resulting in a

total of \$213,060. Depreciation of \$10,653 was subtracted from this figure, leaving a depreciated value of the improvements of \$202,407, to which site improvements of \$20,000 were added. Incorporating the land value resulted in an indicated value by the cost approach of \$422,407.

In the sales comparison approach, the appraiser examined six comparable properties. The comparables are situated on lots ranging in size from 9,676 to 63,000 square feet and are improved with one-story style brick, brick and stone, brick and cedar or frame dwellings that ranged in age from 25 to 55 years old and contained from 1,500 to 2,289 square feet of living area. Features of the comparables include central air-conditioning and one or two-car garages. Five of the homes have one or two fireplaces and five of the homes have full or partial basements, four of which have some finished area. The comparables sold from July 2007 to March 2008 for prices ranging from \$260,000 to \$500,000 or from \$173.33 to \$250.00 per square foot of living area, including land. The appraiser adjusted the comparables for differences when compared to the subject for such items as site size, construction quality, living area, basement finish, garage size, number of fireplaces and high school district. After making these adjustments, the comparables had adjusted sales prices ranging from \$307,500 to \$491,500 or from \$186.72 to \$245.75 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 \$417,000 or \$154.44 per square foot of living area, including land at a dwelling size of 2,700 square feet.

The appraiser, Philip DeRosa, testified in support of the appraisal. DeRosa is a Certified Residential Real Estate Appraiser. He has been an appraiser and involved in the practice of real estate since 1985. DeRosa testified that comparables 1, 3, 5 and 6 were on busy streets, similar to the subject. Comparable 6 was used because of its proximity to the subject, even though it is much smaller than the subject.

On cross-examination, DeRosa testified that the purpose of the appraisal was to determine the subject's fair market value. DeRosa performed a drive-by inspection of each comparable. DeRosa testified that the subject is in average condition with some external obsolescence because of the busy street. DeRosa further testified that no adjustments were made for dates of closing because the market was steady at that time and required no adjustment. DeRosa admitted that he did not make an adjustment for those comparables on a quiet street and explained that he should have made a negative adjustment. DeRosa testified that he made his adjustments based on a paired sales analysis using his past realtor experience. The school district adjustments were based on his knowledge of the area. Site adjustments were based on \$100 per front foot. DeRosa admitted that he did not make an adjustment for age. DeRosa testified that his opinion of value for the subject of \$417,000 would be only slightly higher for January 1, 2007.

The next witness called was Jill Lockett, a realtor with Caldwell Banker. Lockett is a daughter of the appellant. Lockett testified that the subject would sell for \$300,000 to \$350,000 in today's market with the hearing being held in June 2010. Lockett testified that she tried to sell the subject for \$379,000 and it did not sell. The date of listing was not disclosed. In January 2007, Lockett felt the subject was worth approximately \$400,000. Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect a fair market value of \$407,160.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$193,010 was disclosed. The subject has an estimated market value of \$580,307 or \$207.03 per square foot of living area, including land, as reflected by its assessment and DuPage County's 2007 three-year median level of assessments of 33.26%.

In support of the subject's estimated market value, the board of review submitted property record cards and a grid analysis of five comparable properties. The comparables consist of one-story frame or brick dwellings that were built between 1957 and 1976 and range in size from 1,144 to 2,028 square feet of living area. One comparable is depicted as being remodeled in 1989. Features of the comparables include full or partial unfinished basements and garages ranging from 420 to 1,128 square feet of building area. Four of the homes are depicted as having central air-conditioning and four have one or two fireplaces. Three of the comparables sold between June 2005 and February 2007 for prices ranging from \$350,000 to \$447,000 or from \$214.53 to \$305.94 per square foot of living area, including land.

Joni Gaddis, Chief Deputy Assessor of Downers Grove Township, testified that the subject's grade quality was changed in 2008 from 1.7 to 1.65 to match other homes located within the subject's neighborhood. Therefore, after applying this quality grade adjustment, Gaddis testified that the subject's total assessment should be \$177,060 to reflect a market value of \$531,230 or \$44.60 per square foot of living area. Gaddis further testified that the subject's 2008 assessment was reduced to reflect this change in grade quality and that 2007 and 2008 were in the same general assessment cycle.

During cross-examination, Gaddis admitted that in the normal course of real estate valuation the grade quality is never changed unless a substantial rehabilitation or remodel has occurred. Her office changed the subject's quality of grade after the appeal information was submitted, which indicated a lower assessed value should be applied to the subject. Based on this evidence the board of review requested the subject's total assessment be reduced to \$177,060.

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 met 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 \$417,000 as of April 16, 2008 based on a 2,700 square foot dwelling. The board of review submitted three comparable sales that sold for prices ranging from \$214.53 to \$305.94 per square foot of living area, including land. The Board gave no weight to the board of review's assessment equity comparables because they do not address the appellant's overvaluation argument. The board of review requested the subject's assessment be reduced to \$177,060 to reflect a market value of \$531,230 or \$189.53 per square foot of living area, including land. The board of review testified that the subject's 2008 assessment was reduced and that 2007 and 2008 were in the same general assessment cycle. Gaddis admitted that in the normal course of real estate valuation, a subject's grade quality is never changed, absent substantial rehabilitation of the property in question. The evidence does not depict the subject has been substantially remodeled. The Board finds this assessment change in 2008 lends further support that the subject's assessment should be reduced for the 2007 assessment year. In 400 Condominium Association v Tully, 79 Ill.App.3d 686 (1st Dist. 1979), 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.

The Board gave less weight to the board of review's comparable sales 1 and 2 because these sales were too remote in time to aid in a determination of the subject's fair market value in 2007, without adjustment. In addition, the Board gave less weight to the board of review's third sales comparable because it, like the others, was substantially smaller than the subject. The subject's assessment reflects a market value of \$580,307 which is above the estimated opinion of value contained in the appellant's appraisal and above the requested assessment amount of \$531,230 as offered by the board of review. Therefore the Board finds the subject's assessment is excessive in relation to its market value.

The Board finds the appraiser used a logical and proper adjustment process to account for differences of the six comparables in the appraisal when compared to the subject. The Board finds the appraiser offered credible testimony in support of his methodology and final opinion of value. The board of

review employed no such adjustment process in regards to its comparables. The Board finds the best evidence of the subject's market value is found in the subject's appraisal submitted by the appellant. Even though the appraisal depicts a valuation date of April 16, 2008, DeRosa testified that the market was fairly stable at that time and little, if any, adjustment would be required of his final value conclusion for January 1, 2007. The Board finds the best evidence of the subject's size is the subject's property record card submitted by the board of review which depicts the subject contains 2,803 square feet of living area. The appellant did not dispute this record as being in error. The Board also gave some weight to the testimony of realtor, Luckett, who testified that in January 2007 the subject was worth approximately \$400,000 and that at some point in time she tried to sell the subject for \$379,000, to no avail. Therefore, the Board finds the subject's market value as of the subject's assessment date of January 1, 2007 is \$420,000. The Board finds this increase from the appraiser's final estimate of value is supported based on his testimony that the subject's market value would be only slightly increase as of January 1, 2007 and the increase in the subject's size from what his final opinion of value was based on.

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 2007 three-year weighted average median level of assessments for DuPage County of 33.26% 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.

Ronald R. Guit

Chairman

Member

Mario M. Louie

Member

Member

William R. Loras

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.