FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: James Denny
DOCKET NO.: 07-21183.001-R-1
PARCEL NO.: 05-29-202-008-0000

The parties of record before the Property Tax Appeal Board are James Denny, the appellant, by attorney Mitchell L. Klein, of Schiller Klein P.C., in Chicago, and the Cook 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 **Cook** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	$140,345
IMPR.:	$140,775
TOTAL:	$281,120

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 68,000 square feet has been improved with a two-story brick and frame exterior constructed single-family dwelling that is approximately 60 years old. The dwelling contains 7,305 square feet of above-grade living area[1] with a full basement which is partially finished, central air conditioning, four fireplaces,[2] and a two-car garage. The subject property also has a swimming pool and is located in Winnetka, New Trier Township, Cook County, Illinois.

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. In support of this argument, the appellant submitted an appraisal prepared by real estate appraiser Todd R. Swanson of Preferred Appraisal, Inc. estimating the subject property had a market

[1] The board of review reported the subject dwelling contains only 5,610 square feet of living area, but had no schematic drawing or other evidence to support this contention.
[2] The board of review reported only three fireplaces, but the appellant's appraiser who inspected the subject property reported four fireplaces.

value of $2,800,000 as of January 1, 2007. The purpose of the appraisal was for "tax appeal."

In discussing the property, the appraiser noted the property had been expanded and partially remodeled in the mid-1990's. The appraiser further noted there was functional obsolescence "due to an in-ground swimming pool in a seasonal market."

Under the cost approach, the appraiser estimated the subject's land value at $2,000,000 based on limited land sales/tear downs which were coupled with the abstraction method. The appraiser acknowledged that the subject's site value exceeded 50% of the overall value, but noted this to be typical for the market and asserted that it did not impact marketability. The appraiser estimated a replacement cost new for the subject dwelling including the basement, fence, patio, pool and garage of $1,137,265. Physical depreciation of $318,434 was calculated using the age/life method and functional obsolescence of $32,454 was estimated resulting in a depreciated value of improvements of $786,377. Next, a value for site improvements of $50,000 was added. Thus, under the cost approach, the appraiser estimated a market value of $2,836,400 for the subject.

Under the sales comparison approach, the appraiser used sales of four comparable homes which were located between 0.01 and 1.56 miles from the subject property. The comparable parcels range in size from .85 to 1.3-acres. Three of the comparables have a view similar to that of the subject, but one is also said to have a "golf" view for which the appraiser made a downward adjustment. The parcels are improved with two-story dwellings with basements, all of which include finished area. Three of the comparables have central air conditioning and each has two or three fireplaces. Each comparable has a garage from two-car to four-car. One comparable has a pool and one comparable has a tennis court. The dwellings range in size from about 5,300 to 6,492 square feet of living area and range in age from 50 to 79 years old, with effective ages of 25 years like the subject.

The comparables sold between January and October 2006 for prices ranging from $2,325,000 to $2,550,000 or from $361.21 to $481.13 per square foot of living area including land. In comparing the comparable properties to the subject, the appraiser made adjustments for land area, condition, bathroom count, size, basement finish, garage size, modernization of kitchens/bathrooms, and other amenities. The adjustments were discussed in an addendum. The analysis resulted in adjusted sales prices for the comparables ranging from $2,788,200 to $3,149,000 or from $429.48 to $594.15 per square foot of living area land included. From this process, the appraiser estimated a value for the subject by the sales comparison approach of $2,800,000 or $383.30 per square foot of living area including land based on the appraiser's size determination of 7,305 square feet of living area.

In his final reconciliation, the appraiser concluded an estimate of value of $2,800,000 since the sales comparison approach best reflects the actions of market participants and was further supported by the cost approach.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to $281,120 which would reflect the appraised value when applying the 2007 median level of assessments for Class 2 property in Cook County of 10.04%.

The board of review submitted its "Board of Review Notes on Appeal" wherein the final assessment of $363,791 was disclosed. The final assessment of the subject property reflects a market value of approximately $3,623,416 using the 2007 three-year median level of assessments for Class 2 property in Cook County of 10.04%.

In support of the subject's estimated market value based on its assessment, the board of review submitted a grid analysis of four equity comparables.[3] Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant through legal counsel noted that the board of review's equity data was not responsive to the appellant's overvaluation claim.

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 that a reduction in the subject's assessment is warranted.

The 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.

The Board finds that the best evidence of the subject's living area square footage was presented by a schematic drawing presented by the appellant's appraiser and the statement by the appraiser that the subject property was inspected. Thus the Board concludes the subject dwelling contains 7,305 square feet of living area.

[3] Among the attachments to the Board of Review Notes on Appeal was a computer printout of 20 sales ranging in date from September 1992 to March 2007 for prices ranging from $143,000 to $5,330,584, but there was no descriptive data such as parcel size, dwelling height, dwelling size and/or features to engage in any meaningful analysis of the sales data.

The appellant submitted an appraisal of the subject property with a final value conclusion of $2,800,000, while the board of review submitted four equity comparables and no meaningful sales data to support its estimated market value of the subject property.

While the appraisal may lack some details as to the manner in which various conclusions were reached and questions can be raised as to adjustments made by the appraiser, in the end the Property Tax Appeal Board finds that the appraisal submitted by the appellant estimating the subject's market value of $2,800,000 or $383.30 per square foot of living area including land based on 7,305 square feet of living area is still the best and only evidence of the subject's market value in the record.

Based upon the market value as stated above, the Property Tax Appeal Board finds that a reduction is warranted. Since market value has been determined the 2007 three-year median level of assessment for Class 2 property in Cook County as determined by the Illinois Department of Revenue of 10.04% shall apply. 86 Ill.Admin.Code 1910.50(c)(2)(a).

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: February 24, 2012

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.