



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

APPELLANT: Richard Stebbins
DOCKET NO.: 08-03713.001-R-2
PARCEL NO.: 08-18-301-010

The parties of record before the Property Tax Appeal Board are Richard Stebbins, 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: \$91,150
IMPR: \$224,582
TOTAL: \$315,732

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 7,150 square feet of land area has been improved with a two-story frame exterior constructed single family dwelling built in 2005. The dwelling contains 3,811 square feet of living area with a full basement of 1,676 square feet of building area, which is 70% finished, central air conditioning, three fireplaces, and a three-car garage of 609 square feet. The subject property is located in Naperville, Lisle Township, DuPage County.

The appellant's appeal 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 George V. Krumb of REF Associates in Oak Park estimating the subject property had a market value of \$815,000 as of November 3, 2008. The appraisal was prepared for the appellant; the cover letter indicates the purpose of the appraisal was to develop an opinion of market value for the subject property as improved; the rights appraised were fee simple interest in the site and improvements.

As to the subject, the appraiser reported the property was listed on September 24, 2007 for \$999,000 and was subsequently reduced to \$949,000 before the listing was cancelled on December 9, 2007. The appraiser also reported the subject site is "across the street from a school parking lot." As to the dwelling, the appraiser prepared a floor plan sketch and reported a total living area of 3,758 square feet.

Under the cost approach, the appraiser estimated the subject's land value at \$350,000 based on the market extraction method. The appraiser determined a reproduction cost new for the subject dwelling including the basement and garage of \$461,110. Physical depreciation of \$18,880 was calculated resulting in a depreciated value of improvements of \$442,230. Next, a value for site improvements of \$20,000 was added. Thus, under the cost approach, the appraiser estimated a market value of \$812,200 for the subject.

Under the sales comparison approach, the appraiser used sales of three comparable homes located in Naperville and from .34 to .69-miles from the subject property. The comparables consist of parcels ranging in size from 7,920 to 10,440 square feet of land area. Each is improved with either a 2-story or 2.5-story frame or frame and brick dwelling ranging in age from 3 to 8 years old. The comparables range in size from 3,500 to 4,850 square feet of living area. Each of the comparable properties has a full basement, one of which includes finished area, central air conditioning, one or three fireplaces, and a two-car or three-car garage.

The comparables sold between March and October 2008 for prices ranging from \$805,000 to \$890,000 or from \$183.51 to \$230.00 per square foot of living area including land. In comparing the comparable properties to the subject, the appraiser made adjustments for land area, exterior construction, room count, size, lack of basement finish, garage size and other amenities. The analysis resulted in adjusted sales prices for the comparables ranging from \$801,000 to \$825,000 or from \$170.10 to \$233.71 per square foot of living area land included. From this process where all three sales were given equal consideration, the appraiser estimated a value for the subject by the sales comparison approach of \$815,000 or \$212.54 per square foot of living area including land.

In his final reconciliation, the appraiser concluded an estimate of value of \$815,000 since the sales comparison approach best reflects the motivations of market participants and was supported by the cost approach to value.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$271,667 which would reflect a market value of approximately \$815,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the final assessment of \$379,930 was disclosed.

The final assessment of the subject property reflects a market value of \$1,141,960 or \$299.65 per square foot including land using the 2008 three-year median level of assessments for DuPage County of 33.27%.

As to the appellant's appraisal, the board of review contends (1) the valuation date of November 3, 2008 is inappropriate for this 2008 assessment appeal; and (2) the 'intended use' of the appraisal was for a mortgage finance transaction so that the appraisal "is not an opinion of the ad valorem assessment value." Furthermore, two of the three sales were "outside of the subject neighborhood"; none of the comparables have a finished basement like the subject¹; and sales in 2008 are not utilized by the assessor because they were after January 1, 2008. Based on the underlying property record card, appraisal sale #3 has 4,463 square feet of living area, not 4,230 square feet.

In support of the subject's estimated market value based on its assessment, the board of review submitted a grid analysis of eight suggested comparable properties, four of which are located in the same neighborhood code assigned by the assessor and four of which are located in the same neighborhood as appraisal sale #3. No land size information was provided for these comparables, but each was improved with a two-story frame or masonry dwelling ranging in size from 3,792 to 4,293 square feet of living area. The dwellings were built between 1883 and 2007 and featured basements, five of which have finished areas, central air conditioning, one to three fireplaces, and a garage ranging in size from 638 to 782 square feet of building area. The properties sold between September 1998 and January 2008 for prices ranging from \$200,000 to \$1,340,000 or from \$48.61 to \$319.09 per square foot of living area including land.

Based on the foregoing evidence, the board of review requested confirmation of the subject's estimated market value as reflected by its assessment.

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). Proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales

¹ This assertion was contradicted by the board of review's grid analysis which included finished basement area for appraisal sale #1, which the appraiser reported.

of comparable properties, or recent construction costs of the subject property. *Official Rules of the Property Tax Appeal Board*, 86 Ill. Admin. Code Sec. 1910.65(c). 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 board of review and thus the Board concludes the subject dwelling contains 3,811 square feet of living area.

The appellant submitted an appraisal of the subject property with a final value conclusion of \$815,000 and reporting a recent listing price in December 2007 of \$949,000, while the board of review submitted eight sales, several of which were more distant in time to the assessment date of January 1, 2008 than the sales data presented in the appellant's appraisal.

Ordinarily, property is valued based on its fair cash value (also referred to as fair market value), "meaning the amount the property would bring at a voluntary sale where the owner is ready, willing, and able to sell; the buyer is ready, willing, and able to buy; and neither is under a compulsion to do so." Illini Country Club, 263 Ill. App. 3d at 418, 635 N.E.2d at 1353; see also 35 ILCS 200/9-145(a). The Illinois Supreme Court has held that a contemporaneous sale of the subject property between parties dealing at arm's length is relevant to the question of fair market value. People ex rel. Korzen v. Belt Ry. Co. of Chicago, 37 Ill. 2d 158, 161, 226 N.E.2d 265, 267 (1967). A contemporaneous sale of property between parties dealing at arm's-length is a relevant factor in determining the correctness of an assessment and may be practically conclusive on the issue of whether an assessment is reflective of market value. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill. App. 3d 369 (1st Dist. 1983), People ex rel. Munson v. Morningside Heights, Inc., 45 Ill. 2d 338 (1970), People ex rel. Korzen v. Belt Railway Co. of Chicago, 37 Ill. 2d 158 (1967); and People ex rel. Rhodes v. Turk, 391 Ill. 424 (1945). In light of this holding, the comparable sales submitted by both parties have been given less weight as compared to the appellant's December 2007 listing price of \$949,000, a mere month prior to the assessment date of January 1, 2008.

The Board finds the best evidence of the subject's fair market value in the record is this listing price by the appellant. The property was reportedly advertised for sale and the Board finds there is no evidence in the record that the listing price in December 2007 was not reflective of the subject's market value. Moreover, the board of review did not contest the reporting listing price of the subject property, thus, based on the foregoing facts, the Property Tax Appeal Board finds the subject's December 2007 listing price of \$949,000 was reflective of its upper limit of value.

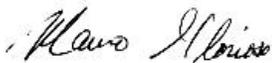
Based on the foregoing analysis, the Property Tax Appeal Board finds the subject property had a market value of \$949,000 on January 1, 2008. Since the subject's assessment reflects a substantially higher estimated market value of \$1,141,960, the Board finds that a reduction is warranted. Since the fair market value of the subject has been established, the Board finds that the 2008 three-year median level of assessment for DuPage County of 33.27% 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



Acting 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: November 18, 2011



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.