



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

APPELLANT: Ricardo Perez
DOCKET NO.: 08-04113.001-R-2
PARCEL NO.: 08-19-403-004

The parties of record before the Property Tax Appeal Board are Ricardo Perez, 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: \$144,910
IMPR: \$162,840
TOTAL: \$307,750

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 1.3-acres is improved with a two-story frame and brick exterior constructed dwelling that is 20 years old. The dwelling contains approximately 4,738 square feet of living area¹ with a full partially finished basement with stairway exit and English windows. Additional features of the dwelling are central air conditioning, three fireplaces, an attached three-car garage of 890 square feet of building area, and both a wood deck and a brick patio. 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.²

¹ The appellant's appraiser reported a dwelling size of 4,738 square feet supported by a schematic drawing. The board of review reported a dwelling size of 4,524 square feet supported by a complex schematic drawing on a property record card. Considering the comparable sales data presented by both parties, the Board finds the difference in the subject's dwelling size is irrelevant to a determination of the correct assessment of the subject property.

² While in Section 2d of the Residential Appeal petition, the appellant checked "assessment equity" as the basis of the appeal, the only evidence presented with the appeal was a copy of a 13-page paginated appraisal.

In support of this market value argument, the appellant presented an appraisal of the subject property. In addition, the appellant complained of the property tax bill of the subject as compared to a nearby neighbor. This latter argument concerning the taxes made by the appellant will not be addressed further in this record. The Property Tax Appeal Board is without jurisdiction to determine the tax rate, the amount of a tax bill, or the exemption of real property from taxation. (86 Ill.Admin.Code §1910.10(f)). There are many different factors which can impact a particular tax bill, including but not limited to, applicable exemptions.

The appraisal was prepared for the appellant for the purpose of a property tax appeal. The report was prepared by Frank Cincotta of Argianas & Associates, Inc., a State Certified Real Estate Appraiser, who appraised the fee simple rights of the subject. The appraiser noted that market area conditions were declining as described in a Supplemental Addendum and Market Performance Graphs. Based on this market trend, the appraiser reported that a market adjustment of .8 percent per month was factored into the sales comparison analysis. For this report, the appraiser used two of the three traditional approaches to value in concluding an opinion of market value of \$925,000 for the subject property as of January 17, 2009.

The appraiser reported certain features of the subject dwelling in a Supplemental Addendum. Those features included a two-story family room with a circular stairway to the second floor, a two-way stone fireplace, and other features including discussion of an addition built in 1991 on the second floor with a new master suite with private bath including a hydro-jet tub, separate shower and a large walk-in closet along with a deep trayed ceiling and sliding glass doors to a walkway overlooking the family room. Also in the report, the appraiser described the subject as having a superior feature of large plentiful windows facing the rear of the home.

Under the cost approach, the appraiser estimated the subject's land value at \$400,000 based on area land sales and abstraction from improved sales. The appraiser determined a replacement cost new for the subject of \$768,820. Physical depreciation of \$96,103 was calculated along with external obsolescence of \$76,882 due to "slow market conditions, a troubled US and world economy and a downward trend in market values" resulting in a depreciated value of improvements of \$595,835. Next, a value for site improvements of \$20,000 was added. Thus, under the cost approach, the appraiser determined an indicated market value of \$1,015,835 for the subject.

Under the sales comparison approach, the appraiser used three sales of comparable homes located between 0.23 and 2.52-miles from the subject property. The comparables consist of two-story frame or masonry and frame exterior constructed dwellings which were 14 or 19 years old. The comparables range in size from 4,019 to 6,106 square feet of living area. Each of the

comparables has a full walkout-style basement which is finished, central air conditioning, two fireplaces, decks and/or patios, and a three-car attached garage. Sale #1 has a screened porch and sale #2 has an in-ground swimming pool. The comparables sold between March and December 2008 for prices ranging from \$725,000 to \$1,200,000 or from \$180.39 to \$235.89 per square foot of living area including land.

As noted previously, the appraiser found concession adjustments were necessary due to market trends. In comparing the comparable properties to the subject, besides the afore-mentioned, the appraiser made adjustments for site size, view, room count, basement style, basement finish, functional utility and other amenities. This analysis by the appraiser resulted in adjusted sales prices for the comparables ranging from \$914,850 to \$959,900 or from \$150.28 to \$227.63 per square foot of living area including land. From this process, the appraiser estimated a value for the subject by the sales comparison approach of \$925,000 or \$195.23 per square foot of living area including land based on 4,738 square feet of living area. In the final reconciliation, the appraiser indicated the sales comparison approach was given most weight as it best reflects the attitudes of typical buyers and sellers.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$300,000 which would reflect a market value of approximately \$900,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$405,290 was disclosed. The final assessment of the subject property reflects a market value of \$1,218,185 or \$257.11 per square foot of living area including land using the 2008 three-year median level of assessments for DuPage County of 33.27% and a dwelling size of 4,738 square feet.

In support of the subject's assessment, the board of review submitted a memorandum addressing the appellant's evidence and a spreadsheet with five suggested comparables. The board of review contends that the valuation date of January 17, 2009 in the appellant's appraisal is inappropriate for a 2008 assessment appeal and valuation of the subject property as of January 1, 2008. Next, the board of review contends that the appraisal appears to have pages missing such as "Scope of Work." The board of review also criticizes the appraiser's selection of two comparables located outside the subject's neighborhood code assigned by the assessor.

In support of the subject's estimated market value based on its assessment, the board of review presented data on five suggested comparables, although only comparables #3 and #5 reflect "recent" sales. The submission by the board of review of equity data in the spreadsheet in response to the appellant's market value evidence was nonresponsive and will not be further addressed on this record. Moreover, sales data from 1998, 1999 and 2004 for

this 2008 assessment appeal are likewise not reflective of the subject's market value as of the assessment date at issue.

Comparables #3 and #5 are two-story dwellings of frame or masonry construction that were built in 2005 and 2006. The homes contain 4,859 and 5,050 square feet of living area, respectively. They feature basements, one of which is finished, central air conditioning, two and four fireplaces, respectively, and garages of 730 and 923 square feet of building area, respectively. These comparables sold in 2006 for \$1,295,000 and \$1,450,000 or \$266.52 and \$287.13 per square foot of living area including land.

Based on the foregoing evidence and based on the assertion that the appellant's appraisal has an inappropriate valuation date, the board of review requested confirmation of the subject's assessment.

In written rebuttal, the appellant contends the entire appraisal was submitted as received from the appraiser. The appellant also contends that the comparables presented by the board of review differ from the subject in expensive amenities and architectural features that are superior to the subject. Lastly, the appellant cites to a neighboring property, 620 E. Gartner, which the board of review represented as one of the appellant's comparables.³ This property has no recent sale data, having last sold in 1997, and in the rebuttal argument, the appellant contends that this property is the best representative property to the subject. In rebuttal, the appellant has made an assessment equity argument and requested that the Property Tax Appeal Board reduce the subject's assessment based on lack of uniformity in assessments as compared to this one comparable.⁴

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. 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.

³ The board of review appears to be in error in its contention that this property was presented before the Property Tax Appeal Board as a suggested comparable.

⁴ A party may not alter the basis of the appeal from a market value claim to an equity claim in the course of filing rebuttal evidence. Moreover, as just one example, the property cited by the appellant was built in 1960 as compared to the subject which was constructed in 1988. Lastly, one comparable is typically insufficient to establish a lack of assessment uniformity, assuming the comparable was sufficiently similar to the subject for comparison.

The Board finds the appellant submitted an appraisal of the subject property with a final value conclusion of \$925,000 as of January 17, 2009. The Board further finds that the appraisal of 13-pages has consecutive page numbers in the upper right-hand corner of the document and there is nothing in the document to suggest that portions of the document were not submitted as evidence in this matter.

As to the board of review's argument that the appellant's appraisal is in essence insufficient to establish the market value of the subject property as of January 1, 2008, the assessment date on appeal, the Property Tax Appeal Board finds no merit to this argument. Proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. *Official Rules of the Property Tax Appeal Board*, 86 Ill.Admin.Code §1910.65(c). The Cincotta appraisal with a valuation date of January 17, 2009 was filed to challenge the assessment date of January 1, 2008 in this matter. In Cook County Board of Review v. Property Tax Appeal Board, 334 Ill. App. 3d 56, 777 N.E.2d 622 (1st Dist. 2002), the court stated "[t]here is no requirement that a taxpayer must submit a particular type of proof in support of an appeal. The rule instead sets out the types of proof that *may* be submitted. . . . Whether a two-year old appraisal is 'substantive, documentary evidence' of a property's value goes to the weight of the evidence, not its admissibility. [citing Department of Transportation v. Zabel, 47 Ill. App. 3d 1049, 1052, 362 N.E.2d 687 (1977) (whether a six-month-old appraisal is sufficient to establish value is for the trier of fact to consider in weighing the evidence)]." Moreover, in this regard, the board of review in support of the subject's estimated market value presented only two "recent" sales of properties that sold in 2006, which is a date more than one year removed from the assessment date of January 1, 2008.

Furthermore, the Property Tax Appeal Board finds that these two recent sales submitted by the board of review consist of dwellings that were built in 2005 and 2006 whereas the subject was built in 1988. Thus, the sales presented by the board of review were substantially newer than the subject dwelling and therefore dissimilar, particularly where the evidence presented by the board of review did not include adjustments for the difference in dwelling age.

The Board finds the best evidence of market value in the record is the appraisal of the subject property submitted by the appellant. The appellant's appraiser estimated the subject property had a market value of \$925,000 as of January 17, 2009. In estimating the market value of the subject property, the appellant's appraiser utilized the sales comparison approach. The sales were from 2008 and had a range of unadjusted sale prices from \$725,000 to \$1,200,000 or from \$180.39 to \$235.89 per square foot of living area including land. The appraiser made

adjustments to the comparables to account for differences from the subject property. The Board finds the appraiser's conclusion of value appears credible, logical and reasonable in light of the sales within the report and this data has not been contradicted by the board of review's presentation of much newer dwellings that sold in 2006, a date further distant from the valuation date of January 1, 2008, than the opinion of value presented by the appraiser. Thus, despite the board of review's criticisms, the appraisal submitted by the appellant estimating the subject's market value of \$925,000 or \$195.23 per square foot of living area including land is still the best 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 established, the three-year median level of assessments for DuPage County for 2008 of 33.27% shall be applied.

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.

Donald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario Morris

Member

J. R.

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: June 22, 2012

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.