FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Dan & Penny Wolf
DOCKET NO.: 08-04502.001-R-3
PARCEL NO.: 06-35-405-001

The parties of record before the Property Tax Appeal Board are Dan & Penny Wolf, the appellants, by attorney Ellen G. Berkshire of Verros, Lafakis & Berkshire, P.C., in Chicago; the DuPage County Board of Review; and the Hinsdale Twp. HSD No. 86, intervenor, by attorney Alan M. Mullins of Scariano, Himes and Petrarca in Chicago.

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:	$416,470
IMPR.:	$512,518
TOTAL:	$928,988

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 98,881 square feet of land area is improved with a two-story single-family dwelling of frame and masonry exterior construction that contains 5,848 square feet of living area. The home was built in 1986 and features include a full unfinished basement, central air conditioning, two fireplaces and an attached four-car garage. The subject is located in Oak Brook, York Township, DuPage County.

Although the appellants originally requested a hearing in this matter, subsequently that request was waived and agreed to by the board of review. Therefore, the decision of the Property Tax Appeal Board contained herein shall be based upon the evidence contained in and made a part of this record.

The appellants through legal counsel submitted an appeal claiming overvaluation. In support of this argument, the appellants presented a cover letter along with data prepared by Michael J. Wood and Edward V. Kling, the latter of whom has the Member of

the Appraisal Institute (MAI) designation. Both gentlemen are affiliated with Real Valuation Group, LLC in St. Charles and in a cover letter they wrote:

> The attached evidence is a product of our research and analysis regarding the Breakenridge Farms subdivision in Oak Brook, Illinois. We performed a sales ratio study that took into account the recent residential home sales in the neighborhood. The gross living areas of the homes as well as the total building area, including the finished basement areas, were considered within the analysis. This study incorporated median home sales prices, average home sales prices and an indication via cost analysis. The cost analysis took the underlying land value, as determined by the township assessor, as a basis for these estimates. Depreciation levels were substantiated through analyzing sales in the neighborhood and the replacement costs for the homes within Breakenridge Farms were calculated utilizing figures from the Marshall and Swift Cost Manual. After performing this analysis the indications were blended from the median sales price, average sales price, and cost analysis. These figures were compared to the township assessor's opinion of market value.

Attached to the cover letter were multiple pages with no additional analysis or explanation. Page one of the submission is entitled "Cost Analysis" and depicts 30 properties, including the subject. The subject is highlighted on this page with an estimated replacement cost of $1,704,961, depreciation of 31% for a remaining improvement value of $1,176,423, plus the land value of $1,249,410 for an estimated total value of $2,425,833 under this "cost analysis."

Page two of the submission is entitled "Sales Information" which depicts 13 sales of two-story or part one-story and part two-story homes that range in size from 3,453 to 11,053 square feet of living area. All, but one of these homes, are reported to have basements ranging in size from 1,067 to 6,187 square feet of building area. These dwellings were built from 1956 to 2000 and have one-car to five-car garages. The parcels range in size from 42,274 to 108,900 square feet of land area. The properties sold from July 2005 to October 2008 for prices ranging from $1,675,000 to $4,500,000. Moreover, these comparables had total assessments ranging from $428,230 to $1,444,990, reflecting assessor's opinions of market value ranging from approximately $1,284,690 to $4,334,970. According to these appraisers, the assessor's opinion of full market values versus sales price for these properties ranged from 31.85% below the sales price to 22.69% above the sales price.

Page three of the submission is a chart entitled "Sales Ratio Study Indications and Cost Analysis Summary," which repeated the original 30 properties, including the subject, and presented five

separate column headings of: "Estimated value w/median $/square feet of living area of total area"; "Estimated value w/median $/square feet of living area of GLA"; "Average of GLA & total area"; "Estimated total value via cost"; and "Assessors opinion of market value." On this chart, the subject property was highlighted with figures in the respective columns of: $2,059,050; $1,865,512; $1,962,281; $2,425,833; and $3,158,190.

Pages four and five of the submission (apparently duplicates of the same page) are both entitled "Sales Ratio Study Indications" with a chart that sorted these 30 properties by four of the similar column headings as page three (the cost column was removed), but with an added fifth column headed "Percentage difference." The appraisers compared the assessor's opinion of market value to what they had calculated to be the value of the respective properties by averaging values calculated using the median value per square foot of total area and the median value per square foot of gross living area. In the fifth column, the properties were indicated to have market values calculated by the assessor that were from 17.51% below the value calculated by the appraisers to 210.67% above the value calculated by the appraisers, with an average of 75.91% above the value calculated by the appraisers. The subject was indicated to have a value calculated by the assessor that was 60.94% above that calculated by the appraisers.

The last page of the appellants' submission entitled "Sales Sheet" is a chart depicting the 13 comparable sales described previously, but now reporting rounded per-square-foot of living area sales prices that range from $240 to $546 and "total area" sales prices that range from $143 to $426 per square foot of 'total' living area. The median sales price per square foot of living area is reportedly $319 and the median sales price per total area is reportedly $210; the average sales price per square foot of living area is $330 and the average sales price per total area is $235.

Based on the foregoing submission, the appellants requested that the subject's total assessment be reduced to $808,530 which at the statutory level of assessment of 33.33% would reflect a market value of $2,425,833 or $414.81 per square foot of living area including land as depicted in the appraisers' "Cost Analysis" for the subject on page one of the submission.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of $1,052,730 was disclosed. The subject has an estimated market value of approximately $3,164,202 or $541.07 per square foot of living area including land based on its assessment and the 2008 three year median level of assessments for DuPage County of 33.27%. (86 Ill.Admin.Code §1910.50(c)(1)).

The intervening taxing district by letter dated July 21, 2010 adopted the evidence submitted by the board of review.

In support of the subject's assessment, the board of review submitted a letter prepared by Ronald Pajda, Deputy Assessor in York Township, along with a spreadsheet of sales and applicable property record cards. The deputy assessor reported that in the Breckenridge neighborhood, there are 47 total parcels where 13 parcels are vacant lots. The subdivision parcels range in size from 1 to 8.79-acres of land area.

The deputy assessor also reported, based on his selected comparables, that the subject's improvement assessment should be reduced to $512,520 for total assessment of $928,990 which would reflect a market value of approximately $2,786,970 or $476.57 per square foot of living area including land.

To support the proposed reduction in the subject's estimated market value, the assessor presented a spreadsheet of five comparables, two of which were sales. These sold comparable parcels contain 49,642 and 123,710 square feet of land area, respectively, and are improved with two-story dwellings of masonry exterior construction. These homes were built in 1929 and 1985. They contain 6,140 or 7,212 square feet of living area. Features include full or partial basements and three-car or four-car garages. These properties sold in May 2005 and September 2006 for prices of $3,200,000 or $3,625,000 or for $502.63 and $521.17 per square foot of living area including land, respectively.

Based on this evidence, the assessor on behalf of the board of review requested a reduction in the subject's assessment to reflect a market value of $2,786,970 or $476.57 per square foot of living area including land.

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 Property Tax Appeal Board further finds a reduction in the subject property's assessment is warranted.

The appellants contend overvaluation as the basis of the appeal. When market value is the basis of the appeal, the value 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). 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. 86 Ill.Admin.Code §1910.65(c). After analyzing the market evidence submitted, the Board finds the sales data submitted by the board of review supports a reduction in the subject's assessment.

The Board finds the appellants submitted a Sales Ratio Study Indications and Cost Analysis summary consisting of various charts, depicting in various configurations 30 properties and 13

sales.[1] The comparables had very limited descriptions and varied widely in size from 2,320 to 15,192 square feet of gross area. The 13 sales also differed significantly in living area, ranging from 3,453 to 11,053 square feet. The appellants submitted no further explanation of how these charts and factors purportedly demonstrate how the subject's assessment was not reflective of its market value. The charts were confusing in their construction and incomplete in the data supplied. The charts and the appraisers' letter failed to demonstrate in a coherent manner that the subject's assessment was not reflective of its market value. For these reasons, the Board gave no weight to the appellants' evidence as to the cost analysis and/or a sales ratio study.

The Property Tax Appeal Board finds that based upon the assessment reduction request, the appellants were relying upon the appraisers' cost analysis for purposes of this appeal. However, the courts have stated that where there is credible evidence of comparable sales these sales are to be given significant weight as evidence of market value. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill.App.3d 207 (2nd Dist. 1979), the court held that significant relevance should not be placed on the cost approach or income approach especially when there is market data available. In Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill.App.3d 9 (5th Dist. 1989), the court held that of the three primary methods of evaluating property for the purpose of real estate taxes, the preferred method is the sales comparison approach. The Board finds there are credible market sales contained in this record. Thus, the Board placed most weight on this evidence.

The appellants submitted 13 suggested sales. The only descriptive data was location within the subdivision, lot size, dwelling size and/or basement size. There were no other feature details such as design, exterior construction, age and/or features/amenities to compare to the subject property. Therefore, due to the lack of sufficient details regarding these 13 sales, the Board was unable to give this data any weight.

The Property Tax Appeal Board finds that the board of review submitted two sales to support reducing the subject's estimated market value based on its assessment. These properties sold for prices of $3,200,000 or $3,625,000 or for $502.63 and $521.17 per square foot of living area including land. The subject's estimated market value of approximately $3,164,202 or $541.07 per square foot of living area including land is above the range of these comparable sales on a per-square-foot basis. Thus, the assessor/board of review proposed reducing the subject's assessment to reflect a market value of $2,786,970 or $476.57 per square foot of living area including land causing the subject to fall below the range of these comparables. In summary, the Board

[1] There did not appear to be any overlap or redundancy between the 30 properties which were charted and the 13 sales that were listed.

finds the evidence in the record supports a reduction the subject's assessment as proposed by the assessor.

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: October 19, 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.