FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Alexander & Bernadeth Gatdula
DOCKET NO.: 09-00230.001-R-1
PARCEL NO.: 07-01-12-102-021-0000

The parties of record before the Property Tax Appeal Board are Alexander & Bernadeth Gatdula, the appellants, and the Will 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 **Will** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	$42,500
IMPR.:	$106,765
TOTAL:	$149,265

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of approximately 11,830 square feet is improved with a two-story frame and brick exterior constructed single family dwelling built in 2005. The dwelling contains approximately 3,900 square feet of living area[1] with a full unfinished basement, central air conditioning, a fireplace and an attached three-car garage. The subject property is located in Naperville, Wheatland Township, Will County.

The appellants' appeal contends the market value of the subject property is not accurately reflected in its assessed valuation. In support of this argument, the appellants submitted an appraisal prepared by real estate appraiser Cornelius R. McDonald, Jr. of McDonald & Associates estimating the subject property had a market value of $450,000 as of April 23, 2009. The purpose of the appraisal was for "refinance transaction." The appraisal was prepared to estimate the market value of the

[1] The appellants' appraiser reported a dwelling size of 3,896 square feet supported by a schematic drawing and the assessing officials reported a dwelling size of 3,991 square feet supported by a property record card with a schematic drawing.

subject in fee simple title. As to area market conditions, McDonald reported median values were decreasing about 1% a month for the past year, there is a 15-16 month supply of properties based on the pace of sales for the past six months and recent sales and listings reflect average marketing times of 184 days. (See also page 3 of report discussing number and median values of area properties for prior 12 months to active listing information).

Under the sales comparison approach, the appraiser used five comparable homes, three of which were sales and two listings all located between 0.19 and 0.90 miles from the subject property. The comparables consist of two-story frame or brick and frame dwellings which were from 4 to 16 years old. The comparables ranged in size from 2,969 to 3,578 square feet of living area. Each of the comparable properties has a full or partial basement, three of which include finished area. The homes have central air conditioning, a fireplace and a three-car garage.

Three comparables sold between January and March 2009 for prices ranging from $420,000 to $435,100 or from $130.43 to $146.51 per square foot of living area including land. Comparable listings #4 and #5 had asking prices of $489,000 and $439,000, respectively, or $136.92 and $145.94 per square foot of living area including land. In comparing the comparable properties to the subject, the appraiser made adjustments to the listings for "financing concessions"[2] and all of the properties for differences in age, room count, dwelling size, basement size and basement finish. The appraiser noted that dwelling size differences of the comparables to the subject were greater than desired, but these were the most recent suitable sales for comparison.[3] There also were no sales of similarly aged dwellings. This analysis resulted in adjusted sales prices for the comparables ranging from $439,300 to $470,046 or from $131.37 to $152.01 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 $450,000 or $115.38 per square foot of living area including land based on the size estimate of 3,900 square feet of living area in this decision.

In his final reconciliation, the appraiser concluded an estimate of value of $450,000 since the sales comparison approach best reflects the actions of market participants, but noted the cost approach to value also supported the conclusion even though there was no cost approach to value in the report.

Based on this evidence, the appellants requested a reduction in the subject's total assessment to $158,426 which would reflect a market value of approximately $475,280.

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[2] The list/sell ratio was based on the median variance of the past 6 months or 94%.

[3] Erroneously the appraiser found the comparables "bracket" the subject in terms of size even though each is smaller than the subject.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of $178,884 was disclosed. The final assessment of the subject property reflects a market value of $539,295 or $138.28 per square foot including land based on approximately 3,900 square feet of living area and using the 2009 three-year median level of assessments for Will County of 33.17%.

As to the appellants' appraisal, the Wheatland Township Assessor noted the purpose of the report was for re-financing purposes and homes in the subject's subdivision were not analyzed. Moreover, Sale #3 in the report reportedly "is a Special Warranty Deed sale." "These homes should never have been utilized as comparables to the subject project property."

In support of the subject's estimated market value based on its assessment, the assessor submitted a four-page grid analysis of twelve suggested comparable properties "all within 500 square foot of the appellants' square footage all within their subdivision." The assessor acknowledged that most of the sales occurred in 2006, "but [the subject] is assessed at a market value of $536K which is well within the average of these sales."

The comparables are described as two-story frame dwellings ranging in size from 3,530 to 4,125 square feet of living area. The dwellings were built between 2003 and 2006 and feature basements, one of which has finished area. Each enjoys central air conditioning and a two-car or three-car garage. Eleven of the comparables have one or two fireplaces. The properties sold between January 2006 and July 2008 for prices ranging from $450,000 to $563,500 or from $123.65 to $157.09 per square foot of living area including land.

Based on the foregoing evidence, the board of review requested confirmation of the subject's 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 appellants 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.

The appellants submitted an appraisal of the subject property with a final value conclusion of $450,000 as of April 23, 2009 for this assessment appeal where the issue is the best evidence of the subject's market value as of January 1, 2009. In response to this appeal, the board of review submitted twelve sales, all

of which were more distant in time to the assessment date of January 1, 2009 than the sales data presented in the appraisal. Moreover, the board of review's three most sales which occurred in August 2007, September 2007 and July 2008 ranged from $450,000 to $491,600 with the sale from 2008, which is the most proximate in time of the three sales, being the lowest sale price. It is also recognized that the subject dwelling was larger than each of the comparables presented in the appraisal. Accepted real estate valuation theory provides that all factors being equal, as the size of the property increases, the per unit value decreases. In contrast, as the size of a property decreases, the per unit value increases. Thus, in this regard, the value conclusion appears to be supported in the report.

The Property Tax Appeal Board finds that, despite the board of review's limited criticisms, the appraisal submitted by the appellants estimating the subject's market value of $450,000 is the best evidence of the subject's market value in the record and is further supported by the most proximate sale comparable suggested by the board of review.

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 Will County for 2009 of 33.17% 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.

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: July 20, 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.